

## LETTER OF UNDERSTANDING

Mr. François Paradis  
National President  
Union of Postal Communications Employees  
233 Gilmore Street, 3<sup>rd</sup> Floor  
K2P 0P1

July 4, 2016

Re: Application of Seniority for UPCE Represented Employees Acting Outside of the Bargaining Unit

Dear François,

As the parties have recognized the benefits of working collaboratively together on issues and of coming to a mutual understanding regarding the interpretation of the Collective Agreement, discussions have been held between the parties at the National level with respect to the application of the seniority provisions of the collective agreement. Specifically, the parties have addressed how these provisions apply when a UPCE represented employee is acting in an assignment outside of the bargaining unit.

In terms of the application of Clause 24.06c) of the collective agreement (loss of seniority), the parties agree that an employee who is on assignment, promotion, demotion, transfer, loan or appointment outside of the UPCE bargaining unit will continue to accrue seniority for the first six (6) months of an assignment. Should the employee continue to act outside the bargaining unit for longer than 6 months, he or she shall no longer accrue seniority, however he or she will not lose the seniority accumulated during the course of employment within the bargaining unit.

In order to support the understanding reached between the parties outlined above, the Corporation will cease its practice of creating an "artificial break" in service at the 6 month mark for long term assignments, promotions, demotions, transfers, loans, or appointments outside of the bargaining unit.

It is understood that this letter does not change or impact the current process or practice related to the seniority of any surplus employee who may be assigned outside of the bargaining unit according to Clause 28.10f) of the collective agreement.

In addition, it is understood by the parties that this letter does not change the current practice with respect to the collection of union dues or the representation rights of members of UPCE when they are acting outside of the bargaining unit.

This letter of understanding remains in effect for the duration of the current collective agreement, and may be renewed between the parties as needed.

Sincerely,



Katharine Price-Raas  
Director, Labour Relations