Your Choice, Your Future!
Please think carefully about the agreement and take time to understand the overall aim of the agreement, which is to safeguard your jobs, your future and our industry in a difficult economic and commercial climate.

Communication Workers Union
Dear Members

From the 9th April ballot papers for the Business transformation 2010 and beyond agreement will be posted out to all CWU members. It is important that everyone uses their vote but it is equally vital that any uncertainties / rumours are cleared up before you make your choice.

BACKGROUND TO THE AGREEMENT

This agreement has been negotiated against a backdrop that is incomparable with anything ever faced by CWU negotiators. It is easy to pretend that these factors do not exist but the reality of the situation is that the future of our Industry sits on a knife edge for a number of reasons.

Events outside of the negotiating environment have included

- The biggest Pensions deficit in Europe with the projected gap set to top £10bn. Put simply if Royal Mail was not owned by the Government then it would have no viable future.
- A Worldwide recession – Members will see friends and families losing jobs, taking pay cuts and fighting for work. The recession has also caused volume / revenue drops for postal administrators across the globe.
- A possible change of Government – Members have to consider the prospect that we could soon be seeing a Tory Government and that a 3 year signed deal will protect us against their early attacks.
- Competition – whether we like it or not is eating into the mails market and therefore attacking our jobs and futures. Key changes in this agreement like D2D will enable Royal Mail to fight back.
- Global Mail Volume Falls – Again it is hard for our members – particularly in deliveries where RM have pushed harder and harder for savings recently – to see a loss of volume. Our Mail Centre members however will see before their eyes the changes due to DSA and a reduction in mail.
- Industrial Relations / TRUST – The whole agreement hinges on improving relations at all levels. This will be overseen by ACAS. Many members and even CWU Officials will be thinking ‘here we go again or we’ve heard this before’. The stark truth of the situation now is that the company has acknowledged that they cannot make the changes needed to put the business on a sound footing without the support of the trade union and its members. These changes are not going to happen overnight but the CWU are committed to eradicating the bullying and intimidating approach to management that we have seen over recent times.

When considering the operational changes contained within the agreement they must be judged both on their own merit but also alongside the issues above.

VOTE YES X
REWARD

When compared against pay awards that are currently being agreed in the public or private sector the reward package on offer for CWU member stands out. The fact that the UKs right wing press have labelled the deal as a ‘Government and business sell out to strikers’ should go some way to highlighting to members the achievements that have been made.

On Pay the 6.9% over 3 years (over 7% when the year on year impact of the rises is added) gives members the security of a long term deal as well as raising basic pay in line with CWU Conference policies.

CWU members will see the following differences in their pay packets across the 3 year period....

<table>
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<tr>
<th>OPG DELIVERIES –</th>
<th>Currently - £347.61.</th>
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<td>April 2012 - £393.73 (including delivery supplement) plus one hour off the working week (worth an additional 2.5%)</td>
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<table>
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<tr>
<th>OPG MAIL CENTRES</th>
<th>Currently - 347.61.</th>
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<tr>
<td>April 2012 - £383.11 (including mail centre supplement) plus one hour off the working week (worth an additional 2.5% in cash value)</td>
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<tr>
<th>MGV PROFESSIONAL DRIVERS CLASS C - RM LETTERS</th>
<th>Currently - £406.52</th>
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<tr>
<td>April 2012 - £443.87</td>
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Reward outside the basic pay / shorter working week includes an increase in maternity and paternity pay for all members in Royal Mail.

The agreement also see’s the complete reshaping of the colleagueshare scheme and the majority of the payments are now linked to operational change rather than business performance.

Lump sums on offer as part of this deal total around £2500.

OPERATIONAL CHANGES

Mail Centres / RDCs / VOCs / MDEC

Prior to the dispute Royal Mail embarked on a rationalisation program for Mail Centres / RDCs / VOCs / MDECs with absolutely no involvement of the CWU.

Sites were being announced for closure without negotiation or consultation and any CWU counter proposals were simply disregarded by the business.

The Business transformation 2010 and beyond document puts the CWU right back in the room. Negotiation, Consultation and involvement will now take place at all levels. The CWU will have access to all relevant data, be given the chance to counter any proposals and to shape the future network.
It is a fact that in 3-5 years there will be less sites in the Royal Mail network but the rationalisation framework will protect members in these functions and give the CWU at all levels a voice in the decision making process.

There will be some very difficult situations for CWU members working in Mail Centres / RDCs / VOCs / MDECs over the coming months and years. This agreement gives all members the protection of a national framework and brings to an end a series of local initiatives that were being used by the business.

**DELIVERIES**

A lot of the focus of this agreement has fallen onto deliveries. This is for two reasons. 1 This is the function that will face the most change in day to day working practices and 2 The CWU have faced up to and dealt with every single issue on deliveries.

- **Agreed Work Standards**
  Royal Mail using and manipulating delivery revision and standards tools was at the heart of the dispute. Workshops will now be rolled out across the UK and all members will work to a nationally verified standard. This brings to an end local revision tools and will give postal workers the confidence to challenge managers based on real agreed facts and figures.

- **6 Step Revision Process**
  The revision process that was being used by the business prior to the dispute failed to give even a mention to the local CWU representative. The new agreed process will see your representative fully involved and signing off every single step. Representatives will have access to all relevant data – traffic, work standards, mail streams etc. The objectives of the revision will now be driven by the staff with a non-binding preference exercise being conducted to seek the priorities of the membership prior to the revision starting.

- **Delivery Methods**
  New delivery methods such as Car Derived Vans (with nationally agreed guidelines protecting CWU members from local interpretation), HCTs and electric HCTs will be rolled out across the UK. This will achieve two major longstanding CWU Conference polices – Taking weight off the shoulder and banning cars on delivery. This will improve the safety of our members as well as protect jobs.

- **Attendance Patterns / Saturdays**
  The original position of the business was to maintain standardised attendance patterns with all staff working until 3pm on a Saturday. The negotiators have now developed a menu of options for duty sets that include 4 day weeks, 9 day fortnights and M-F duties. As well as this the agreement contains a commitment to a minimum of 1 in 4 Saturdays off. It is our opinion that there is no reason why units should not be looking to better this using the menu of options and other new ideas. There is still a myth circulating that everyone will be working until 3pm on a Saturday. This is simply not true with the majority set to finish by 2pm.

**D2D / DELIVERY SUPPLEMENT**

There is no point hiding from the fact that in the short term there will be some financial losers from the D2D payments ceasing. **What is not debatable however is that moving D2D into workload is the right decision to make.** We know that walk sequencing and the changes in mail streams will result in a fall in workload in delivery offices. **The choice for the CWU was to stand by and see walks made part time and jobs go out of the industry or to put D2D into workload and work with the company to grow this product. More mail = More jobs.**

Last year the business turned away £30-40m worth of D2D contracts due to the cap. No trade union can continue to defend that position. How can anyone justify turning work away against the current economic backdrop? The whole culture of D2D must now change. It will be treated the same as any other item.

As well as now getting paid for D2Ds in time there will also be a new delivery supplement for ALL delivery staff of £20.60. **Unlike D2Ds this will be paid 52 weeks per year and will rise with every pay increase.** The 20.60 is made up of all monies currently being paid out to members on D2D (an achievement because the CWU has managed to
get Royal Mail to pay twice for the same mail – time and money) and the Early Shift allowance. The reason the Early Shift Allowance was moved into the 20.60 was because that money is dying out of the Industry every year. With each person that leaves follows that money. The New supplement will be paid to all new entrants and be a continuous cost to the business.

There is some confusion around the supplement being pro-rata. The reason for this is that it is a supplement and not a D2D payment. Part-time members will be paid for D2D items in exactly the same way as FT members –in time. **Also PT members will make up the majority of the difference (and in some cases more) with the hourly rate increase when the FT members get a shorter working week.**

Members will be worried that managers will force you to absorbed D2D or continue to do it in your own time. This will be covered off in the 6 step revision plan (with D2D being an agreed part of the traffic measurement) and each office will have to agree interim measures to deal with D2D prior to the 1st revision.

The decisions that have been taken on D2D were not easy and it is recognised that some members are not happy with the short term financial loss. We ask that you look at the agreement as a whole and back the Union’s decision to put job security ahead of what is basically an unguaranteed overtime payment.

**SUMMARY**

It is now the turn of the membership to have their say. The Unions negotiators have reached a final position.

**The PEC has overwhelmingly backed this agreement as have the vast majority of branches.**

We simply ask that you take the time to read through the whole document (copy available from the branch) and take into account all of the factors surrounding this agreement. Ask yourself what other trade union has secured a 3 year pay deal this year? What other trade union has negotiated a shorter working week with no loss of pay? What other trade union has secured a commitment to no compulsory redundancies?

It is clear that if it was not for the strike action in 2009 then this Union and your voice would have been destroyed. Whatever your thoughts on the agreement, what is not in doubt is that Royal Mail never wanted to be where we are today. Their vision was one of continued change without agreement or reward. We have moved them dramatically and that is down to your action.

Thank you as always for your continued support. Please use your vote and vote YES.

**YOUR BRANCH COMMITTEE RECOMMENDS THAT YOU VOTE **YES X**

**BALLOT PAPERS DISPATCHED 9TH APRIL CLOSES 23RD APRIL**

**THIS IS YOUR OPPORTUNITY TO DECIDE YOUR FUTURE.**

**USE YOUR VOTE**