

## CWU/Eir Pay Proposal – Questions and Answers

This document should be read in conjunction with the terms of the pay offer document which details how it will be applied to different work groups in eir and their specific terms and conditions. Many of the questions below deal with how the offer applies to 'graded' staff but many other groups will now benefit from this deal and will be invited to vote on it for the first time. The National Executive Council (NEC) is recommending a vote to accept the offer.

- **How will my pay change?**

The pay offer (6%) covers three years at 2% per year. Your pay will change depending on the work area and type of employee you are. For example, staff who are 'graded' will see their pay increase, partly in base pay and partly in the transition payment they receive (Transition payment is DB pensionable). Other staff who receive commission as a regular part of their pay will have the increase split between base pay and commission as has been the case previously.

In the pay offer information, each work group is covered separately, and this should be read in conjunction with this document.

- **When will pay increase be effective from?**

1<sup>st</sup> July 2021. The current pay deal is in its final year and will finish on June 30<sup>th</sup>, 2021.

- **What grades/PC population are comprehended by this deal?**

These deals encompass Graded staff, IT People Platform, FLM & SOM, Former Apprentices, Retail, Call Centre and those working in 'FOTS' roles. See the pay offer information for details on how the offer applies to your work group.

- **Is the pay deal performance related?**

The pay deal provides for a 2% increase per year for three years. For some staff pay is performance related. If you have a variable pay element i.e. commission; this will vary depending on your level of sales for example.

- **How long will the deal last?**

3 years (July 2021 - June 2024).

- **When does the ballot have to be returned by?**

The ballot should be returned in the freepost envelope to arrive with our auditors before **12 noon, Friday, December 4<sup>th</sup>**.

- **What are the main terms of the deal?**

Please see the attached document for the main terms of the deal as they apply to your work area. For graded staff, the main point is that the increase will be split between the DB increase as per the Accord, Transition Payment which is eligible for DB and the balance will be eligible for the Defined Contribution pension.

- **Are staff in the call centres included in this deal?**

Yes, for the first time staff working in the call centres are included in the terms of this proposal. For call centre staff, the 2% increase will be applied to base pay in year 1, amounting to a 2.4%/2.6% increase (taking into account variable pay). Please see attached for details.

- **Why is my pay not fully DB pensionable?**

The rules of the Pension Accord, which was agreed by the Union and the company to protect the pension scheme, precludes all increases being eligible for DB pension. But the bulk of the pay deal will contribute to the DB pension.

- **On my payslip it shows non- pensionable pay – how or will this change in the new deal?**

This will remain and the element eligible for DC pension will be classified as this.

- **What is the Transition Payment?**

The transition payment is a payment for staff eligible for DB pension in recognition of the changing nature of the working environment within eir.

- **How is it calculated?**

Please see example in table attached to the **Graded deal**. For DB members the 2% per year will have 3 elements.

1. Accord element (CPI that is DB pensionable)
2. Transition Payment element (DB pensionable) that will be 70% of the 2% minus accord above.
3. Non Pensionable element what remains of 2% following 1+2 above.

*In effect each year **at least** 1.4% will be DB pensionable.*

- **Is the Transition Payment different from the previous pay deal?**

The pay deal is comprised of the Transition Payment. The difference with the previous deal is that it accumulates each year and it is a percentage of the pay increase as opposed to the previous deal where it was a set figure. This will lead to much higher transition payment being accrued for these staff over the period of the deal. For example, the previous transition payment reached a maximum of €600 whereas this deal starts at this figure.

- **How will the Transition payment be reflected in my DB pension?**

It will be treated in the same way as a DB pensionable allowance.

- **What is the impact of this deal on my pensionable allowances?**

Allowances in the nature of pay will increase in line with the base pay increase. See appendices 1 and 2 in the enclosed documents.

- **How is the Pension Accord percentage calculated?**

As outlined in the Pension Accord, it's the lowest of three factors - CPI in the previous year, the increase in that year or a set percentage as documented in the Accord.

- **What is a DC pension?**

The Defined Contribution (DC) pension in eir is provided in conjunction with the DB Pension scheme. It is a matched scheme, i.e. eir will contribute along with the employee. It is seen as way to make the most of pay that is not going into the DB pension scheme.

- **Will my DC contributions increase under this new pay deal?**

Yes, if you are in the scheme and as your pay not going into the DB pension scheme increases so does your amount eligible for DC.

- **I am not a member of the DC Scheme – how do I become a member?**

Contact HR People Services.

- **Is the deal different for Retail/Centres/FOTS etc?**

Yes, it is. If you are in these work groups you should review the attached proposal for more info.

- **What are the differences?**

There is no DB pensionable element and the fact that they have a variable pay element is reflected in the deal specific to the relevant area.

- **How does the deal impact on the People's Platforms (SOM/FLM/IT Platform)?**

People platform members will receive the 2% per year also. Movement to band max is DB pensionable. Under this pay deal there will be over band payments of 2% that includes the pensionable transition payment.

- **Are there changes to the sick leave policy?**

Yes, there is an amendment to the application of the policy for staff during the first year of service after probation.

## **'5.2 Employees who have passed probation and have less than 1 years' continuous service**

Employees who have successfully passed their probation but who have less than 1 years' continuous service post probation are not entitled to sick pay for the first 5 working days of any incidence of absence. **Those on fixed term contracts are excluded from this.'**

- **What is a redeployment process and what is required from the C.W.U.?**

As there is no agreed redeployment process the company have requested us to enter discussion to agree a process. Any proposals will require agreement from the NEC as normal.

Redeployment might occur when an individual staff members' role has changed/ceased. This happens very rarely (the CWU had to deal with 1 individual who was redeployed in the last 12 months) and we will always endeavour to identify a number of possible options being made available to the member.