



An Coimisiún um Chaidreamh san Áit Oibre  
Workplace Relations Commission

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An Post

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4<sup>th</sup> January, 2021

**Re: c-165515-21: An Post/ Group of Unions : Pay Claim 2020**

Parties: An Post, Communications Workers' Union,  
Fórsa, Association of Higher Civil and Public Servants

**Background:**

Following Labour Court hearings in October, 2015 and March, 2016, Court Recommendation LCR21563 was accepted by both parties. As included in that recommendation, the Labour Court-appointed Monitoring Group verified that the necessary savings had been achieved and that the consequential payments had been made.

However, since that time, the postal business in Ireland has had major upheaval with the declining letter volumes and revenue (circa 7% per annum) being replaced, in part only, by a massive surge in packet and parcel volumes. Both sides accept that in order to deal with this seismic change, new delivery and sortation methods will have to be developed within the framework of the regulatory authorities and legislation. Obviously, all of these issues have been majorly impacted by the COVID-19 pandemic and the result has been the acceleration of change in the postal market, as customers flock to online shopping and away from the high street.

Therefore, the parties concerned have asked for assistance from the WRC in order to reach a way forward through such a difficult period, which will undoubtedly involve much change and upheaval for the staff in An Post.

Following engagement with the parties, the proposal set out hereunder is made in resolution of this matter:-


## **Proposal**

1. It is recognised by both sides that 2020 has been a difficult year which has negatively impacted on the Postal Business with an acceleration of already declining mail volumes and very substantial growth in parcel and packet volumes. The impact on An Post's finances has been considerable and, in line with the majority of employments in the State, a pay increase in respect of 2020 is not sustainable and, therefore, there shall be a pay freeze of 8 months from the 1<sup>st</sup> May until 31<sup>st</sup> December 2020;
2. Notwithstanding the previous point, it is recognised that An Post staff have performed admirably during difficult circumstances and those efforts should, exceptionally, be rewarded by the application of a basic pay increase of 2.75% with effect from 1<sup>st</sup> January 2021 until 31<sup>st</sup> December 2021;
3. The Unions will continue to co-operate with the change programmes and associated timelines necessary to transform the Company from a mainly letters business to a fully-fledged parcel, packet and logistics business, which also delivers letters, and to a significant operator in financial services. In the initial stages, these key programmes will include:
  - (a) Prio Eco - Each side is committed to concluding discussions on Prio Eco by the end of March 2021 with a view to its implementation as soon as possible thereafter.
  - (b) Transformation - Transformation of the Corporate Centre/ business support areas through Project Simplify and Transformation and relocation. Each side is committed to concluding discussions on relocation by the end of March 2021 with a view to its implementation.

Staff impact issues associated with the above projects should be addressed directly between the parties in the first instance with determination by the Labour Court-appointed Monitoring Group where any matters cannot be agreed between the parties;
4. Given the need for rapid implementation, exceptionally, future savings associated with the change programmes referenced in 3 above, when realised, which will need to be verified by the Labour Court-appointed Monitoring Group, will be shared in the same manner as outlined in Recommendation No. LCR 21563;
5. All parties, for management levels below Level 2, should finalise a company-wide An Post Management grading structure and performance-related pay model for each level. This exercise should be completed within three months of this proposal with any differences resolved through Monitoring Group Determination;

6. The Company should pay any 2019 market pay movement for managers as per the Company/Union agreement with effect from the 1<sup>st</sup> January 2020. In respect of 2020 market pay movement (if any), this will take account of an eight month pay freeze;
7. The Unions and the Company should, mindful of the term of the current pensions agreement to 2023, review the current situation regarding pensions by the end of 2021. In particular, such review should consider the sustainability of the widening gap between base pay and pensionable pay. Any proposal in that regard would be subject to Department approval;
8. Given the massive changes to the postal business, the Company will, from time-to-time, present further proposals to deal with the ever-changing market. Those proposals should be considered as normal on-going change unless otherwise determined following a referral to the Labour Court-appointed Monitoring Group for determination, if necessary;
9. This is a composite proposal and made on the basis that all elements must apply and on the basis that there will be no new cost-increasing claims made before 1<sup>st</sup> January, 2022 at the earliest.

This proposal is made conditional on its being recommended for acceptance by both sides. In the event that it is rejected by either side, it will be deemed to be withdrawn and to have no standing. In such circumstances, the parties may revert to the Commission, as required.



Michael Keegan  
Industrial Relations Officer