

An Post pay deal to secure ‘stability and certainty’ for two years

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A new pay agreement at An Post increases basic pay for the years 2022 and 2023, in the context of financial challenges faced by the semi-state, including Covid-19, Brexit and “inflationary pressures.”

The new agreement at An Post, negotiated with the CWU, Fórsa and the AHCPs, lifts basic pay by 5% over two years. CWU members approved of the deal by 93.4%, on February 25. The other unions, Fórsa and the AHCPs, have yet to formally approve it but IRN understands both unions’ ballots are likely to pass.

The deal provides for a 2.5% pay increase effective from January 1, 2022, with another 2.5% effective from January 1, 2023. The pay increase is in return for staff continued co-operation with normal ongoing change, together with the change programmes and associated timelines necessary to transform the company business.

The new agreement lifts basic pay by 5% over two years

IRN is told that while a 2.5% increase in 2022 is below the inflation rate, it is deemed acceptable given the challenging year encountered by An Post in 2021.

Pensionable pay, as per the An Post Pension Accord agreement, will increase by 2% in 2022, with a further 2% increase “most likely to materialise in 2023.” This can provide a 4% increase in pensionable pay for current and retired staff.

The 2022-2023 agreement continues the approach of pay deals at the semi-state over the last six years, that savings accruing from efficiencies are shared with staff, on a 50:50 basis, for their cooperation with the An Post transformation agenda. Such savings are verified by the An Post Monitoring Group.

An Post said it welcomed the CWU’s acceptance of the new pay deal, adding, “we look forward to working with the CWU and all stakeholders at An Post on the next stage of our transformation and meeting the challenges ahead.”

An Post and the CWU have also agreed to finalise, within three months, a review of pension provisions and to address, what the union says, is the widening gap between pensionable and non-pensionable pay.

The previous pay deal at An Post was for 2.75%, covering the calendar year 2021. This followed an eight-month pay freeze with the onset of the Covid-19 pandemic in 2020 (see [IRN 09/2021](#)).

CHANGE ALLOWANCE

The staff national executive council (NEC), in its unanimous recommendation that the pay proposals be accepted, stated it “recognises the significant inflationary pressures our members face, but is also aware of the financial challenges faced by An Post as another year of Covid and falling letter mail volumes, will likely make for tough results later this year.”

There are to be no new cost-increasing claims progressed during the lifetime of the agreement, except for 14 issues listed in the appendix of the pay proposal (see *below*).

One of the main claims that is still to be negotiated is the CWU’s claim for consolidation of 5% of the postal operatives productivity change allowance.

CWU general secretary, Sean McDonagh, notes that An Post “has not conceded any aspect of the claim and the CWU is fully aware of the potential costs involved in reaching a settlement.”

“However, the NEC is determined to bring this claim to a resolution and is of the view that we should explore all options within the timeframe of this agreement”, he added. The full text of the An Post agreement is below.

TEXT OF AGREEMENT

Draft/ Collective Agreement in relation to Pay and Terms and Conditions between An Post (‘The Employer’) and the following Trade Unions; Communications Worker’s Union, Fórsa and the Association of Higher Civil and Public Servants (Collectively referred to as ‘The An Post Group of Unions’).

Re: An Post/Group of Unions - Pay Claim 2022/2023

Scope of the Agreement

This agreement applies to all grades represented by the above unions at An Post below level 2. The pay elements contained in this agreement do not apply to those who receive individual pay increases based on market pay progression.

Background/Introduction

An Post faces many challenges some of which are not directly within the control of the business. These include the continuing Covid-19 pandemic and the additional costs associated with it. Likewise, the commercial effects and costs associated with new customs arrangements and Brexit are challenging.

An Post has invested significant amounts in plant and equipment to build a sustainable parcels business and also invested heavily to upgrade our Retail network to grow in an efficient manner. We need to ensure we achieve a return on these investments to remain viable. The next 12 months in particular will be challenging and some commentators believe that matters will not improve for our businesses until the middle of the year at the earliest. An Post has been open with all stakeholders in relation to these challenges including with the An Post Group of Unions.

Against this background, An Post Group of Unions lodged a pay claim, seeking an increase in pay and the consolidation of allowances. The Unions cited the significant inflationary pressures that have been building in recent months which is negatively impacting on members cost of living. The CWU advanced its objective for the consolidation of allowances to address the pay differential for the lower paid.

Following direct engagement between the parties it was acknowledged by the union that cooperation with change is critical to achieving a sustainable business and be in a position to pay increases to mitigate the effects of increasing cost of living. An Post management in turn have accepted that if significant changes can be made that make us more efficient and yield significant efficiencies then some of these savings should be shared with employees through improving their terms and conditions of employment.

With the above in mind, the following proposal was concluded with each side agreeing to recommend the proposal for acceptance.

Pay and Productivity Terms

The general terms of the WRC 2021 Pay Agreement between the Company and Group of Unions will be extended to comprehend the period 1st January 2022 to 31st December 2023, but amended as follows.

In recognition of An Post staff continued good work during very difficult circumstances, ongoing cooperation with normal on-going change and to provide stability and certainty for the next few years the Company will apply the following increases to base pay over the next two years:

1st January 2022 to 31st December 2022 2.5%

1st January 2023 to 31st December 2023 2.5%

Note: These payments will be made to those employees who are employed at the time the payment is made.

Those employees who reached Normal Retirement Age between the 1st of January and the date the first payment is made will receive the first payment backdated to 1st January 2022.

The Unions will continue to co-operate with the change programmes and associated timelines necessary to transform the business. Staff impact issues associated with the company change programme, will in the first instance be addressed directly between the parties. All unresolved issues will be processed in a timely manner by referral for determination by the Labour Court appointed Monitoring Group or where both parties deem appropriate the Industrial Relations Protocol agreed in 2017.

Savings associated the Company Transformational changes, will be verified by the Monitoring Group and shared in the same manner as outlined by the Labour Court in LCR21563

Outstanding matters from 2021 WRC Agreements

The Company and Unions are committed to finalise within three months of acceptance of this composite proposal all of the outstanding issues outlined in the 2021 WRC agreement.

Save from the claims outlined at Appendix 1 it is accepted that there will be no new cost-increasing claims made or conceded during the period covered by this agreement.

Both the Company and the An Post Group of Unions will commit to addressing all issues through the agreed processes and procedures.

In the event that this composite proposal is rejected, it will be deemed to have been withdrawn and will have no standing.

Appendix 1

An Post Group of Union claims arising from the Joint Conciliation Council (JCC)

1. Claim for consolidation of 5% of change allowance into basic pay.
2. Claim for consolidation of elements of allowances by Security and Patrol Staff to be implemented in 2022.
3. Claim for TV licence fee to be paid through payroll.
4. Claim for daily allowance for all those who have worked from home during pandemic.
5. Claim for 13-week average overtime to all staff in the Company recruited since C&D Agreement.
6. Claim for significant increase in daily split allowance.
7. Claim for an increase in the Saturday allowance.

8. Claim for payment of driving allowance to etrikes.
9. Claim for increase in allowance paid to TV Inspectors.
10. Fixed driving allowance to be paid all year.
11. Claim for additional long service leave.
12. Claim for allowance to postal operatives to move off duty.
13. Claim for increase in the Registered Locker Allowance.
14. Claim for increase in annual leave entitlement for all staff.”