

Dear Colleague,

We have successfully negotiated an agreement covering all aspects of the modernisation of Royal Mail. This agreement has been negotiated as a direct result of last year's dispute and again we are grateful for your commitment and support during that difficult time.

Crucially, the proposed agreement will now enable change to be managed fairly via properly negotiated terms with full CWU involvement, improved job security and benefits for CWU members.

We have always said we cannot face away from change – none of us can. The agreement recognises the reality of automation, competition and the financial challenges facing the company – but it does so in a way that puts the interests of CWU members at its heart.

Fundamental to this agreement is a recognition from CWU that the communications industry is rapidly changing and that only by quickly embracing radical change and working together with Royal Mail will we deliver a successful future for you, the company and customers.

Only you can decide if the agreement is acceptable. There are positive aspects and there are changes that you may not like. What's important is that when you vote you do so on the most informed basis.

You will receive a copy of the agreement and we want you to take the time to consider the whole package. When you cast your vote consider why the changes have been agreed – the genuine challenges facing the industry and the changes you see around you everyday. Then consider how the agreement tackles all these issues.

Some of the key elements of the agreement are as follows:-

- A stronger job security agreement – the overarching objective is to complete transformation with no compulsory redundancies. When transformation has been completed in 2013 – 75% of all jobs will remain full time. No full timer will be forced to move to part time and no part time worker will be forced to move to full time.
- The introduction of new automation will reduce jobs – but to help protect the maximum number of jobs Door-to-Door will become part of measured workload, a shorter working week will be introduced as well as a real commitment to grow new products and services.
- Some mail centre closures and relocations are inevitable but there will be joint discussions on the future strategy. To protect the people affected the agreement raises the cap on excess travel expenses and relocation terms will now be automatically available.
- EVR terms will remain uncapped until April 2013 and selection for voluntary redundancy will now be by seniority only with no age criteria.

- Workload and performance standards are being reviewed and will be incorporated into agreed revision procedures. This will ensure fair workload alongside safer working practices and modern equipment.
- New walk sequencing machinery drives a standardised six day work plan. In Delivery Saturday becomes a longer working day. However, Delivery employees will get a minimum of one Saturday in four off with the ability to locally negotiate work patterns to provide more Saturdays off for those who want them.
- New Door-to-Door arrangements in order to drive volume growth.
- The union will influence the shape and nature of change in the Network alongside agreed criteria to review any proposals for site rationalisation. There will be further discussions on a progressive future agenda.
- Extensive agreements covering how change impacts on engineers, fleet maintenance services and other grades.
- Both parties will transform relationships through a new culture, where we identify common objectives, align interests and always seek mutually acceptable solutions to the challenges we face.
- A reward package over the next 3 years of:
 - A reduction in the working week of one hour (a cash alternative for some grades).
 - Increases to basic pay
 - 2.0% in April 2010
 - 1.4% in April 2011
 - 3.5% in April 2012
 - Guaranteed payments of £1,000 per full time employee linked to transformation.
 - Conversion of some existing payments into weekly and permanent non pensionable supplements to basic pay (full details of this will follow).
 - Improved maternity and paternity pay.
 - As a result of this agreement colleagues share payments in 2011 and 2012 should now be enhanced.
 - £400 when the agreement is ratified

Pensions remains a concern and having reached this agreement the union is now making immediate representation to the Government. It is our view that they, as the owner, must now finally face up to their responsibilities.

We will contact you again with more details on all these issues and you will receive a ballot paper in due course

Yours sincerely,



Dave Ward
Deputy General Secretary (P)



Billy Hayes
General Secretary

Martin Collins
Assistant Secretary

Ray Ellis
Assistant Secretary

Bob Gibson
Assistant Secretary

Terry Pullinger
Assistant Secretary

