

# Canada Post, rural postmasters agree to new contract

Negotiations with largest union remain stalled

June 19, 2025

by [Eric Kulisch](#)



*The post office in Kaslo, an ancient mining town located on Kootenay Lake in British Columbia, as seen on Aug. 12, 2023. (Photo: Shutterstock/Alexandra.ROSA).*

Canada Post said Thursday afternoon that it has reached a collective bargaining agreement with its second largest union, the Canadian Postmasters and Assistants Association (CPAA), after 18 months of negotiations.

The deal comes as Canada Post remains in a standoff with mail carriers, represented by the Canadian Union of Postal Workers. [The Canadian government recently agreed to intervene](#) and force a union vote on Canada Post's latest proposal, against the objections of union leadership. Tensions have escalated between the postal operator and the CUPW over the same period, culminating with a 32-day strike late last year and the current refusal of mail carriers to work overtime.

While the postmasters were rarely in the news as they worked on a new contract, the sides required arbitration to reach a deal after talks broke down in December.

The CPAA represents more than 8,500 employees, who are primarily responsible for managing post offices in rural Canada. The CUPW has 55,000 members who work as letter carriers, postal clerks, mail handlers, dispatchers, vehicle mechanics and electronic technicians.

Under the new contract, postmasters will receive an 11% wage increase over three years, retroactive to Jan. 1, 2024. Workers will receive 6% in the first year of the deal.