SECRETARY-TREASURER'S REPORT



ABOUT ARTICLE 9 SALARIES AND WAGES

MARK A. GARDNER, National Secretary-Treasurer

e are a changing and growing Union. A major shift in the Mail Handler complement was implemented with the creation in the February 2013 Fishgold Award of the Mail Handler Assistant (MHA) category. Now one year after that Award, the NPMHU MHA complement has exceeded 5,500; MHAs represent nearly 12% of our bargaining unit nationwide, and will continue to be an integral component of the NPMHU membership. While MHAs are classified as non-career employees, they receive a standardized national hourly pay rate (currently \$14.03 per hour at Grade 4 and \$14.79 per hour at Grade 5), and are afforded numerous contractual protections not available to the non-bargaining unit casual workforce. Most importantly, future Mail Handler career hiring will come directly from the MHA ranks, based on relative standing within their postal installations. I am happy to report that more than 200 MHAs have already been converted to career Mail Handler positions, and that number is certain to grow as attrition of our aging Mail Handler work force continues. As our MHAs are converted to career appointments, they will receive salary based on the career Mail Handler wage scales, as explained in Article 9 of our National Agreement.

In a prior publication, I provided an overview of the wage scales for career Mail Handler employees, including a discussion of the wage increase opportunities contained in the 2011 National Agreement. Those increases include a series of three guaranteed wage increases (totaling 3.5%) and up to seven cost of living adjustments (COLAs), all to be paid to career employees prior to expiration of the current contract in May 2016. While the non-career MHA hourly rate will not be increased through COLA adjustments, that hourly rate will receive increases totaling 7% by November 2015. The first of these three general wage increases took effect during November of last year, and the two remaining increases will take effect during November 2014 and November 2015. The arbitration Award also implemented a second wage scale for career Mail Handlers (known as Table 2), which is applicable to all career Mail Handlers hired on or after February 15, 2013. The original Mail Handler wage scale (now known as Table 1) applies to all Mail Handlers hired prior to February 15, 2013.

The new Table 2 wage scale mandated several changes: 1) a lower entry wage; 2) an additional Step for both Grade 4 and Grade 5; 3) a uniform Step progression, such that each Step increase would take place after 52 weeks—until the Mail Handler reached top Step P; and 4) proportional allocation of COLA increases across the Steps in Table 2. Noteworthy in the Award is that the top Step in Table 2 (Step P) has retained the same Step P wage amount as provided for in Table 1 of the wage scale, such that all Mail Handlers may attain the same top Step wages, irrespective of when they hired into the Postal Service.

In addition to the three guaranteed wage increases, the career Mail Handler pay scales also may be increased by up to seven COLA adjustments, following release of changes to our Consumer Price Index Base for semi-annual periods ending in January 2013, 2014, 2015, and 2016, and in July 2013, 2014, and 2015. The Award called for the January 2013 and July 2013 COLA adjustments to be calculated, but for the implementation of any increases for those two periods to each be delayed by one year.

Here is what has transpired with regard to COLA adjustments since issuance of the Award: The January 2013 adjustment (the implementation of which was delayed by the Award until January 2014, with an effective date of March 8, 2014) is an increase of \$146. Included on page 5 of this magazine is an updated wage chart which includes the application of this January 2013 increase (including the proportional application of the COLA to Table 2). With an upward tick in inflation between January and July of 2013, the full amount of the July 2013 increase (again, which has been calculated but delayed for one year) comes to \$541, which amount will be added to the wage scales (with proportional application to Table 2) in September 2014. With a decline in the relevant CPI index between July 2013 and January 2014, there was no increase for that period.

So to recap, there have been three possible COLA adjustments for Mail Handlers since the arbitration Award was issued: 1) effective March 8, 2014, we will receive the January 2013 COLA increase of \$146; 2) we have banked the July 2013 COLA increase of \$541 (to be applied to wage scales in September of this year); and 3) because of slight deflation in the economy over the last six months, there will be no COLA increase based on the January 2014 index. Remember that Article 9 allows for four additional COLA adjustment periods over the duration of the 2011 National Agreement. Your National Office will continue to monitor the CPI, and will provide periodic updates on how changes to this index will affect Mail Handler wage scales.

Thank you for your support and participation as a member of the NPMHU.

Fraternally,

Mark A. Cardin

Mark A. Gardner National Secretary-Treasurer

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Winter 2014

MAIL HANDLER WAGE RATES

Effective March 8, 2014 (PP07-2014) Effective on March 8, 2014, all career Mail Handler craft employees are scheduled to receive the first of seven possible cost-of-living (COLA) adjustments as outlined in Article 9.3 of the 2011 National Agreement. This COLA increase is based on the upward change in the relevant Consumer Price Index (CPI) Base following release of the January 2013 Index. As prescribed in the Fishgold Arbitration Award, the implementation of this COLA increase was delayed by one year. This Consumer Price Index change resulted in an annual increase of \$146 for all Steps in Table 1 and for Step P of Table 2. The remaining Steps in Table 2 have received the proportional COLA increase percentages as outlined in Article 9.7 of the 2011 National Agreement. Because of slight deflation in the U.S. economy and a corresponding decline in the CPI Index between July 2013 and January 2014 there was no COLA increase for that adjustment period.

Table 1 - Applicable to Career Appointments Prior to February 15, 2013

	Grade 4							Grade 5					
Weeks in Step	Step	Annual	Bi-Weekly	Hourly	Overtime	Weeks in Step	Step	Annual	Bi-Weekly	Hourly	Overtime		
88	AA	\$33,449	\$1,287	16.08	24.12	88	AA	\$35,010	\$1,347	\$16.83	\$25.25		
88	A	\$37,866	\$1,456	18.20	27.31	88	А	\$39,430	\$1,517	\$18.96	\$28.44		
88	В	\$43,419	\$1,670	20.87	31.31	88	В	\$45,363	\$1,745	\$21.81	\$32.71		
44	C	\$46,046	\$1,771	22.14	33.21	44	С	\$48,060	\$1,848	\$23.11	\$34.66		
44	D	\$49,910	\$1,920	24.00	35.99	44	D	\$50,669	\$1,949	\$24.36	\$36.54		
44	E	\$50,219	\$1,932	24.14	36.22	44	Е	\$51,007	\$1,962	\$24.52	\$36.78		
44	F	\$50,538	\$1,944	24.30	36.45	44	F	\$51,349	\$1,975	\$24.69	\$37.03		
44	G	\$50,845	\$1,956	24.44	36.67	44	G	\$51,677	\$1,988	\$24.84	\$37.27		
44	Н	\$51,162	\$1,968	24.60	36.90	44	Н	\$52,018	\$2,001	\$25.01	\$37.51		
44	Ι	\$51,473	\$1,980	24.75	37.12	44	Ι	\$52,359	\$2,014	\$25.17	\$37.76		
34	J	\$51,793	\$1,992	24.90	37.35	34	J	\$52,694	\$2,027	\$25.33	\$38.00		
34	K	\$52,101	\$2,004	25.05	37.57	34	К	\$53,029	\$2,040	\$25.49	\$38.24		
26	L	\$52,418	\$2,016	25.20	37.80	26	L	\$53,363	\$2,052	\$25.66	\$38.48		
26	М	\$52,730	\$2,028	25.35	38.03	26	М	\$53,705	\$2,066	\$25.82	\$38.73		
24	N	\$53,043	\$2,040	25.50	38.25	24	Ν	\$54,044	\$2,079	\$25.98	\$38.97		
24	0	\$53,354	\$2,052	25.65	38.48	24	0	\$54,376	\$2,091	\$26.14	\$39.21		
	Р	\$53,670	\$2,064	25.80	38.70		Р	\$54,713	\$2,104	\$26.30	\$39.46		

 Table 2 - Applicable to Career Appointments on or after February 15, 2013

	Grade 4						Grade 5					
Weeks in Step	Step	Annual	Bi-Weekly	Hourly	Overtime	Weeks in Step	Step	Annual	Bi-Weekly	Hourly	Overtime	
52	BB	\$30,823	\$1,186	\$14.82	\$22.23	52	BB	\$32,262	\$1,241	\$15.51	\$23.27	
52	AA	\$32,168	\$1,237	\$15.47	\$23.20	52	AA	\$33,583	\$1,292	\$16.15	\$24.22	
52	А	\$33,511	\$1,289	\$16.11	\$24.17	52	A	\$34,903	\$1,342	\$16.78	\$25.17	
52	В	\$34,855	\$1,341	\$16.76	\$25.14	52	В	\$36,224	\$1,393	\$17.42	\$26.12	
52	С	\$36,199	\$1,392	\$17.40	\$26.11	52	C	\$37,545	\$1,444	\$18.05	\$27.08	
52	D	\$37,543	\$1,444	\$18.05	\$27.07	52	D	\$38,865	\$1,495	\$18.69	\$28.03	
52	Е	\$38,887	\$1,496	\$18.70	\$28.04	52	E	\$40,186	\$1,546	\$19.32	\$28.98	
52	F	\$40,231	\$1,547	\$19.34	\$29.01	52	F	\$41,507	\$1,596	\$19.96	\$29.93	
52	G	\$41,575	\$1,599	\$19.99	\$29.98	52	G	\$42,827	\$1,647	\$20.59	\$30.88	
52	Н	\$42,919	\$1,651	\$20.63	\$30.95	52	Н	\$44,148	\$1,698	\$21.23	\$31.84	
52	Ι	\$44,262	\$1,702	\$21.28	\$31.92	52	Ι	\$45,468	\$1,749	\$21.86	\$32.79	
52	J	\$45,606	\$1,754	\$21.93	\$32.89	52	J	\$46,789	\$1,800	\$22.49	\$33.74	
52	Κ	\$46,951	\$1,806	\$22.57	\$33.86	52	K	\$48,110	\$1,850	\$23.13	\$34.69	
52	L	\$48,294	\$1,857	\$23.22	\$34.83	52	L	\$49,430	\$1,901	\$23.76	\$35.65	
52	М	\$49,638	\$1,909	\$23.86	\$35.80	52	М	\$50,751	\$1,952	\$24.40	\$36.60	
52	Ν	\$50,982	\$1,961	\$24.51	\$36.77	52	N	\$52,072	\$2,003	\$25.03	\$37.55	
52	0	\$52,326	\$2,013	\$25.16	\$37.74	52	0	\$53,392	\$2,054	\$25.67	\$38.50	
	Р	\$53,670	\$2,064	\$25.80	\$38.70		Р	\$54,713	\$2,104	\$26.30	\$39.46	

Mail Handler Assistant Hourly Wage Rates - Effective November 16, 2013 (PP25-2013) and unchanged | MHA Grade 4 \$14.03 MHA Grade 5 \$14.79

National Postal Mail Handlers Union

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