

2022 NATIONAL AGREEMENT HIGHLIGHTS / USPS NETWORK REDESIGN PLAN

Paul V. Hogrogian, National President



Dear Members:
I am pleased to report that the terms of our 2022 National Agreement were officially ratified by our membership on March 13, 2023. The results were 6,617 (84%) in favor of ratification and 1,237 (16%) opposed, and the ratification vote was certified by The American Arbitration Association (AAA).

It has been a long and tough bargaining process, but after all was said and done, we achieved many gains and benefits for all Mail Handlers, without making any significant concessions.

Our priorities entering bargaining included:

1. A fair and just general wage increase
2. A continuation of our current Cost of Living Adjustments (COLAs)
3. Keep the No Lay Off clause
4. Improve the wages, rights, and benefits for our MHAs
5. Increased MHA conversions to career status
6. Return subcontracted work to the Mail Handler Craft and stop future subcontracting
7. Minimize the dislocation and inconvenience to Mail Handlers subject to involuntary reassignments
8. Address the issue of MHAs serving as 204Bs.
9. Fixing the badly broken wage scale which hinders the recruitment and retention of new Mail Handler employees.

We believe that we successfully addressed most, if not all, of these priorities.

We believe that the tentative agreement addressed most, if not all, of our bargaining priorities. This was not a particularly opportune time during which to bargain considering the Postal Service's dire financial situation and the anti-worker/anti-union climate in Washington, DC.

Tom Ruther and Eugene Horton and our legal team from the NPMHU's General Counsel's office. The National Executive Board was fully engaged in this process and was deeply involved in the bargaining decisions. I want to thank the members of the bargaining team and the National Executive Board for their hard work during these negotiations. I also want to thank all the Regional and Local Union represen-

One of the provisions of the newly ratified National Agreement provides for the automatic conversion to full-time career status of all MHAs once they have served as a MHA for two years.

The conversion of MHAs to career employees remains a priority for the NPMHU. One of the provisions of the newly ratified National Agreement provides for the automatic conversion to full-time career status of all MHAs once they have served as a MHA for two years. This will result in the conversion of hundreds, if not thousands of MHAs.

The NPMHU bargaining team was led by the National President and included National Secretary-Treasurer Mike Hora, Manager of Contract Administration Teresa Harmon, Assistant to the National Officers Neil Ryan, National CAD Representatives

tatives as well as many rank and file members who provided us with information when we reached out to obtain research for some of the proposals and counter-proposals.

The collective bargaining agreement between the NPMHU and the USPS expired on September 20, 2022. Since the beginning of June 2022, the NPMHU Negotiations Team worked diligently to secure a new collective bargaining agreement with the USPS. For over 3 months, NPMHU representatives have spent countless hours analyzing and developing proposals and meeting with USPS representatives. Despite the

concerted efforts of both parties, the NPMHU and USPS could not reach a comprehensive agreement on all the terms to be included in the 2022 National Agreement by the September 20, 2022 deadline.

However, enough progress was made over the negotiation period, however, to convince the parties to extend bargaining past the September 20, 2022 deadline. On December 15, 2022, the NPMHU and the Postal Service announced that they had reached a tentative agreement on the terms of their 2022 National Agreement. Ratification ballots were mailed out on January 31, 2023 and the contract was finally ratified on March 13, 2023.

The contract will last three years and will expire on September 20, 2025. The agreement looks to improve the working life of all members of the Mail Handler bargaining unit, from the newest MHA to the long-term Career employee. The goal of the contract is to protect the jobs of Mail Handlers, improve the quality of their workplace, and improve their standard of living. This contract certainly meets these goals.

Highlights of the new contract include:

WAGE IMPROVEMENT:

- Continuation of COLA payments (6 during the term of the contract)
- 3 General Wage Increases of 1.3%
- Additional 1% increase for Steps BB, B, and A)
- Over \$2,700 in wage increases for Mail Handlers at the top step (not including COLA)

CHANGES TO SALARY SCHEDULE:

- Elimination of Step BB; new FTR career employees start at Step AA
- Shorten waiting period between steps from 52 to 48 weeks
- Overall reduction in more than 2 years to reach top step (14 years, 8 months to reach top step)

MHA IMPROVEMENTS:

- Additional 1% wage increase each year
- Additional \$0.50 per hour retroactive to November 2022
- Creation of MHA Step B (additional \$0.50 after 6 months)
- Automatic conversion to career positions after 24 months

OTHER IMPROVEMENTS:

- Consecutive days off for career employees in 200+ man-year offices
- Guaranteed non-scheduled days off for MHAs and PTFs
- Layoff protection for career employees employed as of September 20, 2022
- New MOU on Dignity and Respect for all employees
- Annual clothing/work clothed allowance increases of 2.5% with new carry-over provisions
- MOU on Temporary Supervisors (204Bs)

The Contract Administration Department will now focus its efforts on the implementation of the terms of the new National Agreement. These efforts will include updating the Contract Interpretation Manual (CIM) to incorporate new and modified contract provisions and language as well as adding the National Arbitrations and Step 4 agreements that were issued since the last update. I am confident that we will have an updated CIM in the near future. We are also in the process of producing print copies of the new collective bargaining agreement. Once finalized, a copy will be provided to every member.

* * *

The Postal Service continues to roll out and implement its new, more comprehensive Network Redesign plan. The centerpiece of the Network

Redesign project is the establishment of Regional Distribution Centers (RDCs) in approximately 64 metropolitan areas throughout the country. These RDCs would consolidate all originating letters, flats, and parcels from all mail processing facilities within a metropolitan area into one mega-processing center. These RDCs would also process some of the destinating mail. Most, but not all, of the NDCs will be transformed into RDCs. Most of the processing plants from which originating mail was taken would continue to process destinating letters, flats and parcels and would be renamed Local Distribution Centers (LDC). The Postal Service has reported that it is their intention to bring back many of the functions of the Service Transportation Centers (STCs) and Terminal Handling Service (THS) which have been subcontracted and house them in the RDCs. The information that we have received from the Postal Service is high on concept but extremely low on details. The Postal Service is refusing to share with the Unions exactly which installations will be affected. It is extremely frustrating to say the least. The plans are fluid and are constantly changing.

The USPS has announced Wave #1 of its RDC sites (all subject to change)

1. Sandston (Richmond), VA
2. North Houston, TX
3. Santa Clarita, CA
4. Bethpage, NY
5. Charlotte, NC
6. Greensboro, NC
7. Jersey City, NJ
8. Atlanta, GA
9. Chicago, IL
10. Indianapolis, IN
11. Portland, OR

It is worth repeating that these plans are extremely fluid and subject

to change. The National Office will provide updates on this project once we receive more information.

The Postal Service also has plans to consolidate many of its delivery operations into super delivery sites call Sorting and Delivery Centers (SDCs). The purpose of the plans is to centralize the delivery functions of several post offices into a single mega-delivery site. It is possible that the Postal Service may establish over 900 of these SDCs throughout the country. The Postal Service has identified the following sites to be in its initial phase of SDCs:

COMPLETED AND OPERATIONAL:

1. Athens, GA
2. Brooklyn, NY (parcels only)

EFFECTIVE FEBRUARY 2023:

1. Bryan, TX
2. Utica, NY
3. Gainesville, FL
4. Panama City, FL
5. Woburn, MA

EFFECTIVE JUNE 2023:

1. Annapolis, MD
2. Williamsport, PA
3. Bartlett/Hanover Park, IL
4. Kokomo, IN
5. Topeka, KS
6. Golden, CO
7. Pasco, WA
8. Owensboro, KY

It is still early in the project and all plans are subject to change.

The NPMHU has also been in discussions with the Postal Service to return some of the Terminal Handling

Services (THS) work which has been subcontracted for many years. We have reached agreement to return the THS functions in Phoenix and Anchorage, and are discussing bringing other THS sites back in-house, including Richmond, Norfolk, Salt Lake City, Kansas City and Philadelphia.

The NPMHU is committed to convert as many MHAs as we can to career status. The provisions of the Residual Vacancy MOU continue to apply and has paid significant dividends in addition to the MHAs who were converted under the various conversion MOUs.

Total Conversions since the inception of the MHA category: 37,000

Total Conversions since the Residual Vacancy MOU: 35,000

The NPMHU will continue its efforts to maximize the Full-Time career workforce for Mail Handlers.

During the 2020 presidential election period the Postal Service processed and delivered 135 million ballots (to and from voters), 610 million pieces of election mail as well as an additional 4 billion pieces of political mail. The Postal Service delivered 97.9% of ballots within 3 days and 99.7% of ballots within 5 days.

Election task forces were established at the national and installation levels. Mail Handlers were represented and played active roles on these committees. These committees identified and corrected problems in the processing and delivery of ballots. Mail Handler

representatives played a key role in ensuring that all ballots were processed in a safe, secure and timely manner. I want to express my sincere gratitude to all Mail Handlers who served as "Election Ambassadors" and thank you for a job well done.

Mail Handlers and all postal workers once again delivered for the American public during the 2022 mid-term elections. Between September 6 and December 6, 2022, the Postal Service delivered more than 54.4 million ballots to and from election officials to voters through U.S. Mail to support elections across the country. Of these ballots 98.96% were delivered within 3 days and 99.82% were delivered within 5 days.

I want to express how extremely proud I am of all Mail Handlers and Postal Workers on their dedication in performing the patriotic duty of processing election ballots. All of America owes all postal workers a debt of gratitude for preserving and protecting their democratic right to vote.

I remain confident that through the work of our Contract Administration Department and our legal representatives, and through the hard work of our Regional, Local, and Branch representatives, we can successfully meet all challenges that lie before us.

Faternally,



Paul V. Hogrogian
National President

Mail Handlers and all postal workers once again delivered for the American public during the 2022 mid-term elections.