PRESIDENT'S REPORT

THE HITS KEEP COMING WE WILL MEET THE CHALLENGES HEAD-ON

Paul V. Hogrogian, National President



he President's Task Force on the U.S. Postal Service has finished its report and delivered it to the White House by the August 10, 2018 deadline mandated by the Executive Order that created it. The Executive Order charged the Task Force with evaluating the finances of the Postal Service, including pricing, policies, and workforce costs. The Task Force was chaired by the Secretary of the Treasury and also included the Director of the Office of Management and Budget (OMB) and the Director of the Office of Personnel Management (OPM).

Representatives of the NPMHU, including National Secretary-Treasurer Tim Dwyer, National Political and Legislative Director Bob Losi and myself, met with the Task

The NPMHU, along with the other Postal Unions, believes that the most immediate step that must be taken to secure financial relief and sustainability for the USPS would be to address the 2006 Congressional mandate to pre-fund retiree health benefits 75 years in advance – an onerous burden that no other private or public entity is required to carry. There are bi-partisan postal reform bills currently pending in both the Senate and the House that address this issue. For more details on these bills, please see National Political and Legislative Director Bob Losi's report on page 24.

The Task Force has the potential to have a major effect on all postal workers and is a major concern to the

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Force on May 15, 2018. NPMHU representatives stressed that despite the decline in mail volume, the USPS would have recorded surpluses in four of the past five years if it were not for the retiree health prefunding mandate of the PAEA enacted in 2006.

It has been reported that the White House will not release the Task Force's report until after the mid-term elections. Speculation is that the Task Force will advocate for the privatization of the Postal Service. This will not play well in rural America and could have affected many House races in which the Democrats are attempting to win Republican held seats in their effort to win back control of the House of Representatives.

The delay in the release of the report is also a sign that President Trump is not happy with or does not agree with its findings. The President has been stating that the Postal Service has been losing money on each package delivered for Amazon. The White House's reluctance to release the Task Force's report may be an indication that the President's claims have been proven false.

NPMHU. We will continue to keep all members informed as more developments unfold.

The Trump Administration on June 21, 2018 released its so-called Reform Plan and Reorganization Recommendations which called for the privatization of the Postal Service. This proposal is absolutely ridiculous. The inevitable result of such privatization would be to destroy universal service for every American.

In response to OMB's report, Amazon and the National Retail Federation, the top retail trade group representing retailers including Walmart and Target, joined with other individual retailers and businesses to create the Package Coalition, a lobbying group seeking to educate and give facts about the state of the USPS package business and to oppose the privatization of the Postal Service.

OMB's proposal has already drawn criticism from both Democrats and Republicans in Congress.

The NPMHU will fight all attempts to privatize the Postal Service. We will stand shoulder to shoulder with our sister postal unions in this battle. I recently spoke at the

NALC convention in July and at the APWU convention in August. My message was loud and clear. The Postal Unions must put their differences aside and provide a united front in facing the battles that lie ahead. Given what is happening in our nation's capital, Postal Union unity is more important now than it has ever been before. My message was well received by the delegates at both conventions.

Earlier this year the Trump administration issued three Executive Orders that would have harmed federal employees and their unions. These Executive Orders concern:

- 1. Official Time: severely limiting paid Union time and the use of office space in federal buildings.
- 2. Collective Bargaining: mandating a Governmentwide approach to limit collective bargaining rights.
- 3. Discipline: making it easier to discipline and fire federal employees by eliminating many of their due process rights.

These Executive Orders were challenged by several of the federal unions, including the American Federation of Government Employees (AFGE). The NPMHU fully supported our brothers and sisters in the federal unions in their fight against these unjust attacks on their members. U.S. District Court Judge Ketanji Brown Jackson struck down many of the key provisions of these Executive Orders, but the Trump Administration has appealed the ruling.

While these Executive Orders do not directly apply to postal employees, we may feel their effects down the road.

The NPMHU at the National, Regional and Local levels continues to challenge and oppose the unwarranted and uncalled-for staffing changes caused by the Postal Service's implementation of its extremely flawed Function 1 Scheduler. Local Unions have been successfully challenging many of the reversions and abolishments in the grievance procedure and at arbitration.

USPS management had also planned to involuntarily reassign Full-Time Regular Career Mail Handlers out of their current installations. At the high point, the Postal Service had targeted 76 installations in which over 2,200 Mail Handlers would be adversely affected. Our Regional Directors (David Ross, Dan Gonzales, Tom Ruther, Eileen Mills, and Eugene Horton) have done an extraordinary job, in conjunction with Local Union representatives, in minimizing the number of impacted Mail Handlers and in most cases having the impact cancelled in its entirety. Through the efforts of these representatives, all proposed impacts have now been cancelled. I am extremely proud of what our representatives at the National, Regional, Local and Branch levels accomplished in fighting back against the Postal Service's unwarranted attacks on our members.

However, we can not let our guard down as the Postal Service may initiate a new round of staffing changes and impacts at any time.

The NPMHU continues its efforts to insource some of the work that has been subcontracted out. The Postal Service recently agreed to bring the Consolidation/ Deconsolidation Facility (CDF) operations back in house to the NDCs. The work will be brought back in phases. Phase 1 and Phase 2 have already been completed. Phase 3 should be completed by this fall. This should increase the Mail Handler staffing at many of the NDCs.

USPS and NPMHU representatives continue to discuss the establishment of a pilot site for returning subcontracted work from the Mail Transport Equipment Service Centers (MTESC) (Empty Equipment) to the Mail Handler craft. The Postal Service is still searching for a site for this project.

The NPMHU continues its preparations for the next round of bargaining. Our National Agreement is set to expire on September 20, 2019. A bargaining strategy session was held during the August SAMLU in Washington, DC. Mail Handler representatives from throughout the country discussed the priorities for these negotiations. The Field Negotiating Committee will meet in Washington, DC in February and negotiations will officially open in June 2019. This is not a particularly opportune time during which to bargain. The Postal Service's financial situation, the political stalemate in Congress, the President's Task Force on the Postal Service, the OMB privatization recommendations, and the continuing uncertainty about Postal Reform legislation lead us to believe that these negotiations will be extremely difficult. However, the NPMHU bargaining team is up to the task at hand and will work tirelessly to achieve a fair contract for all Mail Handlers. The NPMHU will keep the membership informed of the progress of these negotiations.

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 any and all challenges that lie before us. But we must remain united in the face of the Postal Service's attacks on our jobs.

In these and other endeavors, the continuing support of all Mail Handlers is very much appreciated.

Fraternally,

Paul V. Hogrogian National President