

AN UPDATE ON PRESSING ISSUES

Paul V. Hogrogian, National President



As I have previously reported, in April 2018, President Trump issued an Executive Order to form a Task Force charged with evaluating the finances of the United States Postal Service, including pricing, policies, and workforce costs. The Task Force's report is due 120 days from the issuance of the Executive Order or August 10, 2018.

Representatives of the NPMHU, including National Secretary-Treasurer Tim Dwyer, National Political and Legislative Director Bob Losi and myself, met with the Task Force on May 15, 2018. In attendance were a host of government officials designated by the Treasury Department, the Office of Management and Budget (OMB), and the Office of Personnel Management (OPM). The NPMHU representatives led the discussion by providing a brief overview of USPS finances in relation to the decline in mail volume as a result of the Great Recession of 2008 and electronic diversion. 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.

The most immediate step 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.

There were also discussions stressing the need for the continuation of the existing USPS monopolies and the need for continuing universal service. Only time will tell whether this Task Force is able to stimulate appropriate reform or just be another excuse to advocate for the privatization of the Postal Service.

The Task Force has the potential to have a major effect on all postal workers and is a major concern to the 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. The plan includes various Trump proposals for reorganizing the federal government. Buried deep in the Report is

the President's plan to restructure and privatize the Postal Service. This proposal is simply absurd. The report starts by noting that public trust in the federal government has declined over the last decade, but then proposes to dismantle the most trusted component of that government – the Postal Service—and move it into the private sector. The inevitable result of such privatization would be to destroy universal service for every American. Many Americans would lose daily access to postal services and the cost of services for other Americans would greatly increase.

Policymakers should take the time to read the materials that all four major postal unions recently submitted to the White House Task Force on the USPS. They should work with us to fix the USPS, not sell it off to some corporate robber barons.

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. We are not alone in this fight. We have the support of our parent organization LIUNA, we have the support of all federal workers, we have the support of the entire labor movement, and we have the support of the American people.

A bi-partisan resolution (H. Res. 993) was recently introduced in the House of Representatives which if adopted would express the sense of the House of Representatives “that Congress should take all appropriate measures to ensure that the United States Postal Service remains an independent establishment of the Federal Government and is not subject to privatization.” For a more detailed explanation of this resolution, please see National Political and Legislative Director Bob Losi's report on page 19.

More recently, President Trump has continued his attack on federal workers by signing a series of Executive Orders. These Executive Orders severely limit official union time, change disciplinary procedures to make it easier for federal agencies to terminate federal employees by disregarding progressive discipline, and direct federal agencies to renegotiate existing collective bargaining agreements. While these Executive Orders do not directly apply to postal workers, we may feel their effects down the road. The NPMHU supports our brothers and sisters in the Federal Unions in their fight against these unjust attacks on their members.

The NPMHU continues to fight the USPS' implementation of its extremely flawed Function 1 Scheduler. The Postal Service reverted many vacant assignments and abolished many encumbered positions indiscriminately, and without regard to how this drastically affects the lives of Mail Handlers and their families or how it would affect service.

The NPMHU at the National, Regional, and Local levels continues to challenge and oppose these unwarranted and uncalled-for staffing changes on several fronts. At the National level, the NPMHU has initiated a grievance at Step 4 concerning violations arising from the Postal Service's plans to implement wholesale changes to work schedules, bids and work assignments based on the results of the 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 canceled in its entirety. Through the efforts of these representatives the number of impacted installations is currently down to only 1 installation (down from 76) and the number of potential impacted Mail Handlers is now 50 (down from 2,200). 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.

The National Office continues to work with all postal stakeholders (postal unions, management associations, USPS management, and major mailers) to achieve meaningful postal reform legislation. Legislation is currently pending in both houses of Congress. However, everything appears to be on hold pending the release of the White House Task Force report. NPMHU Legislative and Political Director Bob Losi continues to work on these pieces of legislation.

As I have previously reported, the Postal Regulatory Commission (PRC) issued its proposed decision on if and how to change the USPS ratemaking system based on its 10-year review of ratemaking as contained in the 2006 postal reform legislation.

While the NPMHU believes that the PRC's proposed decision to loosen the price cap is a move in the right direction, we believe that no cap is actually necessary. The USPS should have enough flexibility to set its rates to ensure that it has the resources to fulfill its commitment to provide postal services to the American public. The NPMHU has filed comments with the PRC advocating that no unfair cap be imposed. It

also appears that the PRC is waiting for the Task Force report before issuing its final decision.

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/Reconsolidation 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.

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, APWU, and USPS recently entered into a historic agreement that updates the RI-399 Dispute Resolution Procedures that were originally signed in 1992. The parties have been negotiating and discussing the terms of this Update MOU for several years, and its execution marks an important milestone in the history of RI-399 and the process for deciding jurisdictional disputes between NPMHU Mail Handlers and APWU clerks.

The NPMHU has already begun its preparations for the next round of bargaining. Our National Agreement is set to expire on September 20, 2019. A bargaining strategy session will be held during the next SAMLU scheduled for this August in Washington, DC. The Field Negotiating Committee will meet in Washington, DC in February and negotiations will officially open in June 2019. Given the current financial situation of the Postal Service, the current political climate in the Nation's Capital, and the current uncertainty about postal reform legislation, we expect that these negotiations will be extremely difficult.

I am also very pleased to report that we recently passed the 10,000 mark regarding conversion of MHAs to Full-Time career status. The MOU on Filling Residual Vacancies continues to pay dividends.

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.

Faternally,



Paul V. Hogrogian
National President