

BARGAINING CONTINUES SUBCOMMITTEES FORMED

Paul V. Hogrogian, National President



The collective bargaining agreement between the NPMHU and the USPS is set to expire on September 20, 2019. Negotiations officially opened on June 27th. The entire National Executive Board as well as the National CAD staff attended the opening session. During this opening session, the NPMHU and the USPS presented their opening statements setting the stage for this year's bargaining process. Videos of these opening statements can be viewed on our web site (www.NPMHU.org).

The NPMHU bargaining team is led by the National President and includes National Secretary-Treasurer Mike Hora, Manager of Contract Administration Teresa Harmon, Executive Assistant to the National President Bobby Blum, National CAD Representatives Kevin Fletcher and Charles Manago, and our legal team from the NPMHU's General Counsel's office. The USPS team is led by the Vice President of Labor Relations Doug Tulino and Chief Spokesperson Patrick Devine.

At this writing, both the NPMHU has submitted most of its non-economic proposals. There were intense discussions concerning many of these proposals. Several subcommittees have been created to address specific concerns more extensively. Subcommittee meetings are "off the record." The subcommittees that were created include: Article 2 (Discrimination), Article 32 (Subcontracting), Article 8 (Overtime), Mail Handler Assistant (MHA) rights and benefits, Article 10 (Leave), Article 11 (Holidays), Article 15 (Grievance Procedure), and Article 12 (Reassignments).

Our priorities in bargaining include:

1. Obtaining a fair and just general wage increase
2. Continuing of our current Cost of Living Adjustments (COLAs)
3. Keeping the No Lay Off clause
4. Improving the wages, rights and benefits for our MHAs
5. Increasing MHA conversions to career status
6. Returning subcontracted work to the Mail Handler Craft and reducing future subcontracting
7. Minimizing the dislocation and inconvenience to Mail Handlers subject to involuntary reassignments

8. Fighting any USPS proposals to implement any new lower wage scale and reduced benefits for future career employees
9. Addressing the issue of MHAs serving as 204Bs
10. Achieving an MOU on Sexual Harassment and Discrimination in the workplace.

This is not a particularly opportune time during which to bargain. The Postal Service's financial situation, the Postmaster General's ten-year plan, 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 have created an environment that makes these negotiations extremely difficult.

The NRLCA, whose contract expired in May 2018, has reached a tentative agreement with the USPS that is subject to ratification by that union's membership. The APWU, whose contract expired in May 2018, is now headed to interest arbitration.

If the APWU negotiations are any indication, we expect that the USPS will submit regressive and draconian economic proposals which may include:

- A wage freeze for current employees
- Lump sum payment(s) in lieu of raises
- Increasing the non-career workforce
- Curtailing the no-layoff clause by requiring current employees with less than 6 years of service to work 15 years to achieve no-layoff protection, while eliminating the no layoff clause for future employees
- Pay and benefits substantially cut for all future career hires, including MHAs who are converted to career.

If the parties are unable to reach a tentative agreement, the parties will adopt dispute resolution procedures that likely will include mediation and, if necessary, binding interest arbitration.

While the NPMHU prefers and will strive to reach a negotiated agreement, we are not afraid to fight in arbitration for a fair and just contract that our members deserve.

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 throughout the process.

On financial issues, the Postmaster General has projected a \$125 billion cumulative loss over the next ten years absent legislative (Postal Reform) and regulatory (Postal Regulatory Commission Rate Case) reforms. A large percentage of this projected deficit can be attributed to the ill-advised mandate that requires the Postal Service to “pre-fund” decade’s worth of retiree health benefits for future retirees. The Postmaster General declared that without Postal Reform and without a favorable outcome of the Rate Case, the Postal Service is “likely to run out of cash in 2024.”

The Postmaster General is working with the Board of Governors to formulate and implement a “10-year plan” to return the organization to financial stability. While the details of the 10-year plan are still being worked through, the plan could include some of the following:

- [Postal Reform Legislation \(Medicare Integration of Postal Retirees\)](#)
- [Rate Flexibility](#)
- [Rate Case \(CPI +2%\)](#)
- [Closing and Consolidation of Mail Processing Facilities](#)
- [Closing of Post Offices](#)
- [Reduction in Delivery Frequency](#)
- [Increased Centralized Delivery](#)
- [Reduced wages and benefits of future employees](#)
- [Outsourcing of certain Mail Processing Operations](#)

Nothing is definite yet. Many elements of this plan would require legislative and/or regulatory action. The Postmaster General has stated that she will be meeting with all stakeholders, including the Unions, to discuss the plan once it is finalized.

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.

The NPMHU remains committed to a comprehensive Postal Reform bill which would include Medicare integration (Parts A, B, and D), restoration of the exigent rate increase, and more rate flexibility.

There are other bi-partisan postal reform bills and resolutions expected to be introduced in both the Senate and the House that will address this issue. For more details on these

bills, please see National Political and Legislative Director Bob Losi’s report on page 20.

The conversion of MHAs to career employee status remains a priority for the NPMHU. The MOU on Filling Residual Vacancies, which we signed in August 2015, continues to produce results. The MOU was incorporated into our National Agreement during the last round of bargaining. This MOU has provided significant opportunities for our MHAs to achieve career status while also providing transfer opportunities for those Mail Handlers who desire them.

The Postal Service has recently issued its craft determination for the Universal Sorting System (USS). The USS processes non-machinable objects (NMOs) which are inducted on the system through parcel dumpers. Currently there are eight (8) sites that have a USS with plans to install fifteen (15) additional USSs in 2019 and 2020. The actual number of employees required to perform the duties associated with the USS will be based on local configuration and operational needs. The Postal Service has determined that the primary craft operation of the USS is the Mail Handler craft.

Preparations continue for the NPMHU 2020 National Convention which is scheduled to occur during the week of Tuesday, August 11 through Saturday, August 15, 2020 at the Hyatt Regency Convention Center & Hotel in Denver, Colorado. The National Convention is the highest decision-making body of this Union, and has the authority to act upon the business of this Union, including enactment of amendments to the Constitution. It requires two-thirds of the total delegate votes cast at a National Convention to enact a constitutional amendment. Solicitations from the membership and Local Unions for proposals for constitutional amendments will be made prior to the meeting of the Constitution Committee, which is scheduled to be held in Washington, DC in June 2020. The Official Convention Call and Delegate Election Rules can be found on page 33 of this magazine.

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