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## 2019 CONTRACT UPDATE #5

## SUBCOMMITTEE PROGRESS

2019 NO. 5 — AUG. 16, 2019

*You are reading the fifth Contract Update produced and distributed by the NPMHU during the course of 2019 negotiations. These updates, along with the Union's magazine and monthly bulletins, will keep mail handlers throughout the country informed about the issues raised during this round of bargaining.*

**T**he NPMHU and the Postal Service have now been engaged in collective bargaining for over a month. As the September 20, 2019 expiration date grows closer, the parties are meeting more frequently to discuss the importance of Union proposals. Subcommittees continue to meet as scheduled, in addition to weekly main table meetings. At this

time, the Union's economic proposals (covering Articles 9, 21, and 26) have not yet been presented—we are working through our noneconomic demands first.

The Postal Service continues to delay submitting its own proposals, and as of this writing still has not presented any official counterproposals. Perhaps patience is a virtue.

### FINAL COLA SET AT \$624

All career Mail Handler craft employees are scheduled to receive another cost-of-living adjustment, based on an annual increase of \$624 for all Table 1 Steps and Table 2's Step P. Other steps on Table 2 will receive their proportional share. The new pay scales are posted online at [npmhu.org](http://npmhu.org) and will be posted in the next monthly bulletin.

### OTHER UNION UPDATES

The Rural Letter Carriers just ratified a new three-year agreement covering the period from May 2018 to May 2021. The APWU is still bargaining from last year's May 20, 2018 contract expiration, and the NALC just started its round of bargaining in June 2019, following the same timing as the NPMHU.

### USPS FINANCES: HERE'S WHAT WE KNOW

While everyone continues to await the release of the Post Office's 10-Year-Plan, as well as the official USPS financial presentation to be provided directly to our bargaining team, the following related developments are worth noting:

- "Very happy," said Robert Duncan, USPS Board of Governors chairman, in regards to the board's new quorum, which was confirmed by Congress on August 1, 2019. This is the BOG's first quorum since 2014.
- The expected 10-Year-Plan will not be released until it

has been reviewed by all new members of the BOG.

- USPS continues to tout its recent reductions in work hours as one of the primary methods of cost-cutting.
- An outline of the 10-Year-Plan, in draft form, has been shared with key leaders in Congress, and included cuts in other workforce expenses, such as reductions in pay, leave, and benefits.

It remains to be seen whether the final 10-Year-Plan will provide more sustainable possibilities for the Postal Service's economic future, and what impact the final plan may have on National negotiations.

Updates will continue to be published whenever possible in the coming days and weeks. Continue to watch your bulletin boards and the National website for the latest information.

## PLEASE POST!

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## 2019 CONTRACT UPDATE #6

# CONTRACT EXPIRATION APPROACHES

2019 NO. 6 — SEPT. 6, 2019

*You are reading the sixth Contract Update produced and distributed by the NPMHU during the course of 2019 negotiations. These updates, along with the Union's magazine and monthly bulletins, will keep mail handlers throughout the country informed about the issues raised during this round of bargaining.*

**W**ith two weeks remaining before the current National Agreement expires at midnight on September 20, 2019, your bargaining team has been hard at work. In spite of management's sluggish pace—the Postal Service announced their first proposals only last week—we have continued to hash out the history and evidence behind each of our proposals in Main Table and Subcommittee meetings. Those proposals that were submitted to us from the field by our membership have been especially helpful in making our needs known.

During the most recent Main Table meetings, management reviewed all of the proposals submitted so far, one by one. As our proposals were submitted in segments, this was the NPMHU's first time to get an overall

look at what management is thinking. Some topics were officially designated 'economic' issues in this meeting, so we will know more about their considerations and potential offers soon. As several of our highest negotiation priorities, like Night Shift Differential and Overtime, fall into this deferred economic discussion category, we are working to learn more.

Meanwhile, the USPS canceled its formal presentation on the current state of Postal Service finances, which originally was scheduled for August 30, 2019. Instead, the Union were presented with a written presentation and we are awaiting additional relevant documents that, management claims, will give the Union a better understanding of the current financial outlook.

Both the Union and USPS proposals that have been discussed at length during Main Table bargaining will be further reviewed within the various subcommittees. The proposals that are talked about most extensively are typically the ones that are more likely to be adopted in some form, as these are continuously considered and refined throughout the bargaining process. On the other hand, those proposals which have not sparked lengthy discussions, but rather feelings of fear or even ridicule, are less likely to find their way into any agreement. But that doesn't mean these less-discussed proposals are over and done with, unless and until they are withdrawn by the party that initially proposed them. Finally, even relatively minor or cosmetic changes to the National Agreement, including the updating of dates and alterations to Article and Section headings, will take some time to process, even if they eventually will be written fairly quickly.

### THE TENTATIVE AGREEMENT PROCESS

On the topic of tentative agreements—the first hints toward possible "TAs,"

as they are known—a limited number of references to TAs have begun to appear in ongoing conversations at the bargaining table. Tentative agreements follow the presentation and discussion of proposals, but also must be initialed by both parties and are dependent upon agreement on all terms in the new National Agreement.

In previous Contract Updates, we have taken a closer look at the general workings of the bargaining process. Tentative Agreements are the semi-final phase of that process. As the name suggests, however, these *tentative* agreements are only final and binding when they are inserted into and become part of an overall settlement on all terms of the next National Agreement. The final collection of TAs, signed by both parties, will then be dependent on ratification by the NPMHU membership. If the eligible membership does not vote to ratify the negotiated settlement agreement, these agreed-upon TAs will become null and void.

**Looking Forward:** The remainder of this month leading up to contract expiration will include more frequent meetings, with the final submission of documents obtained from the NPMHU's records and archives, the Regional Offices, and the Local Unions aimed at strengthening our case for each proposal. During the current contract's final week, the negotiating teams will be available to meet around the clock at a hotel in downtown Washington, DC. Team members' schedules will be cleared to focus entirely on bargaining; it is hoped that such concentration of effort will create an abundance of TAs during that time.

The next Contract Update will focus on the state of USPS finances, and what it means for this year's round of negotiations—and beyond.

Continue to watch your bulletin boards and the National website for the latest information.

## 2019 CONTRACT UPDATE #7

# USPS PRESENTS ON OPERATIONS, FINANCES . . . FINALLY

2019 NO. 7 — SEPT. 13, 2019

*You are reading the seventh Contract Update produced and distributed by the NPMHU during the course of 2019 negotiations. These updates, along with the Union's magazine and monthly bulletins, will keep mail handlers throughout the country informed about the issues raised during this round of bargaining.*

**R**epresentatives from the Postal Service, led by Chief Operating Officer & Executive Vice President David Williams, met with the NPMHU bargaining team on September 10, 2019 to discuss USPS operations forecasts. The USPS also provided the Union with relevant financial materials after cancelling a live presentation on USPS Finances that originally was planned for August 30.

### OPERATIONS OVERVIEW

Williams presented a doom and gloom picture of the future state of mail processing operations, emphasizing several key points along the way. The growth of package mail has not offset the continuing decline in first-class

mail, and even package mail is slowing as the Postal Service's four largest competitors are developing of their own delivery networks. USPS claims that the mail volume which is processed by the mail handler craft is "leaving the system," and that "growth ... is going into delivery injection." Moreover, investments needed for a new vehicle fleet may be made by cutting the workforce of other crafts. Also highlighted were the automation systems that have been implemented at the Portland, OR P&DC, which were called "the model for the future." At that facility, mail processing work hours have been reduced by 17%. USPS investments in the Universal Sorting System (USS) are expected to increase, with 23 sites now planned, and even the supersized EPPS machine may be the subject of additional orders. As these sites receive new automation, machines like the APPS and APBS are being re-deployed to other facilities.

While the growth of automation is inevitable, the Postal Service also believes that the total number of mail handler employees is expected to remain fairly stable over the next several years. Management's emphasis, as always, is in increasing the "flexibility" of workforce hours rather than reducing the total number of hours.

### A LOOK AT FINANCES

Although the Postal Service has now shared its economic forecasts, the economic bargaining proposals from both parties still have not officially be introduced at the Main Table. Nonetheless, it is safe to predict that the ultimate debate during upcoming negotiations will have to address some of the trends and arguments put forth in the USPS, including that:

- Mail volume mix is changing, with declines led by electronic mail.
- Intense competition will incentivize the workforce and customers in ways that USPS cannot.

- 2018's total expenses were \$76.1B.
  - Wages = \$32.7B
  - Benefits = \$20.5B
  - Paid Time Off = \$5.1B
- Labor & benefit costs make up approximately 80% of USPS total costs.

### THE FINAL STRETCH

The NPMHU bargaining team will be checking into its hotel residence for round-the-clock bargaining this week-end. Several TAs have been agreed upon and are in the editing process. As several important understandings have already been reached at the Main Table, the parties are ready to focus their discussions on those most disputed and prioritized issues that have emerged in this round of negotiations.

Continue to watch your bulletins boards and the National website for the latest information.

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## 2019 CONTRACT UPDATE #8

# THE LAST DAYS OF BARGAINING

2019 NO. 8 — SEPT. 19, 2019

*You are reading the eighth Contract Update produced and distributed by the NPMHU during the course of 2019 negotiations. These updates, along with the Union's magazine and monthly bulletins, will keep mail handlers throughout the country informed about the issues raised during this round of bargaining.*

**B**argaining has escalated in intensity, as both USPS representatives and the NPMHU team have spent the past six days in meeting rooms of the hotel discussing revisions, continuing subcommittee discussions on especially heated topics, and holding internal team meetings to assess the state of negotiations.

At the time of this writing, the parties have agreed to initial six tentative agreements, and have decided which of the contracts existing Memoranda of Understanding will continue as written without further debate. The Postal Service has only begun to present additional revisions to our team at daily Main Table meetings. We are reviewing and revising all new submissions, while emphasizing those the Union has submitted previously to encourage their continued discussion.

The CAD representatives on our bargaining team have been reaching out regularly, sometimes repeatedly over the course of a day, to the field—to our Local Unions and Regional Offices—to obtain more evidence which demonstrates the necessity of certain proposals. The Postal Service might not take our word for it, but they certainly will be listening to yours. This collaboration is crucial, and greatly appreciated. Our side of the bargaining table extends far beyond the eight chairs present in the room.

The NPMHU also is carefully watching the recent and ongoing negotiations amongst our fellow postal unions. The Rural Letter Carriers have all but finalized their new three-year agreement, and the APWU remains engaged in interest arbitration. Meanwhile, the NALC is bargaining toward the same deadline as the NPMHU.

Still, though the parties have met almost daily for the past two weeks, the parties have only recently begun their discussions of the crucial economic proposals—including those that are high priority and must-have items for our workforce. Of course, the NPMHU will continue to focus on these issues as bargaining nears its conclusion.

### THANK YOU

All of our membership plays a role in bargaining by continuing to stay informed. We thank you for your participation—from your earlier submission of proposals during the survey by the Field Negotiating Committee, to your responsiveness in the contract's final days. Our September Update discussing this round of bargaining in full will be released soon, as well as any further updates stemming from these last 24 hours of negotiations. It is certainly not over until it's all over.

### LOOKING FORWARD

Following this final week of negotiations, we will be looking ahead to



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the SAMLU meetings scheduled for the end of September and the beginning of October. Local Union Presidents will meet here in Washington, DC to review the state of negotiations. Many discussions will be facilitated to ask and answer questions, provide feedback, and present specific priorities for the period of this contract and beyond.

Continue to watch your bulletin boards and the National website for the latest information.





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## 2019 CONTRACT UPDATE #9

# NEGOTIATIONS EXTENDED PAST DEADLINE

2019 NO. 9 — SEPT. 20, 2019

*This is the ninth Contract Update produced and distributed by the NPMHU during the course of 2019 negotiations. These updates, along with the Union's magazine and monthly bulletins, are used to keep mail handlers throughout the country informed about the issues raised during this round of bargaining.*

**T**he final days and hours of bargaining over the terms of the NPMHU-USPS 2019 National Agreement have now passed, with the parties unable to reach a tentative agreement over all of the terms and conditions that need to be covered by the National



Agreement as of contract expiration at midnight on September 20, 2019.

Discussions are continuing, however, and thus the parties have agreed to extend their negotiations past last night's deadline to give their bargaining representatives additional time to reach a comprehensive settlement agreement.

Though many topics have been discussed, the scope of tentative agreements reach to this point is relatively limited. At the same time, the parties have agreed to extend their negotiations because there remains a shared hope that an overall agreement can still be reached.

More details about the past three months of bargaining, and the plans for future negotiations, will be shared in NPMHU publications and discussed with Local Union representatives at a meeting now scheduled for Monday, September 30, 2019.

As always, please watch your bulletin boards and the National website for the latest information.

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