SECRETARY-TREASURER'S REPORT

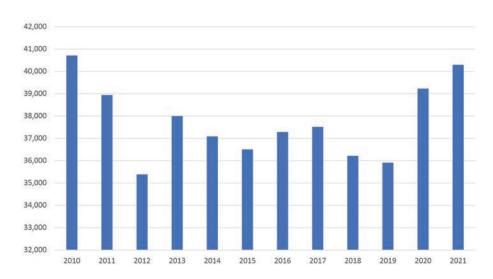
AN ANALYSIS OF MEMBERSHIP TRENDS AND OPPORTUNITIES

Michael J. Hora, National Secretary-Treasurer



he effects of the pandemic will be with us for a long time. There is no switch that will quickly return everything to a pre-pandemic normal, but conditions are improving. While in the grips of the pandemic, organizations were required to find ways to forgo face-to-face interactions. Most Local Unions converted to virtual meetings and embraced virtual training sessions. The NPMHU conducted two virtual SAMLU meetings on ZOOM® that included participants from nearly every Local in the country. In September 2021, the Laborers' International Union of North America (LIUNA) will conduct its International Convention virtually. On our convention front, the NPMHU postponed its 2020 quadrennial convention twice. These delays were all minor inconveniences in the bigger scheme of things. However, there was one pandemic related change that negatively impacted the NPMHU. The USPS unilaterally imposed virtual orientations beginning in early November and this continued through December impacting about 17,000 mail handlers.

MAIL HANDLERS DCO YEAR END MEMBERSHIP



It is said that you only get one chance to make a first impression and most Local Unions were denied the opportunity to meet with mail handlers hired in November and December 2020. The NPMHU was forced to conduct newhire orientations for about 17,000 MHAs in a virtual setting, via ZOOM®. Having no choice, we did participate, but the impact was severe. This is a good news, bad news story. To the good, for the

first time since 2011, we have exceeded 40,000 mail handlers on the bi-weekly Dues Check Off (DCO) reports.

In addition, the NPMHU has negotiated contractual improvements that have produced a steady stream of conversions from Mail Handler Assistant (MHA) to full-time regular (FTR) status. To appreciate the magnitude of this progress, some background is in order. In 2013, the Fishgold arbitration decision created a new category of mail handlers known as MHAs. The Fishgold decision was issued on February 15, 2013 and the first MHA was converted to full-time regular in Pay Period 22 of 2013. During the first 49 Pay Periods that MHAs existed, or for nearly two years, the NPMHU averaged 50 conversions to FTR each Pay Period.

On August 17, 2015, the NPMHU entered a Memorandum of Understanding re: Filling of Residual

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the National Postal Mail Handlers Union if they are not a member.

Vacancies with the USPS. This MOU improved procedures for filling residual vacancies and greatly accelerated opportunities for our MHAs to convert to FTR. After implementation of the residual vacancy MOU, the pace of conversions immediately improved, creating 1,244 conversions in the last 9 Pay Periods of 2015. Our Pay Period average increased from 50 to 138 conversions to FTR in 2015 after implementation of the residual vacancy MOU. It is interesting to note that the NPMHU maintained that pace of 138 conversions per Pay Period when averaged over 6 years. There have been some notable peaks, such as the conversion of 5,291 MHAs to FTR - negotiated in December 2020 – and the conversion of 885 MHAs to FTR – negotiated in March 2021. Notwithstanding these extraordinary peaks, there were understandable valleys or Pay Periods with very few conversions to FTR. An analysis of FTR conversions since signing the residual

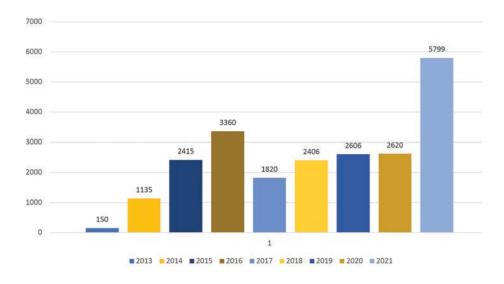
vacancy MOU shows that our per Pay Period conversion average increased from 50 to 140. As of Pay Period 8 of 2021, we have secured 22,311 MHA conversions to full-time regular. That is very good news.

Last year, 2020, was the first holiday season without casual employees, as they were eliminated by virtue of the 2019 National Agreement. The elimination of casuals, pandemic challenges, parcel volume increases, and typical Christmas volume brought about a plethora of hiring in November and December 2020. The USPS reported that approximately 17,000 MHAs were hired in the last two months of 2020. As noted, nearly all of these MHAs received their initial USPS training and union orientation in a virtual setting. In previous years, the USPS was terminating holiday casuals and reducing part-time work hours after Christmas. In contrast, in December 2020, the

NPMHU and USPS signed a MOU converting 5,288 MHAs to career FTR.

I said that this is a good news, bad news story. The bad news is that our non-member rate is unacceptable. While our regular membership is at a 12-year high, so is our union's percentage of non-members. Many MHAs hired during the Christmas 2020 crunch were only with us for a very short time. Some determined that the work was not their cup of tea and left after a short period of time. Others have stayed with the USPS and enjoy the negotiated benefits and representation rights afforded them by the National Agreement. I am asking you to have a conversation with your friend, your coworker, your work associate. Ask each and every one of them to join the National Postal Mail Handlers Union if they are not a member. The Mail Handlers Union fights to achieve and maintain improved wages and benefits. The compensation package and work rules protections are commendable and will improve over time, but there are significant costs to providing these services. If you know a mail handler non-member, please ask them to join the NPMHU. They are enjoying the benefits and protections negotiated by the Union; it is time for them to pay their fair share and join the NPMHU.

YEARLY CONVERSION TRENDS



In Unity,

Michael J. Hora National Secretary-Treasurer

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