



MAIL HANDLER UPDATE

NATIONAL POSTAL MAIL HANDLERS UNION

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Paul V. Hogrogian
National President

NATIONAL OFFICERS AND REPRESENTATIVES MEET WITH COUNTERPARTS FROM LOCAL UNIONS



Michael J. Hora
Secretary-Treasurer

Beginning on Monday, April 29, 2019, officers and representatives from nearly every NPMHU Local Union gathered in Atlantic City, NJ to participate in the Semi-Annual Meeting of the Local Unions (SAMLU).

During welcoming remarks, President Hogrogian introduced one newly installed Local President and three re-elected Local Presidents, resulting from elections or appointments occurring since the last SAMLU in August 2018. The newly elected Local Presidents include: Local 305 President Felandria Jackson (representing Maryland, the District of Columbia, Virginia, North Carolina, and most of West Virginia); Local 307 President James Haggarty (Michigan); Local 319 President Robert Jacknitsky (Wyoming); and Local 330 President Robert Griffith (representing southern Idaho and southwest Oregon). Brother Hogrogian also congratulated other recently elected and re-elected Local Union officers who were in attendance. Next, Local 308 President John Gibson took the podium and welcomed all attendees to Atlantic City.

President Hogrogian then turned to his report to the assembly. As is customary, the National President's report was a comprehensive account of the activities of the National Union since the previous meeting of the Local Presidents. President Hogrogian addressed a wide array of topics, beginning with the USPS financial situation. For the first quarter of FY2019 (October through December 2018), the Postal Service had a net loss of \$1.5 billion and a net operational loss of \$103 million.

The USPS reports that the parcel business continues to grow, showing a first quarter 2019 increase of 5.4%, but the volume of more profitable first-class mail continues to decline, hurting the bottom line more than parcels are helping. It is also concerning that the rate of parcel growth has declined in four consecutive years from a 14.3% growth rate in 2015, to 13.7% in 2016, 11.4% in 2017 and 6.5% in 2018. Hogrogian noted that these declines are driven by increased efforts of large mailers such as Amazon to develop their own processing and delivery networks.

President Hogrogian next addressed the rate review and rate case that is currently before the Postal Regulatory Commission (PRC). The current rate system is subject to an annual cap on rate increases equal to the rate of inflation, except for rare exigent rate increases like the one that ended in April 2017. The PRC has recommended changes to the rate system that would allow the Postal Service to increase rates at inflation plus 2% per year, plus another 1% based on meeting certain quality improvements. The NPMHU has intervened in support of the Postal Service, as

have the other postal unions, and filed comments with the PRC.

An update was next provided on the postal network and employee complement with respect to reversions, abolishments, excessing, withholding, and the impact of the Function-1 Scheduler. Hogrogian noted that PMG Megan Brennan continues to be under extreme pressure from the Congress and the PRC to reduce costs and increase efficiencies.

Union officials at the Regional, Local, and Branch levels have been challenging the unwarranted start time changes, reversions, and abolishments, and have filed and continue to file the appropriate grievances; our efforts have been paying off. Many Locals have been successful in the grievance procedure and at arbitration challenging these actions on a bid-by-bid basis.

These successes may be short lived, however, as USPS has begun to implement its new version of the Function-1 Scheduler. Early reports generated by this new version have been positive, and in many cases resulted in increased mail handler staffing and MHA conversions. However, the USPS Chief Operating Officer David Williams recently announced a freeze on all staffing increase recommendations resulting from a Function-1 Review. The NPMHU will continue to meet with the PMG and voice its opposition to unnecessary closings and consolidations.

President Hogrogian reviewed the recently signed RI-399 settlement and Update MOU. The key points of the MOU were reviewed in detail, including the distribution of the monetary settlement. In order to be eligible for payment, a Mail Handler had to be in the NPMHU bargaining unit (career or MHA) and on the rolls of the Postal Service during the Pay Period which ended on September 1, 2017 AND the Mail Handler has to be in the NPMHU bargaining unit (career or MHA) and on the rolls of the Postal Service during the Pay Period which ended on March 15, 2019. Any action taken by the Mail Handler after March 15, 2019 (e.g., retirement, transfer, resignation) is not considered.

Here is the further breakdown:

- A)** If eligible, and in the bargaining unit for less than 5 years (as of September 1, 2017), the Mail Handler will receive 1 Share.
- B)** If eligible, and in the bargaining unit for 5 years or more but less than 10 years (as of September 1, 2017), the Mail Handler will receive 2 Shares.
- C)** If eligible, and in the bargaining unit for 10 years or more but less than 20 years (as of September 1, 2017), the Mail Handler will receive 3 Shares.

- D)** If eligible, and in the bargaining unit for 20 years or more (as of September 1, 2017), the Mail Handler will receive 4 Shares.

There are more than 38,000 eligible Mail Handlers, and the Share amounts are as follows:

1 Share = \$143.90; 2 Shares = \$287.80;
3 Shares = \$431.70; and 4 Shares = \$575.60.

The National Office will establish an NPMHU-run appeal procedure for claims to be filed by ineligible Mail Handlers who believe they should have been listed amongst the eligible and by eligible Mail Handlers who believe they did not receive the number of Shares authorized.

Turning to national contract bargaining in 2019, President Hogrogian reiterated that preparations for these upcoming negotiations are well underway. The NPMHU Field Negotiating Committee gathered in Washington DC in February 2019 to review, debate, and analyze hundreds of proposals submitted from members across the country. We are in the process of formulating our bargaining strategy in anticipation of the Opening Session set for June 27, 2019. Given the financial condition of the Postal Service, this round of bargaining promises to be extremely challenging.

Following the President's report, National Secretary-Treasurer Michael Hora provided a detailed presentation on a variety of topics, including the NPMHU's Q4 2018 Financial Statements; an update and analysis related to Mail Handler complement, with particular emphasis on the importance of organizing our new MHAs; membership trends and revenue allocation among our Union's affiliated organizations; and analysis and review of the Union's Associate Dues, Service Charge, and Revenue Sharing Programs. In addition, attendees viewed the new NPMHU New-Member Orientation video that will soon be posted at npmhu.org.

NPMHU Women's Committee Chairperson June Harris presented on issues facing the organization. Also presented was a report from NPMHU Legislative and Political Director Bob Losi on various legislative and political efforts. Finally, National CAD Representatives Charles Manago and Kevin Fletcher provided a full report on the activities of that department since the last meeting of the Local Unions.

On day three of the meetings, all attendees participated in Leadership Training hosted by National Executive Board members Paul Hogrogian, Michael Hora, John Gibson, June Harris, Don Sneesby, and Dave Wilkin.

A more comprehensive report on the SAMLU will be included in the next Mail Handler magazine.



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