



# CONTRACT GOES TO ARBITRATION

**USPS STONEWALLS PARTNERSHIP,  
NALC FIGHTS BACK ON TWO FRONTS**

**NALC** President William H. Young announced April 6 that negotiations for a new National Agreement have ended in impasse and the contract dispute will be settled by binding arbitration, with the union seeking substantial pay increases for the nation's dedicated, hard-working letter carriers.

"The Postal Service power brokers have thrown down the gauntlet" by stonewalling NALC, Young said. "They apparently don't believe this union is militant enough to fight them. They are sadly mistaken and will rue the day they so misjudged us."

USPS's top leadership "flatly rejected NALC's offer of a strategic partnership to protect the future of the Postal Service," a stand that Young called "a triumph of ideology over common sense."

The NALC leader also announced the union will press ahead to arbitration immediately on several national-level grievances, including some that had been held in hope the parties could resolve the issues. Those grievances include management's mis-use of DOIS to bully letter carriers, the third bundle dispute, and several issues relating to the Postal Service's unilateral implementation of flat-sorting technology.

"We intend to pursue these grievances in rights arbitration at the same time we are presenting our contract proposals in interest arbitration," Young said. "We are ready to fight on two fronts."

Executive Vice President Fred Rolando said the NALC is ready to proceed with the cases. “We have arbitrators available—all we need to do is sit down and set the dates,” he said. Those proceedings could start within a few weeks.

Although many issues were left unresolved during the months of negotiation that ended April 6, the crux of the National Agreement impasse is outsourcing of letter carrier work. “Sadly, there are those controlling the destiny of the Postal Service today who are committed to a philosophy of privatizing and contracting out and damn the consequences,” Young said.

The first consequence, in fact, has already occurred—NALC has decided to withdraw its innovative proposal to restructure the city carrier workforce to provide Monday-through-Friday jobs for all regular letter carriers, while eliminating casuals and creating a unionized Saturday workforce. This proposal would have produced billions of dollars in savings for the parties to share, but were contingent on an agreement to prevent the outsourcing of city carrier work.

## Arbitration aims

President Young said NALC will spare no expense and no effort to win “substantial pay increases that reward letter carriers for their contributions to the success of the

Postal Service.” In addition to pay increases, NALC will pursue a letter carrier-only health plan as an alternative to higher employee premiums.

NALC’s lawyers have begun working with their USPS counterparts on the process of selecting a neutral chairman for a three-member interest arbitration panel. Under the law, NALC and the Postal Service each name an arbitrator to the tripartite panel and the parties together choose a neutral arbitrator to serve as chair. If the parties cannot agree, the Federal Mediation and Conciliation Service will name the chairman.

Once a panel is established, there will be hearings in which both sides present evidence and testimony to support their positions. The panel then renders an award.

The last National Agreement settled by arbitration was the 1998-2001 pact, in which the NALC secured one of its greatest victories. Recognizing the fact that carrier work has been made harder by automation, the September 1999 Fleischli Award—named for the neutral arbitrator—provided an upgrade from Grade 5 to Grade 6 for all letter carriers, as well as regular wage increases and COLAs.

## Contracting out

To protect existing city carrier jobs, the union is pursuing two national-level grievances regarding contracting out, one focused on Article 32 in general and one concerning the proposed outsourcing of 10 existing positions in Reno, Nevada. In addition, the union has launched a lobbying campaign on Capitol Hill to thwart the spread of Contract Delivery Service (*see page 2*).

“This is not just about a three- or four- or five-year contract,” Young said. “This is about the future viability of the Postal Service.”

The USPS Board of Governors is stoking the contracting out conflict, led by Chairman James Miller III, a rabid proponent of privatization who was appointed by President Bush. Well-known as a right-wing ideologue, Miller was budget director during the Reagan administration.

In a conference call with the NALC Executive Council, Young said the Board’s efforts to contract out delivery work is a “disgrace” and vowed, “The NALC will not accept it. We will fight back.” ☒



Above: During the 1999 arbitration, Edith Scherr of Bismarck, ND Br. 957 demonstrated carrier work in cold weather climates.

Right: During the same arbitration, carriers were questioned about their work experiences.

