

NALC, USPS formally open bargaining talks

The leaders of the National Association of Letter Carriers and the United States Postal Service formally opened negotiations for a new collective-bargaining agreement on Feb. 19. In his opening statement, NALC President Fredric Rolando told Postmaster General Megan Brennan that the union is “genuinely hopeful” that the two parties will be able to hammer out a contract that rewards city letter carriers “for their hard work providing extraordinary service to the American public.

“I believe that we share the view—enthusiastically—that the United States Postal Service is not only alive and well,” he said, “but also a vital national institution that provides an essential service to the 152 million households and businesses that we serve every day.” Joining the president for the event—held in the Vincent R. Sombrotto Building’s Hutchings Hall—were the other members of the NALC Executive Council as well as letter carrier and professional staff from NALC Headquarters. A host of USPS executives and employees accompanied Brennan to the Friday morning meeting. When the last round of negotiations began in 2011, Rolando said, “it was the ‘conventional wisdom’ in this town—in Congress, at the White House, in the press, among certain mailers, and even in some corners of L’Enfant Plaza—that the Postal Service was doomed. “Every element of the conventional wisdom was wrong—and demonstrably wrong,” Rolando said. “And the NALC said so, repeatedly, aggressively and consistently. And we showed why so many people were wrong.”

Of course, the multibillion-dollar deficits that USPS reports mainly are the result of the 2006 congressional mandate that the Postal Service pre-fund its health benefits account for future retirees by setting aside more than \$5 billion per year. “No other government enterprise, no private company—none—was or is required to do that,” the president noted, adding that the mandate fed the misguided and counterproductive drive to slash services. But after the Great Recession of 2008 ended, the president said, USPS eventually started to show significant operational profits. (For the most recent example, see “Another profitable quarter for U.S. Postal Service” at right.)

Even with these ongoing operational profits, Rolando said, it took some time before Washington’s power brokers noticed. “Finally,” he said, “over the past couple of years, the press, members of Congress and leaders in our industry have realized that the Postal Service is not doomed—we can and will thrive in the 21st century.”

Rolando noted that NALC and USPS have been working for some time now alongside a coalition of mailers and the other postal unions to craft a legislative solution to the Postal Service’s financial problems. For example, he said, “we used our collective-bargaining process with you to explore an alternative solution involving reforms to the federal employees’ health benefit program and its interaction with Medicare.”

The president also pointed out the NALC’s work with major mailers on proposals to boost postal revenues, as well as the parties’ allied effort to build support among these mailers—and within Congress—to drastically reduce the effects of the pre-funding mandate by means of sensible investment of the retiree health benefit fund.

“These solutions now form the basis of an emerging consensus in Congress on postal reform,” Rolando said, “and shows how powerful collective bargaining can be if we work together in good faith.”

Even so, he said, a bargained agreement between the NALC and USPS “will come only with straight talk, honest hard work, the free exchanges of ideas, real transparency and a determined will to negotiate a contract.”

Rolando said that all city letter carriers have earned reasonable wage increases and ongoing workplace and benefit protections, and that certain elements of past agreements—such as cost-of-living adjustments, the no-layoff clause and anti-contracting-out provisions—should not be tampered with and should only be approached “with great respect and caution.”

The president also made note of ongoing workforce issues that affect labor and management alike. “We have a non-career workforce with an unacceptably high rate of turnover due to inadequate working conditions, compensation and benefits,” he said. “There is every reason for us to study these issues in great detail, and to be creative in fashioning solutions.

“We also have workplace issues,” he said, stating that a workplace culture plagued by stress and dysfunction needs to be addressed at the bargaining table.

“The ongoing transition within the Postal Service—what we do, how we do it, when we do it—has made addressing these issues even more important,” Rolando said.

As a wrap-up, the president shared his thoughts about happenings outside of the parties’ bargaining process—and those happenings’ affect, if any, on that process.

“First, there is the ongoing effort in Congress to deal with postal reform,” Rolando said. “What happens or what doesn’t happen on Capitol Hill will, inevitably, affect us. We cannot ignore it.”

Then, he said, there are USPS’ dealings with the other postal unions—the American Postal Workers Union, the National Rural Letter Carriers’ Association and the National Postal Mail Handlers Union.

“Be assured of our best wishes to those unions, and you, in your efforts to reach agreements,” Rolando said. “But it is important for the

Service to understand that what goes on in your other negotiations, or interest arbitrations, with the other unions has very little relevance for the NALC and its membership.

“We are committed to deal with these negotiations in dead seriousness and purpose,” the president said. “I trust you will do the same.”

In her opening remarks, Postmaster General Brennan thanked Rolando and NALC’s leaders for their work for postal customers and the Postal Service.

“As we begin our negotiations, we do so as strategic partners,” she said, calling the challenges that USPS faces “enormous.”

“Collective bargaining,” Brennan said, “offers us the opportunity to jointly address the cost, the flexibility and the structure of the city delivery workforce needed in this rapidly changing and increasingly competitive business environment.”

The PMG said that the Postal Service recognizes and appreciates NALC’s contributions to the collective-bargaining process.

“There’s no question that all postal employees have made sacrifices in the past couple of years,” she said. “They’ve not gone unnoticed and they’re certainly appreciated. But there’s still work to be done.”

The postmaster general made note of the ongoing financial challenges USPS faces. “At the same time,” Brennan said, “we’re adjusting to the highly competitive package market, which will require unprecedented levels of flexibility as we continue to compete to capture more market share in this sector.”

Describing herself as a “positive believer” in USPS’ future, Brennan said that the agency continues to invest in technology and infrastructure, as well as training and development.

“We have a track record of collaboration,” she said, pointing out the parties’ partnership within the consensus coalition on postal reform, as well as on such endeavors as Customer Connect or the annual national food drive.

“The overarching shared objective we have is to ensure the long-term viability of this great organization,” the PMG said. “But I want to commit to you that, on our side of the table, we will have candid discussions, we will look to join in similarities, we will look to negotiate a contract that is fair to our employees and, again, that positions the organization for continued success.

“We look forward to working with you over the coming weeks and months,” Brennan concluded.

The present collective-bargaining agreement between NALC and USPS covers more than 204,000 city letter carriers. It is set to expire at midnight on May 20.

If the parties fail to reach an agreement by then, federal law establishes a system of mediation and binding arbitration to resolve disputes; the law forbids strikes by postal employees. Over the past 46 years, most contracts between NALC and USPS have been successfully negotiated.

As this *NALC Bulletin* was going to press, the parties were organizing bargaining committees for negotiations. Watch for updates in future *Bulletins* and in *The Postal Record* as well as on the NALC’s website and social media channels on Facebook and Twitter.



The NALC Executive Council, including resident national officers, national business agents and two of the three trustees, along with headquarters staff, were present for the opening of collective-bargaining talks, as were a number of USPS executives and employees.

Another profitable quarter for U.S. Postal Service

On Feb. 9, USPS released its financial report for the first quarter of Fiscal Year 2016, covering October through December of 2015.

The report showed a \$1.3 billion quarterly operating profit, a fact that Rolando called “positive news that augurs well for the future.

“The continuing financial upswing shows the importance of maintaining and strengthening the unparalleled—and profitable—postal network, which offers Americans the world’s most affordable delivery services,” he said in a statement.

Rolando noted that this impressive performance at the start of FY 2016 builds on back-to-back years of operating profits each exceeding \$1 billion, all without relying on a dime of taxpayer money.

“These results aren’t a fluke,” he said. “They stem from two structural factors: an improving economy has helped stabilize letter revenue, and Internet-driven online shopping has sent package volume sharply upward—up 16.2 percent over the first quarter of last year.”

The president said that this latest bit of good news was consistent with—and reinforces—the emerging consensus on practical postal reform embraced by key lawmakers, the Postal Service, postal unions, businesses, mailers and industry groups.

“Such reform should include stabilizing rates,” Rolando said, “as well as addressing the pre-funding mandate that is responsible for the red ink that’s been reported in previous quarters.”

Deadlines set for national convention in Los Angeles

Delegate eligibility lists for the 70th biennial national convention in Los Angeles have been mailed to all branches. The lists must be completed and returned to Secretary-Treasurer Nicole Rhine’s office at NALC Headquarters no later than June 15 in order for branch representatives to be registered as delegates to the convention.

The convention is set for Aug. 15-19.

All proposed amendments to the *NALC Constitution* to be submitted for consideration at the convention must be received by Rhine’s office by June 15. That date is 60 days in advance of the convention, as prescribed by the *Constitution*. Proposed amendments will appear in this July’s *Postal Record* for the membership to review.

Resolutions to be considered by delegates also must be received by the June 15 deadline in order to be printed in the *Resolutions and Amendments* book provided to delegates. Resolutions received after June 15 still may be considered at the convention.

Branches wishing to sell items in the designated branch sales area during the convention must contact Rhine’s office no later than April 18 to secure guidelines and forms. The completed forms must be returned to Headquarters by May 2. Go to nalc.org for more convention news.



Food Drive is Sat., May 14

Partnerships are crucial to food drive’s success

The deadline for branches to register for the 24th annual Letter Carriers’ “Stamp Out Hunger®” Food Drive is March 1. As that date quickly approaches, branch food drive coordinators around the country are concentrating on doing all they can to ensure the success of this year’s national effort on Saturday, May 14, to help solve the problem of hunger in the United States.

“Because letter carriers serve every neighborhood in this country at least six days a week,” NALC President Fredric Rolando said, “we are all too familiar with the staggering numbers of people in need.”

Rolando noted some particularly sobering statistics:

- The availability of nutritionally adequate and safe food, or the ability to acquire such food, is limited or uncertain for 1 in 6 Americans, many of whom are in households with at least one person working.
- Such households include single parents with young children, grandparents helping to raise their grandchildren, college students or households with one parent actively serving in the military.

“These are folks who are doing everything ‘right,’” Rolando said, “often working more than one job but still unable to make ends meet.”

Since the NALC’s first national food drive in 1993, countless letter carriers across the country have spent the second Saturday in May leading the effort to help replenish food shelves, food pantries and food banks in our local communities. But it’s a massive undertaking that can’t be handled by letter carriers alone, which is why NALC has been grateful for the help of partners at the national and local levels.

One national partner that has helped extend our reach beyond the cities and towns we serve has been the National Rural Letter Carriers’ Association. “The NRLCA proudly continues its support of the NALC’s annual food drive,” said Jeannette Dwyer, the union’s president. “We are proud to align ourselves with such a noble and distinguished cause.”

And this massive effort in fact would be impossible without the ongoing support of the United States Postal Service. “Studies have shown that lack of adequate nutrition affects cognitive and behavioral development in children,” Postmaster General Megan Brennan said. “I am strongly encouraging all postal employees across the country to support the food drive by collecting donations, delivering postcards and promotional bags, and doing everything they can to make this year’s food drive the best in our history.”

Also returning as national food drive sponsors are United Way Worldwide, the AFL-CIO, Valpak and Valassis.

As noted in the last *NALC Bulletin*, United Food and Commercial Workers International Union (UFCW) is new this year to the food drive’s fold as a national sponsor. “Our 1.3 million-plus members are honored to be part of the food

drive,” UFCW President Marc Perrone said. “Our members work around the clock, feeding and clothing America—in your neighborhood grocery stores, at the meatpacking or food manufacturing plants, or at the department store down the road. Every time someone comes through a grocery checkout line and has to put an item back because they cannot afford it, or every time a pharmacy customer has to choose between their medicine and their food, we see the pain it causes, and it motivates us to help fix it.”

While the postcards on their own have a proven track record as powerful reminders to customers about the drive, it’s no secret that specially marked food drive bags—paper or plastic—can often dramatically raise the amount of food collected.

“But bags aren’t cheap,” NALC Director of Community Services Pam Donato said. “That’s why we ask branches to push hard to find bag sponsors.” To that end, branch food drive coordinators can request special partnership materials—including a DVD and brochure—to help them explain the many benefits of local-level food drive partnerships.

“The most common sponsors for bags are local grocery stores,” Donato said. “They have a lot of experience with bag manufacturers, and they often are motivated to connect themselves to our food drive, since their customers will likely purchase food from their stores for donation purposes.”

Also, she said, having UFCW as a national partner means access to local UFCW representatives—access that could then translate into successful alliances with union grocers.

The food drive will once again be held on the second Saturday in May, a date identified by many food banks and pantries as a prime time for the drive.

“Food Drive Day is one of the toughest days of the year for letter carriers,” Rolando said, “but it’s also one of the most gratifying, since each bag of donations represents a meal for a family in need.”

Last year’s drive gathered 70.6 million pounds of food, marking the 12th consecutive year that the drive surpassed 70 million pounds of food collected. That brought the grand total to more than 1.4 billion pounds since the annual national drive began.

If you have questions about the food drive or need help, get in touch with your branch or regional food drive coordinator. The latest contact lists can be found at nalc.org/food.

Fill A Bag. Help Feed Families.

1. Collect and bag nonperishable* food items
Coloque los alimentos no perecederos en una bolsa junto a su buzón de correo

2. Place by mailbox for letter carrier to deliver to a local food bank or pantry
El cartero las entregará a un banco de alimentos local

*Donate items like canned meats, fish, soup, juice, vegetables, pasta, cereal, peanut butter and rice. Please do not include items that have expired or are in glass containers.

Saturday, May 14, 2016

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Letter carriers can soon expect to see this Food Drive promotional artwork on Valpak mailers.

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NALC Bulletin is published semi-regularly by the National Association of Letter Carriers. Postage paid at Washington, DC, and at additional mailing offices.

POSTMASTER: Send address changes to Membership Department, NALC, 100 Indiana Ave. NW, Washington, DC 20001-2144.

CHANGE OF ADDRESS? Contact the Membership Department.

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Circulation: 10,000. Union-printed using soy-based inks.

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