



NALC

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Bulletin

Contract approved!

Letter carriers ratify 2016-2019 NALC/USPS agreement 16-to-1

The voting membership of the National Association of Letter Carriers overwhelmingly ratified a new 40-month contract with the U.S. Postal Service, approving the 2016-2019 National Agreement by a 16-to-1 ratio. The new contract covers the term from May 21, 2016, to Sept. 20, 2019.

The vote for ratification was 78,935 to accept the agreement versus 4,732 to reject it, as reported by Joseph DeRossi of Jamaica, NY Branch 562, chairman of a special 15-member Ballot Committee that supervised the tabulation by Mosaic printers of Cheverly, MD, and certified the results on Aug. 7. A total of 189,226 members eligible to vote in accordance with the *NALC Constitution* were mailed ballots beginning on June 20.

The settlement, reached by negotiators on May 12, had been unanimously endorsed by the NALC Executive Council.

The contract includes provisions rewarding all letter carriers for their contributions to the Postal Service's extraordinary comeback following the Great Recession; narrowing the compensation gap between city carrier assistants (CCAs) and career letter carriers; creating a formal mechanism to address the problems that have undermined the workplace culture of the Postal Service for much of its history; and preserving the core achievements of our bargaining history, including regular general wage increases and cost-of-living adjustments (COLAs), protections against outsourcing and layoffs, as well as other contractual elements that define our standard of living.

The contract features pay raises of 1.2 percent and 1.3 percent in its first two years and a pay upgrade worth about 2.1 percent in the third year for all career and CCA letter carriers, an additional 1 percent in each of the three years for CCA letter carriers, and seven COLAs for career letter carriers. (A pay chart will appear in the September *Postal Record* and will be posted soon to nalc.org.)

It also contains multiple improvements in the pay and benefits for CCAs; a pay scale advancement for most transitional employees (TEs) who were on the

rolls as of Jan. 10, 2013, and are now, or when they become, career letter carriers; and a new memorandum of understanding (MOU) aimed at improving the Postal Service's often troubled workplace culture. Many other provisions of the previous National Agreement were amended and many new MOUs were reached as well.

President Fredric Rolando's message at right contains details on the next steps in the implementation of the new contract. As more information on implementation becomes available, NALC will publish it in *The Postal Record*, in a future *NALC Bulletin* and on nalc.org.

A few of the more immediate changes brought about by the agreement are detailed below.

Back pay

A full back-pay calculation for all letter carriers (career and non-career) covering all paid hours since the expiration of the 2011-2016 contract will be made as soon as practicable. These back-pay calculations will include the 1.2 percent Nov. 26, 2016, general wage increase for all letter carriers, the additional 1.0 percent increase for CCAs on that date, the September 2016 and March 2017 COLAs for career letter carriers and the new CCA step increases.

It will take some time for the Postal Service to complete more than 213,000 back-pay calculations, so it is not yet known in which pay period back pay will be issued. Information about back pay will be released as soon as possible.

CCA special conversions

There will be a one-time conversion to career status for qualifying CCAs with a relative standing of at least 30 months prior to Aug. 7. The conversions will be completed by Sept. 30 and work as follows:

- In 200-workyear offices, eligible CCAs will be converted to full-time regular career status in their installations.
- In 125- and 100-workyear offices, eligible CCAs will be converted to part-time flexible (PTF) career status in their installations, rather than waiting to convert to full-time career status as CCAs.

CCAs converted pursuant to this provision will not have to serve a probationary period provided they have successfully completed one 360-day term as a CCA.

The parties have agreed to consider the possibility of another one-time conversion after one year. Additionally, the parties have agreed to address situations where CCAs work in small offices (e.g., offices with less than 100 work-years of employment) and have no clear path to a career opportunity.

Local negotiations

The local negotiation period under Article 30 will begin on Oct. 16 and continue for 30 days, concluding on Nov. 14. There are 22 items that can be negotiated, including local vacation planning and other annual leave rules, the holiday schedule pecking order and whether non-scheduled days will be on a fixed or rotating basis, among others. (The Contract Talk article in the September *Postal Record* will have more on this.)

NALC's Contract Administration Unit has updated the local negotiations guide for this round of local negotiations and each national business agent has sent a copy of the guide to every branch in their region. Additional information has been mailed to each branch and uploaded to the "members only" section of the NALC website for branch presidents.

This round of local negotiations will be unique because of changes in the MOU regarding CCA annual leave. The updated MOU requires that CCAs be included in an LMOU's provisions regarding annual leave selections. (NALC Vice President Lew Drass' column in the September *Postal Record* will have more on this.)

"It is essential that every branch use the local negotiating period to ensure that every LMOU includes provisions permitting CCAs to be granted annual leave selections during the choice vacation period and for incidental leave," President Rolando said.

Revised MBA life insurance products



The Mutual Benefit Association (MBA) is revising its life insurance products offered to Letter Carriers and their family members.

These revised products include MBA Whole Life, MBA Whole Life Paid-Up in 20 Years, MBA Whole Life Paid-Up at Age 65, Independence (Single Premium) Whole Life and MBA 10 Year Renewable and Convertible Term Life

The new products will be available effective Sept. 1. For applications and brochures, contact your branch president or branch MBA representative, or call the MBA office at 202-638-4318.

Please discard any old MBA life insurance applications and brochures.

A special message from President Rolando Post-ratification: Our work begins



These days, it seems, Americans don't agree on much of anything.

The country appears deeply divided politically, culturally and economically. So as NALC members, sometimes it feels as if we are a rare island of unity, even though we are demographically and politically just as diverse as the customers we serve.

That unity was evident with the overwhelming ratification of the 2016-2019 National Agreement between NALC and the U.S. Postal Service. In early August, the Ballot Committee announced that the new contract had been ratified by a ratio of 16-to-1. That is an amazing endorsement of our collective-bargaining agreement. On behalf of the 28 members of the union's Executive Council, I thank the tens of thousands of letter carriers who voted in the ratification ballot for your strong support for the new contract. With 15 months of bargaining and the ratification process behind us, we can now begin the work of implementing the negotiated provisions as we simultaneously plan for the next round of bargaining.

Our immediate task is to work with management to implement the economic terms of the agreement. That includes confirming the date that the negotiated pay raises will be included in paychecks, as well as the date that letter carriers can expect to see the back pay calculated retroactive to the effective dates of the increases. The new pay rates and the back pay calculations will include: the 1.2 percent general increase retroactive to Nov. 26, 2016, for both career and CCA letter carriers; cost-of-living adjustments (COLAs) for career letter carriers retroactive to September 2016 and March 2017 (\$21 and \$333 annually); an additional 1 percent general increase for CCA letter carriers retroactive to Nov. 26, 2016; and the step increases for CCAs effective Nov. 26, 2016—\$0.50 per hour when you reach(ed) 12 weeks of service as a CCA, and another \$0.50 per hour after 40 more weeks of service as a CCA. Recently retired letter carriers also will be eligible for back pay for hours worked after the effective dates of the retroactive wage increases but before their retirement dates. In addition, such retirees will also have their annuities adjusted by the Office of Personnel Management to reflect their slightly higher end-of-career earnings. Our Retirement Department at headquarters stands ready to assist any members who have questions or concerns about that process.

The new contract will provide five additional COLA increases over the term of the agreement for career employees. Another general increase this November will include a 1.3 percent increase for career employees and a 2.3 percent increase for CCAs, and a pay upgrade in November 2018 will be worth approximately 2.1 percent for all letter carriers, with CCAs receiving an additional 1 percent (3.1 percent).

Once the Postal Service provides NALC the new workyear reports, which will determine the offices that qualify as 200-, 125- and 100-workyear offices, we will monitor implementation of the MOU to convert eligible CCAs to career status—either as part-time flexibles (125- and 100-workyear offices) or as full-time regulars (200-workyear offices). Those eligible are CCAs with at least 30 months of relative standing as of the date of ratification (Aug. 7, 2017). These conversions to career must be effective no later than 60 days from the ratification date of Aug. 7, 2017. As provided by the new contract, we will also continue discussions with postal management regarding CCA conversions to career in offices with fewer than 100 workyears, where there is no clear path to a career opportunity.

Other provisions to monitor include one to ensure that when CCAs with eligible TE time are converted to career, they are placed in a career step that exceeds their increased CCA pay rates. Additionally, upon ratification, former CCAs with eligible TE time who are currently in Step A of the career Table 2 pay scale will automatically be upgraded to Step B. (Eligible TE time includes periods of service as a transitional employee after Sept. 29, 2007.)

We will soon send letters to our CCA members to explain the new provisions regarding their options for health benefits coverage (including a special open season to elect or change coverage), as well as the increased USPS contribution to their premiums. Under the new contract, CCAs with "self plus one" or family health insurance coverage will receive more than the flat \$125 per pay period currently provided. Instead, those with "self plus one" or family coverage who are enrolled in the Postal Service's Non-career Health plan will receive a USPS contribution of 65 percent of the total premium during their initial year of CCA employment, rising to 75 percent after the initial year of CCA employment.

The NALC Contract Administration Unit is working with our national business agents regarding training and materials for local branches on the local memorandum of understanding (LMOU) implementation process. The 30-day local implementation period will begin on Oct. 16, giving branches the opportunity to make improvements to their LMOUs, including ensuring that provisions are added to grant CCAs the opportunity to make annual leave selections during the choice vacation period and for incidental leave.

We are also preparing to engage management in implementation of the Joint Workplace Improvement Process MOU. This process commits NALC and USPS to create and enhance a culture in every workplace that improves relationships between management and city letter carriers for the purpose of providing a safe, efficient work environment in which all employees are treated with dignity and respect. NALC will commit the resources necessary to accomplish the intent of this MOU by working with management through the agreed-upon process or, if necessary, through other unilateral means should the joint process prove inadequate.

Additionally, we are in the process of developing the agendas for the task forces on various contractual provisions and MOUs adopted by the new contract. These include task forces and working groups on Article 8, Article 12, joint route inspections, the CCA uniform process, city delivery, arbitration, the dispute resolution process, safety, staffing and voluntary transfers, among others.

And, of course, we have begun updating the *Joint Contract Administration Manual (JCAM)*. The *JCAM* is a jointly drafted manual designed to help NALC branches and local postal managers faithfully implement the terms of our contract by fully explaining its provisions and the parties' intent when they were adopted.

As we move into 2018, we will monitor the scheduled May 2018 advancement in the career pay scale of eligible former transitional employees based on their time served pursuant to the Step Credit MOU. We will also seek to resolve any implementation issues surrounding the November 2018 pay grade upgrade.

Even as we undertake the challenges of implementing this agreement through September of 2019, we also will begin preparing for the next round of formal negotiations, which will officially begin in June of 2019. Of course, collective bargaining does not have a beginning and an end. It's an ongoing process that involves long-term strategizing and detailed planning. In the run-up to formal bargaining sessions, there are months of comprehensive preparation and research for both bargaining and possible interest arbitration. In addition, as the parties implement the existing contract, we are empowered to negotiate contract clarifications, update memorandums and resolve disputes when there are contrary interpretations of the National Agreement. So whether it is enforcing our existing contract or negotiating new terms, our bargaining rights give us the ability to project and exercise our collective voice as NALC members.

There is no secret to our success as a union. Our strength comes from our unity. We are an open shop union, by law—membership is entirely voluntary. So when more than 92 percent of active letter carriers choose to join NALC, our message to postal management (and to Congress) cannot be any clearer: We are united and we are strong. That gives our collective voice power and authority.

While I am very proud of the skills and hard work of my fellow officers and the extraordinary staff of letter carriers and professionals we've assembled in Washington and across the country, I know that the real source of our strength is you. That is the genius of collective bargaining—together we are stronger than we would be on our own. For that we should all be proud.

National Association of Letter Carriers

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