2016-2019 National Agreement

Wage increase update

On Aug. 19, career letter carriers began earning the first two cost-of-living adjustments (COLAs) payable under the new contract that were effective Sept. 3, 2016, and March 4, 2017, as well as the 0.2 percent general wage increase that took effect Nov. 16, 2016. These increases were reflected in paychecks Sept. 8, 2017. Paychecks. Back pay on these increases will be calculated from their effective date through Aug. 18, 2017.

Career letter carriers will begin earning the third COLA payable under the new contract, effective Sept. 2, 2017. This will be reflected in the Sept. 20, 2017, paychecks. Back pay on this applicable for this increase if it will begin being earned on its effective date.

The U.S. Postal Service has informed NALC that due to the complexity of implementing the new pay scale for city carrier assistants, CCAs will begin earning their pay increases on Sept. 16, 2017. These increases will be reflected in the Oct. 6, 2017, paychecks.

These increases will include the 0.2 percent general wage increase that was effective Nov. 26, 2016, as well as the two step increases that were also effective on that date ($0.50 per hour for those CCAs with 12 weeks of service and an additional $1.00 per hour for those CCAs with 2 weeks of service). CCAs will be placed in their appropriate step based on their weeks of service. Back pay on these increases will be calculated from Nov. 26, 2016, through Sept. 15, 2017. The Postal Service has indicated that it will take some time to calculate the back pay for the more than 210,000 letter carriers, but that all back pay will be processed and paid as soon as practicable.

These new pay rates can be seen at right in the new letter carrier pay schedule, which is also available for download from nalc.org and for review on the free NALC Member App for Apple and Android smartphones.

USPS releases financial report for Fiscal Year 2017’s 3rd quarter

The Postal Service released on Aug. 10 a report on its financial results for the third quarter of Fiscal Year 2017, covering April 1 through June 30.

"Today’s financial report shows the underlying business strength of the U.S. Postal Service," NALC President Fredric R. Rolando said in a statement following the release, "while also indicating the need to address external matters beyond USPS control."

The quarterly report showed a USPS operating loss of $387 million, which puts the agency in the red by $55 million three-quarters through the 2017 fiscal year.

These figures reflect the impact of last year’s rollback in stamp prices, Rolando said. Without that 2-cent reduction in stamp prices, this most recent quarter’s revenue would be $350 million higher and the year-to-date revenue would be $1.5 billion higher.

"The figures would be on par with those of the past three years, which had a combined operating profit of $3.2 billion," the president said.

"This rollback reduces revenue at USPS which gets no taxpayer money by $4 billion a year," he said.

A president noted that the Postal Regulatory Commission (PRC) is in the midst of a legally mandated review of the postage rate-setting system, and that it intends to issue a report later this fall.

"USPS is committed in its ability to adjust postage rates by more than the Consumer Price Index (CPI)," Rolando said, "but the CPI is an economy-wide measure of consumer goods and services that doesn’t fit a transportation and delivery provider. The PRC has the ability to correct this mismatch and relieve the resulting financial pressure."

Rolando also renewed NALC’s calls for Congress to address the pre-funding burden it imposed in 2006, which requires USPS alone among all public and private entities to pre-fund future retiree health care benefits decades into the future. This produces an annual unsecured burden of billions of dollars.

"Addressing these external financial burdens would allow USPS which is based in the Constitution and which enjoys broad public and political support to continue providing Americans and their businesses with the industrial world’s most affordable delivery network," the president said.

News media coverage following the report’s release was widely run by a number of prominent news outlets, such as ABC News and Washington Examiner.

CVS Health donates money to Food Drive

CVS Health has stepped up to make generous monetary contributions to two food agencies as part of the 2017 Letter Carrier’s “Stamp Out Hunger®” Food Drive.

In Clearwater, FL, CVS Health donated $10,000 to religious Community Services Mission food pantry in the name of Clearwater Branch member Brian Hodges. Hodges was the Food Drive coordinator at the Cleveland Street station in Clearwater and was killed in a traffic crash while riding his motorcycle home after working on this year’s May 13 drive. Brian’s wife and children, letter carriers from the Cleveland Street station and Postal Service managers were on hand for the special check presentation in August.

CVS Health donated another $10,000 to the Food Bank of Northern Nevada. This donation was in recognition of the hard work of members of Reno, NV Branch 307 at the Philatelic Society’s Amerstamps Expo in Reno in March. The event highlighted the unveiling of a Family Circus-themed Food Drive stamp. Volunteer uniformed letter carriers and NALC retirees were on hand in Reno to promote the food drive and honor the drive’s 25th anniversary.

Union Plus scholarships awarded to two NALC members’ children

A number of Florida NALC members were on hand for the presentation of a check from CVS Health to Clearwater, FL’s Religious Community Services Mission food pantry.

Senate committee holds hearing on Hatch Act

On July 19, the Senate Homeland Security and Government Affairs Committee conducted a hearing that examined NALC’s political program and questioned the Postal Service’s decades-long policy of approving leave for letter carriers to participate in political activity, most recently in 2016 campaign.

Committee Chairman Ron Johnson (R-WI) called for the hearing to investigate whether granting such leave requests in some way violated the Hatch Act, a 1939 law (amended in 1993) that forbids all federal employees from engaging in certain political activities.

The hearing determined that, in fact, no letter carrier or other postal employee had violated the Hatch Act.

However, the Office of Staff Professional Activities, which oversees employees prohibited personnel practices, concluded that USPS’s approval of UWOP for political activism as “unlawful conduct” constituted “institutional violation” of the Hatch Act, a conclusion that NALC’s lawyers and others have questioned.

Testimony General Megan Brennan, who was among those called to testify before the committee, said that the Postal Service would adhere to the recommendations of the OSC and the USPS-Office of the Inspector General.

Although NALC was not invited to testify at the committee, this union is continuing to monitor further proceedings on this matter and will continue to legally and contractually protect the ability of letter carriers to exercise their political rights.