The three-member arbitration panel that will set the terms of the next collective-bargaining agreement between the NALC and the USPS has scheduled its first meetings for early August, shortly after the conclusion of our national convention. Hearings subsequently will take place on a number of dates through January—a completely normal schedule considering the complexity of the issues before the board, NALC President Fredric Rolando said.

As noted in last month’s Postal Record, the NALC and the Postal Service agreed upon the selection of National Arbitrator Shyam Das as chairman of that arbitration board.

Once the board’s proceedings wrap up, the panel, consisting of Das and representatives of both NALC and USPS, will meet to broker a final and binding “award” that sets the terms of the next contract.

Meanwhile, on July 3, a separate arbitration board issued an award that set the terms of a four-and-a-half-year agreement between USPS and the National Rural Letter Carriers’ Association.

“Naturally, the award addresses numerous issues that are unique to the rural letter carrier craft,” President Rolando said. “But the wages and benefits that were awarded are clearly modeled on the terms of the 2010 agreement between the USPS and the American Postal Workers Union.”

The president also noted that the board specifically rejected the Postal Service’s call for a more radical restructuring of the economic provisions of the USPS-NRLCA agreement.

“The Chairperson is convinced that no restructuring of a single labor contract can address all of the USPS’s financial challenges created, in large part, by the recession and the Postal Accountability and Enhancement Act with its retiree health benefits pre-funding obligations,” Arbitrator Jack Clarke stated in issuing his award decision.

Below is a summary of the terms of the NRLCA-USPS award.

### NRLCA contract: summary of highlights

#### Term
- The term of the new agreement is Nov. 21, 2010, through May 20, 2015

#### Salaries and COLA

**General Wage Increases Totaling 3.5%:**
- **Nov. 17, 2012:** 1.0% increase (COLA deferred to 2013)
- **Nov. 16, 2013:** 1.5% increase plus COLA
- **Nov. 15, 2014:** 1.0% increase plus COLA
- New wage schedule for new regular carriers hired after Nov. 20, 2010 (reduces starting pay 13 percent and top pay by 9 percent)
- New hourly rate for RCAs hired on or after Aug. 11, 2012. These RCAs will receive a 7.0 percent general wage increase over the term of the agreement, but no COLA.
- The step progression for those career rural carriers hired on or after Nov. 21, 2010, will be 52 weeks for each step between steps 1-12 of the new Rural Carrier Evaluated Schedule.
- COLA for RCAs/RCRs on the rolls prior to Aug. 11, 2012 will be rolled into hourly rates during the first full pay period of August 2015

#### Health Benefits

- Adjusted USPS Health Benefits Contribution 2012: 81 percent
  2013: 79 percent
- 2014: 78 percent
- 2015: 77 percent
- 2016: 76 percent
  (Employees hired on or after the effective date of this agreement will start at 77 percent upon conversion to regular)
- MOU to consider separate Postal Service health benefits plan in future, contingent on congressional action or agreement of other postal unions

#### Mail Counts

- **2013:** 18-day count (Feb. 9–March 2)
- **2014:** 12-day count (Feb. 22–March 7)
- **2015:** 18-day count (Feb. 7–Feb. 28)
- **2016:** 12-day count (March 12–March 25)

  (unless parties agree otherwise)
- All routes will be counted unless the regular carrier and management agree in writing not to count
- National mail counts will be effective at the beginning of the fourth full pay period following the count

#### Equipment Maintenance Allowance

- **2013:** increase EMA base rate by 0.5¢ (46.5¢ per mile)
- **2014:** increase EMA base rate by 0.5¢ (47¢ per mile)

#### High Option Election

- A regular carrier must have a minimum of ten years of service from his/her retirement com-