

## A contract resolution for the new year



A handwritten signature in black ink, appearing to read 'Fredric V. Rolando'.

**T**he beginning of a new year is a good time to take stock and make resolutions to change our ways. The impulse is a good one, even if we almost always fail to follow through. This failure often stems from trying to change everything we don't like about ourselves all at once. Changing one's diet, exercise regimen, sleep habits or work priorities at the same time often dooms the best intentions.

Extending the theme of fundamental change to USPS and NALC, never has the need to change been more urgent, and never have we had to change so much so fast. We must pursue dramatic postal reform legislation that meets the needs of the American people and the American economy; we must find a viable and sustainable business model for the 21st century in collaboration with the broader postal industry; we must refine last-mile delivery with the Postal Service for an Internet age that will boost package volume and reduce letter volume; and we must negotiate a new labor contract that serves letter carriers in the face of an uncertain future—and we have to do this all in the next six months. The danger we face is that trying to do all that at once could prove impossible. Yet we have no choice—without dramatic action on all fronts, the Postal Service will cease to properly function.

This daunting list of tasks is enough to send us back to our metaphorical freezers for some ice cream and back to our couches for mindless TV viewing to take our minds off our troubles. But we cannot afford to do that; NALC must rise to this challenge.

**Our first order of business will be to negotiate a new National Agreement.** A long-term deal is essential to allow us to build a new business model and redesign last-mile delivery, even as we deal with the near-term uncertainty facing the Postal Service.

Moreover, the parties need Congress to address the financial crisis it created with the pre-funding mandate. The crisis must be alleviated in order to know what can be done to preserve the viability of the Postal Service in the face of electronic substitution. Bridging this gap and overcoming this uncertainty at the bargaining table requires both creativity and a relentless focus on those factors we can control.

As we go to press with this magazine, this creativity and focus is evident—even though it is continually tested by the often misguided strategic initiatives of the Postal Service. (Does it really make sense to cut delivery standards when you are trying to keep as much First Class mail in the system while you build your package business?) Contract talks are progressing—we have extended them three times so far—and the parties are engaged on the whole range of issues, from economics and health benefits to workforce structure and workplace culture.

**Preserving high-quality health benefits** and controlling their skyrocketing costs have been a special focus. Since 2001, premiums in the Federal Employees Health Benefits Program have soared by 120 percent, nearly five times faster than our wages and general rate of inflation. We have grappled with this problem, which has harmed both management and labor, for decades.

Then President Vincent Sombrotto first proposed a letter carrier-only health plan in 1990. President Emeritus William Young advocated a similar plan within FEHBP in 2006. Now the Postal Service is pushing a separate postal health insurance program outside of FEHBP both in Congress and at the bargaining table.

Between these positions, there is a lot of common ground that can be exploited. The issues are complex and there are many moving parts—including accounting rules, the pre-funding mandate, the preservation of choice, retiree coverage, Medicare integration and others. All these issues must be weighed and judged—both in terms of what is in the best interests of letter carriers and what is needed to preserve the long-term viability of the Postal Service. We will do that to the best of our ability.

Of course, health care is just the tip of the iceberg. We are bargaining over all aspects of the National Agreement and a lot of hard work lies ahead. Our goal is to deliver a contract that can be enthusiastically ratified by our membership and that will protect the interests of all our members, active and retired alike. This is a resolution that must and will be kept.

Happy New Year, brothers and sisters. ☒