

# Back to the future



Director of Education  
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**U**p until about 50 years ago, letter carrier salaries were established by Congress. But as a result of the 1970 postal strike, carriers gained collective-bargaining rights and NALC was able to negotiate contracts directly with the new United States Postal Service. Every National Agreement (some more than others) has brought changes for the better to carrier salaries, benefits and working conditions, but few of the contracts had a greater impact on working conditions than the 1984-1987 Agreement. So, let's travel back 35 years to see how this agreement came to be, what was in it and how it affected the future of overtime for letter carriers.

**In 1981, the Postal Service and NALC narrowly averted** a second nationwide strike when they reached an agreement following contentious negotiations. The Postal Service sought to capitalize on the hardline approach the Reagan Administration was taking with the PATCO air traffic controllers (see my three previous *Postal Record* articles) so they wanted to impose a wage freeze and put a cap on cost-of-living increases (COLA). Because the early 1980s was a time of high inflation (10 percent per year) with prime interest rates hovering around 20 percent, a wage freeze and a capped COLA would have been devastating to letter carriers.

Fortunately, in the wee hours of July 21, 1981, NALC was able to reach an agreement with the Postal Service and a strike was avoided. Had the contract expired just two weeks later, after Reagan fired the air traffic controllers for conducting an illegal strike, things may have turned out very differently. But NALC President Sombrotto was able to get the Postal Service to agree to an uncapped COLA as well as wage increases, so a deal was reached.

Another NALC accomplishment in 1981 was the elimination of regular route inspections. Many carriers found this annual exercise burdensome and stressful, so their elimination was a long-sought goal of NALC. In 1978, the parties had agreed to go from annual counts to just one during that contract. In 1981, they eliminated any mandatory requirement for inspections, except when the regular carrier requested one under the criteria of Section 271.G of the *M-39*. Unfortunately, once the requirement for regular inspections ended, the law of unintended consequences kicked in and as a result, many carriers found things far worse than they had been before.

**The 1970s and 1980s were a period of rapid growth** in mail volume and delivery points and as bothersome and difficult as regular count and inspections were, they did tend to keep routes somewhat in check and close to eight hours. But once they were no longer required, many routes quickly be-

came overburdened, causing massive amounts of overtime. OT rates as high as 20 percent were not uncommon.

The assignment of overtime was a different world back then. Because Article 8.5.C.2.D states that "recourse to the overtime desired list is not necessary in the case of a letter carrier working on the employee's own route on one of the employee's regularly scheduled days" and because there was no contract language requiring management to use a PTF or casual to provide auxiliary assistance, many non-ODL carriers found themselves working overtime nearly every day. Rather than hiring carriers to help with the increased workload, management took the position that it was cheaper to pay someone time and a half than hire a new employee given the added costs of leave, insurance, pension and other benefits. This made reducing mandatory overtime an important NALC goal in the 1984 negotiations.

The main sticking points in labor negotiations are almost always the wage issues, and it was no different in 1984. In keeping with the anti-worker atmosphere of the post-PATCO economy, the Postal Service sought to reduce labor costs by imposing a permanent two-tier wage system with new employees starting at a lower rate and never reaching parity with those hired before them. The NALC bargaining team vigorously opposed this. When no agreement was reached by the July 20 deadline, the contract went to arbitration. In a national interest arbitration, there are multiple arbitrators; one is selected by each party, and there is a neutral one who is selected by the parties alternately striking names off a list until they reach the last person standing. In 1984, that was Clark Kerr, a well-known labor arbitrator who had been blacklisted as a communist by J. Edgar Hoover for opposing the McCarthyite "loyalty oath" policies of the 1950s. He also was fired from his position as president of the University of California in 1967 by then-Gov. Ronald Reagan for not cracking down hard enough on the campus's free speech and anti-Vietnam war movements.

**The arbitration hearings were held Dec. 11 to 17, and Arbitrator Kerr's final and binding award was issued on Dec. 24, 1984, giving letter carriers a mixed-bag Christmas present.** Some changes were great; others, not so much. In other words, what you usually get in an arbitrated agreement.

Up until that time there was a 12-step pay scale for letter carriers noted as Steps 1-12. Rather than creating a separate lower tier scale for new hires as the Postal Service had wanted, Kerr compromised and instead created two new steps at lower rates than the previous Step 1. Under this new scale, the 14 steps were designated as Steps B-O with the old Step 1 becoming Step D. While this was not what NALC wanted, it was far better than what the Postal Service had sought.

The Kerr award also incorporated changes that parties had agreed to in order to reduce mandatory overtime, which was running rampant. I will cover these in next month's article. Stay tuned.