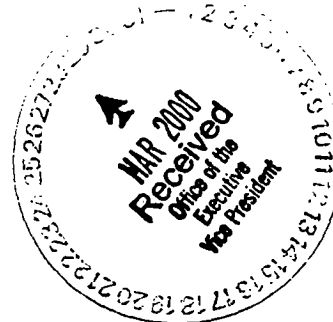




March 22, 2000

VIA CERTIFIED
Z 203 878 468

Mr. William Burrus
Executive Vice President
American Postal Worker's Union,
AFL-CIO
1300 L Street, NW
Washington, DC 20005-4128



Dear Bill:

This is in response to your September 15, 1999, and October 27 correspondence regarding the Postal Service's interpretation and application of "No Layoffs or Reduction in Force," pursuant to Article 6 of the 1998 National Agreement.

In your September 15 letter, you state:

The union interprets Article 6 as providing the following protections to regular work force employees, including all protected full time, part time flexible and part time regular employees.

By its terms, Article 6 applies to "members of the regular work force, as defined by Article 7, [which] include[s] full-time regulars, part-time employees assigned to regular schedules and part-time employees assigned to flexible schedules." To the extent you intend the above-quoted language in your letter to apply to only the employees as defined by the specific terms of Article 6, we have no disagreement as to the employees to which Article 6 provides protection.

Your September 15 letter goes on to state:

A. All regular work force (career) employees are protected against involuntary lay-off and in the case of veteran preference eligibles, are protected against reduction in grade provided they meet the following criteria:

1. Were on the rolls on September 15, 1978, or
2. Have achieved six (6) years continuous service and have worked a minimum of one hour or had time credited as work of one hour in at least 20 pay periods during each of the continuous six years, or
3. If not qualified pursuant to #1 or #2 above, were employed in the regular work force as of November 20, 1998.

As to your paragraph A., we assume that the reference to veteran preference eligibles is limited to regular workforce employees. If this is correct, then as to your paragraphs A.1. and A.2.,

above, we have no dispute. As to paragraph A.3., above, we note that the terms and conditions of A.3. are only applicable for the term of the current National Agreement, as set forth in the MOU which appears on page 297.

Finally, your last paragraph reads as follows:

The application of these protections is that the only regular work force employees referred to as non-protected and subject to lay-off are those regular work force employees hired after November 20, 1998 (pending qualifying pursuant [sic] to #2 above) and the only regular work force veteran preference eligibles who are non-protected and subject to reduction in grade are those hired after November 20, 1998 (pending qualifying pursuant to #2 above).

We note first that A.1., A.2., and A.3. are all alternative means of qualifying for the protection as they are each connected by the conditional term "or." Further, as noted above, A.3. is only applicable for the term of the current contract.

I understand that you initiated a Step 4 grievance on this matter (Q98C-4Q-C00065694) and that the grievance was subsequently appealed to arbitration. This letter would appear to have resolved the questions raised in your correspondence. Accordingly, we believe that the above-captioned case should be withdrawn and removed from the pending arbitration list.

Should there be any questions regarding the foregoing you may contact Thomas J. Valenti of my staff at (202) 268-3831.

Sincerely,



Peter A. Sgro
Manager
Contract Administration



American Postal Workers Union, AFL-CIO

1300 L Street, NW, Washington, DC 20005

William Burrus
Executive Vice President
(202) 842-4246

September 15, 1999

Dear Mr. Sgro:

Due to the continued deployment of new technology in mail processing and the uncertainties of the impact on assigned employees, it is important that the parties have a mutual understanding of the protections afforded by Article 6 of the collective bargaining agreement. This is to determine if the parties mutually agree to the application and interpretation of those provisions.

National Executive Board
Moe Biller
President

William Burrus
Executive Vice President

Robert L. Tunstall
Secretary-Treasurer

Greg Bell
Industrial Relations Director

C. J. "Cliff" Guffey
Director, Clerk Division

James W. Lingberg
Director, Maintenance Division

Robert C. Pritchard
Director, MVS Division

Pursuant to the provisions of Article 15, Section 4D., this is to determine if a dispute exist in the interpretation and application of "No Lay Off or Reduction in Force" as agreed to in Article 6 of the National Agreement.

The union interprets Article 6 as providing the following protections to regular work force employees, including all protected full time, part time flexible and part time regular employees.

Regional Coordinators

Leo F. Persails
Central Region

Jim Burke
Eastern Region

Elizabeth "Liz" Powell
Northeast Region

Terry Stapleton
Southern Region

Raydell R. Moore
Western Region

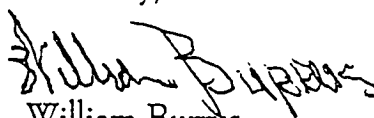
A. All regular work force (career) employees are protected against involuntary lay-off and in the case of veteran preference eligibles, are protected against reduction in grade provided they meet the following criteria:

1. Were on the rolls on September 15, 1978, or
2. Have achieved six (6) years of continuous service and have worked a minimum of one hour or had time credited as work of one hour in at least 20 pay periods during each of the continuous six years, or
3. If not qualified pursuant to #1 or #2 above, were employed in the regular work force as of November 20, 1998.

The application of these protections is that the only regular work force employees referred to as non-protected and subject to lay-off are those regular work force employees hired after November 20, 1998 (pending qualifying pursuant to #2 above) and the only regular work force veteran preference eligibles who are non-protected and subject to reduction in grade are those hired after November 20, 1998 (pending qualifying pursuant to #2 above).

Please review and respond with the employer's interpretation of the above cited provisions.

Sincerely,



William Burrus
Executive Vice President

Mr. Peter Sgro
Acting Manager
Contract Administration APWU/NPMHU
475 L'Enfant Plaza, SW
Washington, DC 20260

WB:rb
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afl-cio