



May 29, 2008

Mr. Greg Bell
Director, Industrial Relations
American Postal Workers Union,
AFL-CIO
1300 L Street NW
Washington, DC 20005-4128

CERTIFIED MAIL NUMBER:
7001 2510 0008 2205 6395

Dear Greg:

I am writing in response to your letter concerning Article 32.1.C and notification to the union at the local level.

In your letter you assert that the APWU believes that Article 32, Section 1, Part C, "is intended to require notice to the local union of any subcontracting of bargaining unit work at local installations." You further assert that "the term 'Field Level' in Article 32, Section 1.C, is intended to encompass subcontracting of bargaining unit work at local installation(s) that would not have a significant impact on bargaining unit work, and therefore not require notification to the Union at the national level." You solicit the Postal Service's position regarding the meaning and application of the language, which you will find below.

Article 32, Section 1, Part C, states:

When a decision has been made at the Field Level to subcontract bargaining unit work, the Union at the Local level will be given notification.

At negotiations for the 2006-2010 Collective Bargaining Agreement, the APWU submitted its proposal about subcontracting, APWU Proposal 32A-1, which states in relevant part on page 1:

In many cases, local unions are not notified of proposed subcontracting or management's intent to subcontract. Failure to provide advance notice deprives the Parties of the opportunity for resolution prior to implementation.

The APWU further explained that much of the union's complaint centered upon outsourcing initiatives which were developed outside the local facility and subsequently implemented at individual facilities. In those instances, local union officers would often be surprised when such initiatives arrived at individual facilities. While the parties recognized that notice was sent to the APWU at the national level regarding many national initiatives, especially where there is significant impact to the bargaining unit, the precise timing and content of area subcontracting initiatives were in some instances not always communicated to local unions.

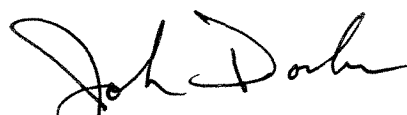
The APWU suggested that advance notification should be given for all Local outsourcing initiatives. The Postal Service did not accept this suggestion from the Union, reasoning that it would require notice for even minor subcontracting. As such minor subcontracting initiatives do not involve significant impact to the bargaining unit, and would not likely result in the decision to not outsource the work, notice to the Union would be unnecessarily cumbersome. Specific examples of such minor subcontracting cited by the Postal Service included tire and oil changes, and window washing for Postal lobbies, etc.

As a courtesy, and after considerable discussion between the parties, it was agreed that local union offices should be given notification where area subcontracting takes place to avoid undue conflict between the parties. It was intended that providing notice to the local union would avert any confusion at the time any area subcontracting is actually implemented at an individual facility. In response to your assertion, if "Local" had been intended, the word "Local" would have been used (twice) in Article 32, Section 1, Part C.

For these reasons, despite claims to the contrary by the APWU, the position of the Postal Service has been that local outsourcing projects do not require notification pursuant to the above-cited subsection.

If you have any further questions or concerns, please do not hesitate to contact Patrick Devine of my staff at (202) 268-5421.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Dockins". The signature is fluid and cursive, with a large initial "J" and "D".

John W. Dockins
Manager
Contract Administration (APWU)