

Rank and File Committee Recommends Extension Membership to Vote on Proposed Contract

The 13 members of the APWU Rank and File Bargaining Advisory Committee voted unanimously Nov. 14 to send the tentative agreement for a two-year extension of the Collective Bargaining Agreement to members for a ratification vote.

Ballots will be mailed to members as soon as they can be prepared – in two or three weeks, the committee said. The wording of each contract change will be included in the mailing. Advance copies of the agreements will be sent to state and local presidents.

"I had heard a lot about the extension proposal but I'm glad I waited until I saw the exact language to make up my mind," said Terry Grant, the Ohio Postal Workers president elected to be the committee chairperson. "And the results of Nov. 5 have made this such a hostile climate not just for postal workers but all working people – anything we can do to protect our jobs should be seriously looked at."

"After we had things explained to us in detail," Grant added, "it was a no-brainer: The membership deserves an opportunity to vote on this, especially in light of our history of bargaining and past arbitration awards."

Art Doherty, the president of the Philadelphia Area Local and the advisory committee's vice chairman, commented that there was "vigorous debate" on all the issues. "I initially felt that I was going to favor the extension, but I intentionally reserved judgment until I saw all the documents that we were being presented for possible ratification – the documents that the Postal Service was going to sign."

Tom Maier, industrial relations director of the Tulsa Area Local, was selected by fellow committee members as sec-

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Rank and File Bargaining Committee

retary. "We had an awesome responsibility," he noted. "Everyone on the committee had the opportunity to participate and everyone did. We went sentence by sentence through everything. While there is no such thing as a perfect agreement, we are convinced that this is the best deal we are going to see and this will be the most opportune time to get to see it."

The advisory panel appointed a subcommittee to supervise the ballot contents. The committee consists of Grant, Maier, Isabelle Bailey (president, APWU of California), Morline Moore (president, Texas Postal Workers Union), and Greg See (president of the Mansfield, OH, Area Local).

"The ballots will offer a choice of 'Yes' or 'No' on extending the National Agreement with modifications by two years," Grant said. "The final decision is left up to the membership."

If an extension is agreed upon, it would be the first of its kind in APWU's 32-year history. It would run through Nov. 20, 2005.

If the extension is not ratified, full-scale negotiations will begin next August.

How the Extension Proposal Evolved

Before the Rank and File Bargaining Advisory Committee began its deliberations on the tentative agreement to extend the Collective Bargaining Agreement, APWU President William Burrus informed the group as to how the agreement evolved.

"In early October, I met with the Postmaster General Potter and the Vice President for Labor Relations about excessing, hoping to find some ways to reduce the suffering it was causing our members. As almost everyone has heard, thousands of excessing notices have been distributed, with many employees notified that they would be assigned to positions hundreds of miles from their current workplaces.

"There also have been widespread reports of consolidations," Burrus said, "although I have yet to see anything in writing on this from the USPS, despite three separate written requests for information."

It was during the discussions on excessing, he said, that the idea of a contract extension first came up.

Burrus said that he talked with APWU Executive Vice President Cliff Guffey, Secretary-Treasurer Bob Tunstall, and Industrial Relations Director Greg Bell, and all agreed that as long as some of the union's long-term goals were advanced, the union should explore the possibility of a contract extension.

Burrus next made a presentation to the APWU National Presidents Conference in Seattle on Oct. 28, notifying the state and local presidents of the possibility of a contract extension and outlining some "bottom-line issues" that he would insist upon before he would accept a tentative agreement.

"Negotiations began in earnest upon my return to Washington," he said, "with several drafts and rewrites

being exchanged and extensive discussions about specific wording."

Burrus said that one of the most important aspects of the contract extension is job security.

"I was adamant that I would not propose any agreement unless there was a guaranteed provision on early retirement opportunities," he said. "I made it clear that this extension could go forward only if I had a commitment from management that it would petition OPM [Office of Personnel Management] seeking permission to offer all APWU-covered workers early retirement opportunities. The early outs and the moratorium on excessing were the most contentious issues," he said.

"Although management might have offered some 'early outs' even without a contract extension, there was certainly no guarantee," Burrus said. "If they had offered early outs, they almost certainly would have offered them only to limited occupational groups in targeted geographical areas."

It's not just what's in the extension that's important, Burrus added. "Whenever you go into negotiations on a new contract, you expose every aspect of the previous agreement to risk. In every negotiation, management proposes eliminating the cost-of-living clause and the no-layoff provisions," he said, "and reducing their contributions to employee health benefit payments."

"If we went to negotiations, we'd likely end up in arbitration again, where the standard for our wage package would be influenced by the agreements management reached earlier this year with other craft unions," Burrus said.

"I believe the contract extension, while not satisfying all of our goals, is in the best interest of APWU members and should be ratified," Burrus said.

Rank and File Bargaining Committee Statement on Contract Extension

Editor's note: The following is the statement prepared by the APWU Rank and File Bargaining Advisory Committee after their vote on the contract extension proposal. All 13 members of the committee signed the statement.

The Rank and File Committee, comprised of one appointee from each APWU National Executive Board member plus a representative from the Deaf/Hard of Hearing Task Force, was called to APWU Headquarters on Nov. 12, 2002, to begin deliberations on a possible extension of the Collective Bargaining Agreement through Nov. 20, 2005.

After receiving several presentations by President Burrus, examination of all documents, discussion with other national officers and staff, interchange and debate over all the issues, the Rank and File Bargaining Committee has approved the contract extension to be released for a ratification vote by the members. The committee's rationale includes the following:

- Discussion between the APWU and the USPS has led to an agreement that the Postal Service will petition the Office of Personnel Management, no later than Feb. 2, 2003, for permission to offer retirement opportunities to all APWU-represented employees. This is a standard request, required by law, and the agreement will ensure that no group of employees will be excluded from the opportunity to request early retirement. This differs from the "early out" in 1992 when the Postal Service was able to exclude a substantial number of employees from applying. Further, this will provide an additional option for those adversely affected eligible employees identified for excessing from their installation. Federal law does not allow for a waiver of the penalties (e.g., 2 percent reduction for each year under the age of 55). The APWU is pursuing consideration of retirement incentives.

- The union estimates there will be a considerable impact on our members due to plant consolidations. The moratorium on excessing is a mechanism to prepare for the possibility for employee reassignment. The Postal Service will begin to withhold all residual vacancies immediately. The agreement requires the Postal Service to provide the union with the plan to consolidate installations in December 2002. The moratorium limits the Postal Service to excessing only within the local commuting area (50 miles). Further, the agreement requires that a joint task force be appointed, effective with the signing of the agreement, to develop a procedure to uniformly apply the provisions of Article 12 in excessing situations. This task force is required to report on its deliberations no later than Jan. 31, 2003.

- Basic annual salaries will be increased by 1.3 percent effective Nov. 15, 2003, and Nov. 27, 2004. The increase is based on the basic annual salary for the grade and step in effect on Sept. 6, 2003, as opposed to what was in effect in September 2000. This allows for a greater monetary gain for the employee and improves on what the other three postal unions have already agreed to for their current con-

tract periods. The cost-of-living allowance (COLA) will continue under its current formula through the life of the contract extension. In the past contract alone, we lost COLA for an entire year due to the negotiations process. It should also be noted that the employer's contribution to the Federal Employee's Health Benefits program will remain the same and the annual uniform allowance for eligible employees will be increased 2.5 percent for each year of the two-year period.

- The committee studied past national interest arbitrations, especially the 2001 decision by Arbitrator Stephen B. Goldberg wherein he stated that Postal Service jobs are highly sought after, held onto and that the quit rate is almost nonexistent. These are just a few of the reasons that led Arbitrator Goldberg to surmise that the Postal Service provides a wage and benefit package to APWU-represented employees that is better than that available for work in the private sector. He also cited numerous other national interest arbitrators who reached essentially the same conclusions. These were sobering words that would provide any future arbitrator with the capability to severely limit future financial gains for APWU-represented bargaining unit employees.

- Effective Nov. 29, 2003, Electronic Technicians PS 10 and 11 will receive a one-level upgrade. On Nov. 13, 2004, PS-4 CFS clerks will be upgraded to Level 5.

- The committee recognizes the importance of extending the no-layoff provisions to Nov. 20, 2005. Other benefits contained in the package that were given favorable consideration were TE career opportunities being extended, employees being allowed to become a successful bidder two additional times, and expanded employee developmental opportunities.

- The Postal Service has no additional sources of revenue. Any changes in CSRS funding, if passed legislatively, will be required by law to pay down the postal debt, which now stands at about \$11 billion. Any assumptions that this money would or could be made available for wage and benefit increases are simply untrue.

- The committee took note that this is a contract extension rather than mandatory negotiations. If a decision was made **not** to send this out for ratification, there is no requirement to provide for further negotiations. We cannot compel the Postal Service to negotiate outside the mandatory period required by the Postal Reorganization Act.

In conclusion, the Rank and File Bargaining Advisory Committee's bottom line was to deal with the question, "Are we in a better position through November 2005, than we would be by starting contract negotiations in August 2003?" Our assessment, based on our deliberations, is that we would not be in a better position by opening contract negotiations in August 2003. Therefore, the committee unanimously endorses the extension and recommends it be sent to the union's highest governing body, the membership, for final decision.



The APWU Rank and File Bargaining Advisory Committee: Seated are, from left, Darrell Strobel, Ron Harbeson, Moe Lepore, Morline Moore, Jim Bertolone, Duron Marshall, and Art Doherty. Standing are, from left, Greg See, W.P. Jones, Tom Maier, Terry Grant, Isabelle Bailey, and Bobby Daulton.

What About CSRS?

In a teleconference with union officials on Nov. 14, APWU President William Burrus addressed questions about the implications of the future overfunding of the Civil Service Retirement System (CSRS) for the contract extension.

"Some employees are saying, 'If the Postal Service is going to get some extra money, they ought to share it with us,'" Burrus said. "That's understandable."

But we have to clear up some misconceptions, Burrus said. The Postal Service will not get any additional money because of the recently announced overfunding, he said. "There's not a nickel there," he said.

"Any changes to the funding formula require legislative action," he noted. "But even if the law is changed, not \$1 billion will be refunded to the Postal Service. At best, future pay-

ments to the fund will be reduced. If the law is changed, the Postal Service contribution would be cut by \$2.9 billion in 2003 and by \$2.6 billion in fiscal year 2004," he said.

"The law would also require the Postal Service to apply the savings generated by the change to reduce its debt, which is currently about \$11 billion," he said.

The Civil Service Retirement System pays – and will pay – the retirement annuities of career employees who were on the rolls prior to Jan. 1, 1984. The CSRS is funded through employees' contributions of 7 percent of their salaries, a matching 7 percent contribution by the Postal Service, and an additional yearly payment by the USPS for the difference between 14 percent of employee salaries and the expected cost of retirement for CSRS employees and their survivors. The additional payment by the Postal Service is the subject of the current discussions.