

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 contract 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.

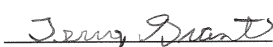
- The committee recognizes the importance of extending the no-layoff provisions to Nov. 20, 2005. Other benefits contained in the package that were given favorable consideration were TE career opportunities being extended, employees being allowed to become a successful bidder two additional times, and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

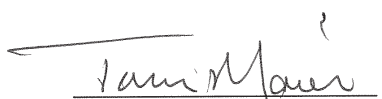
- The committee took note that this is a contract extension rather than mandatory negotiations. If a decision was made **not to** send this out for ratification, there is no requirement to provide for further negotiations. We cannot compel the Postal Service to negotiate outside the mandatory period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

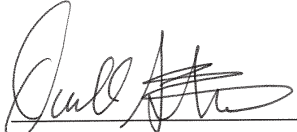
In conclusion, the Rank and File Bargaining Advisory Committee's bottom line was to deal with the question, "Are we in a better position through November 2005, than we would be by starting contract negotiations in August 2003?" Our assessment, based on our deliberations, is that we would not be in a 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.

RANK AND FILE COMMITTEE

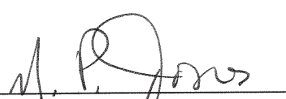

Terry Grant, Chairperson



Art Doherty, Vice Chairperson



Tom Maier, Secretary

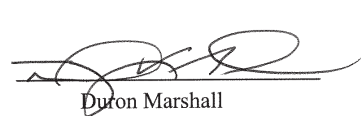

Darrell Strobel

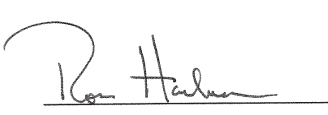

Moe Lepore

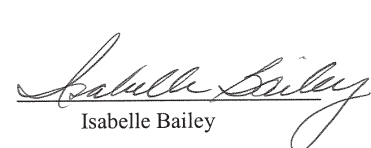

W. P. Jones

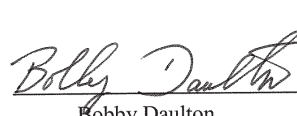

Greg See

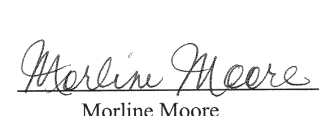

Jim Bertolone


Duron Marshall


Ron Harbeson


Isabelle Bailey


Bobby Daulton


Morline Moore