

USPS Seeks to Impose Restrictions in Offer On Early Retirements *Management Reneges on Agreement With Union*

“Recent actions by the Postal Service designed to limit voluntary early retirements by APWU-represented employees are nothing less than treachery,” APWU President William Burrus declared today. “It is clear the Postal Service has engaged in double-dealing to avoid living up to its commitment to offer early outs to *all* eligible members.”

On Aug. 6, the USPS sought an extension of its authority to offer early retirement to employees represented by the APWU from the Office of Personnel Management. The Postal Service was granted authority to offer early retirement in June, but that authority was set to expire Sept. 30.

Based on the Postal Service’s request, OPM granted the extension – until Dec. 31, 2004 – and limited the categories of employees eligible for offers of early retirement.

OPM’s letter to the Postal Service, dated Sept. 9 and received by the union this week, says:

“This authority applies to U.S. Postal Service employees within the following occupational series and levels:

- clerk craft employees;
- motor vehicle craft employees in levels 5 and below; and
- maintenance craft employees in levels 5 and below, with the exception of technical maintenance positions for which there is a continuing need.”

The letter continues: “These are the same categories of employees covered by OPM authority 2003-078,” referring to the approval it granted on June 13 to the Postal Service’s original request.

In fact, however, the approval granted in June did *not* exclude any crafts, levels, occupational groups or geographic areas.

The exclusion of some categories of employees from the offer of voluntary early retirement has been hotly contested by the APWU since July. In December 2002, as part of the extension of the Collective Bargaining Agreement, the union and management agreed that the Postal Service would petition OPM for authority to offer early retirement to all

eligible APWU-represented employees. According to the agreement, only restrictions imposed by OPM could limit the offer.

“Since July, USPS management has attempted to renege on its agreement to offer early retirement to all eligible employees,” Burrus said. “This recent approval letter from OPM reiterates the precise language of management’s internal instructions to the field that excluded certain categories of employees in violation of the agreement between the union and management.

“The Postal Service – in concert with OPM – is attempting to make it appear that OPM has imposed restrictions on the early-out offer, when it is clear that management is actually trying to limit the offer, in violation of the APWU contract.”

The APWU took legal action earlier this month, filing a complaint in federal court that seeks to force the Postal Service to arbitrate this dispute expeditiously. The APWU invoked the Administrative Dispute Resolution Procedure of the Collective Bargaining Agreement in late July, when eligible employees received notices informing them that they might not be offered early retirement opportunities. The union proposed expedited arbitration so that the issue could be resolved quickly, but the USPS has refused.

Approximately 30,000 eligible APWU members expressed interest in early retirement, according to USPS records, but the Postal Service estimates that only 3,000 would actually seek to retire. Numerous employees have been notified by the USPS that they will be denied the opportunity. Some eligible employees never received a packet containing a statement of interest.

“It is not necessary to file individual grievances on this issue,” said Industrial Relations Director Greg Bell. “The national union will pursue this matter vigorously in court and through the Administrative Dispute Resolution Process on behalf of all affected employees, including those who occupy a job in an excluded category, as well as those who were notified they do not occupy a position that has been identified as ‘excess.’”

Yale Workers Win 8-Year Contract, Vastly Improved Retirement Package

Workers from two union locals representing 4,000 employees at Yale University ended a three-week strike when they approved an eight-year contract Sept. 19. The strike had shut down dining halls and disrupted classes. The school’s president, Richard Levin, was a member of the President’s Commission on the U.S. Postal Service, where his anti-worker opinions were given a new spotlight.

The main sticking point in negotiations over the contract that expired in January 2002 was the pension plan, which hadn’t been negotiated in nearly 20 years. Talks heated up after union leaders expressed a willingness to accept a longer-term contract in exchange for pension improvements.

Under Yale’s original offer, employees earning a bargaining-unit average of \$33,000 annually would have received

\$12,375 a year upon retirement. Under the contract settlement, that employee will receive \$14,760 annually, or about 20 percent more. The new agreement also awards workers raises averaging more than 4 percent each year.

The strike was the second at Yale this year and was marked by large demonstrations, including a Sept. 13 rally estimated at 10,000 that included Jesse Jackson, AFL-CIO President John Sweeney and several members of APWU’s Greater Connecticut Area Local. Jackson, Sweeney, and 150 others were arrested for blocking traffic.

The dining hall, clerical, maintenance, and technical employees returned to work Sept. 21. An estimated half of the school’s union-represented employees were out the full three weeks.

COLA Update

An increase in the Consumer Price Index in July means that after the sixth and final month of the fourth Cost-Of-Living Adjustment period in the National Agreement, employees have accrued an annual raise of \$291.

The adjustment amounts to a 14 cents per hour increase, which works out to \$11.20 per pay period.

The COLA increase took effect Sept. 6, and will be reflected in Sept. 26, 2003, paychecks. The two most recent COLA adjustments were \$250 (March 8, 2003) and \$312 (Sept. 7, 2002).

Updated pay scales were distributed in the September/October edition of *The American Postal Worker*. Pay scales also can be seen at www.apwu.org.

Commission ‘Reform’ Scheme Has First Review on Capitol Hill

In the first congressional hearing on recommendations by the President’s Commission on the Postal Service, commission co-chair James A. Johnson defended its proposals to close many of the nation’s post offices and to make postal workers bear the brunt of efforts to cut costs.

Many members of the Senate Governmental Affairs Committee that hosted the Sept. 17 hearing questioned how the commission’s proposals would affect postal customers and postal workers. While characterizing the commission’s report as “a wake-up call” on declining mail volume and saying that she was relieved that the panel did not advocate complete privatization, committee Chairwoman Susan Collins (R-ME) expressed concerns about the report’s failure to address the impact of postal facility closings on citizens, businesses, and workers.

Sen. Frank Lautenberg (D-NJ) took the commission to task for ignoring the views of postal workers. “They have to be consulted. We have to respect their views and ideas. ... Restricting employee bargaining rights, privatizing jobs, and increasing executive compensation will not solve the Postal Service’s workplace problems nor improve employee morale or efficiency.” Democratic senators Richard Durbin (IL), Joe Lieberman (CT), Daniel Akaka (HI), and Tom Carper (DE) also spoke up for postal workers.

Johnson held his ground on most of the anti-worker recommendations, however, insisting that the Postal Service must do whatever it can to “right-size” the operation and avoid a financial crisis. During the hearing, he reiterated the commission’s proposals to:

Close Postal Facilities: Johnson said the commission did not specify how many of the nation’s 38,000 post offices and 446 processing and distribution facilities should be closed. But he did say that during off-the-record discussions with Postmaster General John E. Potter, commission members were given an estimate for possible closings of P&DC’s and “it was not a trivial number.” Johnson added that the number of post offices also was “far in excess of what was needed.”

“Outsource” Postal Work: Johnson gave a spirited defense of commission recommendations to cut the size of the postal workforce and outsource many postal functions to the private sector. All functions except for delivery would be put on the auction block.

As a justification for cutting bargaining-unit labor costs, Johnson echoed the commission’s tradition of quoting inaccurately high figures for how much of the USPS budget is consumed by employee compensation. Saying that postal compensation costs account for 76 percent of the USPS budget, he failed to mention that this percentage includes

costs associated with ALL postal employees, including 100,000 managers and non-bargaining unit personnel. And he again failed to mention the data that show that thanks to increased productivity resulting from automation, the APWU share of such costs has been in steady decline.

Reduce the “Postal Premium”: In defense of its recommendation to create a Postal Regulatory Board that could cut postal pay, Johnson said the commission “heard a great deal of testimony from people saying that in their opinion there is a ‘premium’ paid to postal workers” in comparison to comparable jobs in the private sector.

The commission apparently has ignored that FedEx and UPS employees earn more than USPS employees doing comparable work. And the politically appointed three-member regulatory board would be charged with assigning a dollar value to the health care, retirement, and other benefits earned by postal workers. Johnson said that the compensation changes would be “prospective,” and that current employees would not be impacted. In fact, commission recommendations would authorize the board to eliminate any “pay premium” earned by current employees.

And, under commission recommendations, the health and retirement benefits now guaranteed to *all* bargaining unit employees would become negotiable.

Institute Pay-for-Performance: Johnson defended the commission’s so-called pay-for-performance plan, which would link worker pay to Postal Service productivity.

Although he admitted the commission did not have a specific plan for how this would be structured, he said that “the commission members *unanimously*” supported performance pay for bargaining-unit employees. Norman Seabrook, however, the nine-member panel’s only labor representative, not only objected vehemently to the proposal at a public hearing, he filed a dissenting opinion to the Workforce Subcommittee’s recommendations.

Collins announced that her committee would hold several additional hearings on the commission’s proposals. The postmaster general and General Accounting Office officials will be invited to testify at a hearing slated for early November, and postal unions and mailing-industry representatives will be invited panelists at subsequent hearings that could carry into 2004. No hearings on postal issues have been scheduled in the House of Representatives.

“The commission’s proposals are in the hands of Congress,” said APWU President William Burrus. “We will work to protect the interests of the American public and postal workers while supporting any recommendations that will strengthen the Postal Service in the 21st Century.”

Unions Lead Drive to Turn Back Latest Effort to Nix Overtime

In a hard fought victory for working families that came about in large part because of the lobbying efforts of a wide array of unions, the Senate recently blocked the Bush Administration from rewriting the workplace rules that guarantee overtime-pay opportunities to millions of private-sector workers.

The 54 to 45 victory in the Senate came Sept. 10, as lawmakers approved an amendment by Tom Harkin (D-IA) to an appropriations bill. The action prohibits Labor Secretary Elaine Chao from implementing proposed new rules that would make millions of workers ineligible for protection under the Fair Labor Standards Act, which sets the minimum standards for wages and overtime. The proposed rules would reclassify many administrative and professional workers with annual earnings of less than \$65,000 – including many police, firefighters and nurses – as ineligible for overtime and instead would allow employers to offer them compensatory time off (“comp time”) instead of time-and-a-half for hours worked in excess of 40 hours per week.

The anti-labor push is not dead yet: A previously approved House version of the bill does not include a similar amendment to block the overtime rule changes. The final outcome will be determined in a House-Senate conference to meld the two versions into a final product. President Bush has threatened to veto the legislation if it bans his effort to cut overtime pay.

The proposal to gut overtime pay would not affect postal

Immigrant Workers Take ‘Freedom Rider’ High Road

Inspired by the “Freedom Rides” of the Civil Rights Movement, nearly 1,000 immigrant workers are riding buses coast-to-coast to focus public attention on immigrant rights and the injustices of out-of-date policies.

The riders have been joined by union, community, and civil rights allies. On Sept. 23, they boarded buses in cities

Anti-Privatization Victory For Federal Workforce

In a surprise win for federal workers, the House of Representatives voted against a Bush Administration proposal to privatize as many as 850,000 federal jobs.

The vote came Sept. 9 on an amendment offered by Rep. Chris Van Hollen (D-MD). The freshman congressman accused the administration of trying to give private contractors an advantage in competing for work that involves occupations ranging from secretaries to scientists and air traffic controllers. The vote blocked funding for revisions to Office of Management and Budget “Circular A-76” procedures, which include provisions on jobs open to the private sector.

President Bush has threatened to veto any measure that impedes his privatization efforts.

workers, who are currently protected under collective bargaining agreements and different federal laws. As APWU President William Burrus noted, however, “This attack on private-sector workers, if successful, will surely lead to additional action on public-sector workers. We stand with our other union brothers and sisters in vigorous opposition to any efforts to undermine overtime pay and the 40-hour week.”

throughout the country. In total, they will travel some 20,000 miles of U.S. highways and stop at more than 100 cities, towns, and workplaces where they will take part in rallies, marches, community forums, and religious services. The Freedom Riders will converge on Washington to meet with members of Congress Oct. 1 and 2, and then travel to New York City for a mass rally on Oct. 4.