



REGION 5 NBA REPORT

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National Business Agent's Report

NALC

Tentative Agreement – The NALC and the USPS have come to a tentative agreement on a contract which will last until May 20, 2023. This agreement is tentative, because it is up to you, members of the NALC on whether or not it is ratified. Each member will get the opportunity to vote, yeah or nay on whether or not the terms of the agreement are acceptable or not. I've had the privilege to be part of the negotiating team for our last contract as well as this one. I've been able to remotely view the Interest Arbitration which was in its last few days when the tentative agreement was reached and voted with the other members of the executive council, which unanimously voted to approve the agreement pending your ratification.

2020 – Thank God that's over! A Pandemic which we hadn't seen for over 100 years: A highly divisive election: Stock Market crashes and rises; Businesses closed or barely holding on; Separation from loved ones including during holidays. Yet letter carriers, essential to the economy and keeping America connected, continued to deliver the nation's mail, day in and day out.

Social Media – I get calls monthly and see carriers disciplined too often for posting “rants” and pictures online. You can be disciplined for threatening other employees...even if you are “joking.” If you are going to take pictures while on duty, get permission first and avoid the headaches. Also, remember that there are cameras everywhere watching you!

New Delivery Vehicle? Not Yet – Delayed again! The mail delivery truck contract, previously reported to be awarded by the end of 2020 (Also previously reported to be awarded in 2017, 2018, 2019 and earlier in 2020) has once again been delayed, this time until the first quarter of 2021. Meanwhile, 140,000 Grumans are still being used despite their average age of 30 years. The contract is said to be over 6 billion dollars and for an estimated 180,000 vehicles. The contract may be spread amongst the three parties yet competing. Those are:

- *Workhorse Group, a small Loveland, Ohio, electric truck builder. It has a factory in Indiana. The company also owns 10% of Lordstown Motor Corp., an electric pickup truck startup in Lordstown, Ohio. It may tap Lordstown for manufacturing if Workhorse lands a large contract for the new mail trucks.*
- *Turkey-based Karsan, which makes commercial electric vehicles, teamed with long-time USPS supplier Morgan Olson of Sturgis, Mich. The team has offered a plug-in hybrid engine option for the new mail truck. Its truck would be built in the U.S.*
- *The third team, Oshkosh Corp., of Oshkosh, Wisc., and Ford Motor Co. of Dearborn, Mich., already have U.S. manufacturing facilities. They based their internal combustion engine entry on the Ford Transit cargo van.*

Training – To make it official, the 2021 Region 5 Rap Session is cancelled. Charlie, Dave, Larrissa and I have been discussing further remote training that we can do until such time as we can gather together. Some of training subjects we have been considering are: Retirement; LMOU (Local memorandum of understanding); New Steward; OWCP; and Route Inspections. If you have any other suggestions, give us a call. Our plan is to take advantage of the opportunity to increase participation from officers from some of the smaller branches within the Region.

Pandemic – While we are still not seeing wide scale spread of the Covid-19 virus amongst employees at work, the greatest majority of employees testing positive are catching the virus away from work at either social or family gatherings. I urge everyone to stay vigilante for the next few months as the vaccine begins to be delivered. Remember to wear your mask, it does help. While you may be healthy and unconcerned, it may be a parent, grandparent, or other relative who catches the virus from the person, who caught it from you, gave it to three other people, who gave it to six other people, who gave it to someone who won't survive.

Covid Update – Before reporting the positive letter carrier cases within Region 5, it should be noted that there have been well over 5,800 postal employees within the Region that either tested positive or have been quarantined by local health officials, the postal service, their own physicians, or on their own because of exposure. Many tested negative. Within Region 5, 525 letter carriers have tested positive and 2,686 postal employees, including management. For Letter Carriers within the region: Central Plains – 125; Gateway – 148; Hawkeye – 112; Mid America – 140. Of those carriers who have tested positive, the majority have returned to work at this time. There seems to be a continuing surge of positives in small offices. Be safe and be careful.

NATIONAL ASSOCIATION OF LETTER CARRIERS HIGHLIGHTS OF TENTATIVE AGREEMENT WITH THE U.S. POSTAL SERVICE 2019-2023 NATIONAL AGREEMENT

Contract term:

The 2019 National Agreement will last 44 months, covering the period Sept. 20, 2019, to May 20, 2023.

General wage increases:

All letter carriers, career and non-career alike, will receive four wage increases under Article 9 as follows:

- 1.1 percent effective Nov. 23, 2019, paid retroactively.
- 1.1 percent effective Nov. 21, 2020, paid retroactively.
- 1.3 percent effective Nov. 20, 2021.
- 1.3 percent effective Nov. 19, 2022.

CCAs will receive additional wage increases of 1 percent on these four dates for a total of: 2.1 percent on Nov. 23, 2019 (paid retroactively); 2.1 percent on Nov. 21, 2020 (paid retroactively); 2.3 percent on Nov. 20, 2021; and 2.3 percent on Nov. 19, 2022. These additional 1 percent increases will be paid in lieu of COLAs for CCAs.

Cost-of-living adjustments for career letter carriers

All career letter carriers will receive seven COLAs based on changes in the Consumer Price Index (CPI-W) using the existing COLA formula and the July 2019 CPI-W as the base month. The first two will be paid retroactively:

- The first COLA will be \$166 annually effective Feb. 29, 2020, paid retroactively.
- The second COLA will be \$188 annually effective Aug. 29, 2020, paid retroactively. The remaining five will be paid in the future as follows:
- The third COLA will be effective March 2021.
- The fourth COLA will be effective September 2021.
- The fifth COLA will be effective March 2022.
- The sixth COLA will be effective September 2022. • The seventh COLA will be effective March 2023. The COLAs will be applied to the two pay tables for career city carriers in the same manner used in the 2016 National Agreement.

Wage schedule changes

The contract provides for the addition of a new top step to Tables One and Two on Nov. 19, 2022. The new career Step P will be \$444 annually greater than Step O. Carriers with at least 46 weeks in Step O on Nov. 19, 2022, will advance to Step P. Those with fewer than 46 weeks will advance to Step P upon reaching 46 weeks in Step O.

Effective June 19, 2021, the CCA Step CC hourly pay rate (currently \$17.29) will be eliminated, and CCA Step BB and its higher pay rate (currently \$17.79) will become the new entry step for newly hired CCAs. A new PTF Step AA, with a waiting period of 46 weeks to PTF Step A, has been created as the starting wage for CCAs converted to career under the new 24-month automatic conversion. The hourly pay of PTF Step AA will equal the hourly pay of Full-time Regular Step A.

New 24-month automatic conversion of CCAs to career status

While the Postal Service will maintain additional CCAs afforded to it under the Sunday package formula mutually agreed to during the previous contract, all CCAs in every size office who would have otherwise continued as non-career employees after 24 months of relative standing will now be automatically converted to career status. Those CCAs who have reached 24 months of relative standing without being converted to career will be converted to part-time flexibles and placed in a new PTF Step AA in Table Two. The Step AA hourly rate will equal the Full-time Step A hourly rate, and the waiting period in PTF Step AA to PTF Step A will be 46 weeks. Upon conversion to full time, regardless of the PTF step they are currently in, PTFs will be placed in the full-time step commensurate with their number of weeks as a PTF, and retain their time credit toward the next step.

Recently retired letter carriers

Letter carriers who have retired over the last several months will receive applicable retroactive general wage increases and COLAs. The Office of Personnel Management will also make any annuity adjustments made necessary by the retroactive increases.

Health insurance

In 2020 and 2021, there is no reduction in the Postal Service's share of premium costs for career letter carriers' health insurance (73 percent of the weighted average Federal Employees Health Benefits [FEHB] Program plan premium, capped at 76 percent of any given plan's premium). The Postal Service's share will decline by 1 percentage point to 72 percent in 2022 and 2023, and will be capped at 75 percent of any given plan's premium. The biweekly impact of this Article 21 change will depend on which plans carriers enroll in, but will, in any case, represent a small fraction of the biweekly pay increases provided by Article 9 of the tentative agreement. On health insurance for CCAs, the tentative contract maintains the Postal Service's biweekly contribution of \$125 toward self-only coverage in the USPS Non-career Health Plan for Plan Years 2020 and 2021. For CCAs who wish to select self-plus-one or self-and-family coverage under the USPS plan, the first-year contribution by USPS will be 65 percent in Plan Years 2020 and 2021, rising to 75 percent in their second year of service. However, effective in Plan Year 2022, the Postal Service will contribute 75 percent of the premiums for self only, self plus one or self plus family, regardless of the year of employment.

Uniform allowance

Increase in uniform allowance on May 21, 2021, to \$487 (5 percent increase from current rate) and on May 21, 2022, to \$499 (another 2.5 percent increase). Additional allowance credits for newly eligible employees have been increased by the same percentages.

Job security protections for letter carriers

The no-layoff clause that protects letter carriers after six years of service as career employees is retained in the tentative agreement, as well as the prohibitions against contracting out city carrier work.

Another option for full-time letter carriers who work their holiday

Article 11, Sections 3 and 4 have been modified to now allow full-time employees who work their holiday to elect to have their annual leave balance credited with up to eight hours of annual leave in lieu of receiving holiday pay.

Other notable MOUs

The new contract updated, revised and combined several MOUs, continued dozens of others, and added several new MOUs on a variety of topics. Among the most notable new MOUs are:

MOU Re: Qualifying period—exception for City Carrier Assistants—CCAs with a minimum of 90 days of service prior to conversion to career status without a break in service are exempt from the Ninety-Day Qualifying Period in ELM 512.313. Previously, all newly converted employees, regardless of time in service, were required to complete 90 days of employment as a career employee prior to being allowed to take annual leave.

MOU Re: Managed Service Point Scans—No later than 60 days from the ratification date of the 2019 collective bargaining agreement, Managed Service Points (MSPs) will be removed from the street delivery portions of city letter carrier routes.

MOU Re: City Delivery and Workplace Improvement Task Force—This renamed MOU modifies the MOU Re: City Delivery Task Force and expands the role of the task force for the purposes of jointly seeking methods to improve the cultural and operational environment in city delivery offices.

MOU Re: City Carrier Uniform Task Force—Establishes a national-level task force to improve the efficiency and accessibility of the uniform program and to improving the overall quality of available uniform items in a cost-effective manner. The task force will also explore ways to incorporate improved materials and

uniform designs into the uniform program while continuing to supply city carriers with sufficient uniform items. Finally, of special interest to NALC branch leaders, the contract set the dates for local MOU negotiations: MOU RE: **Local Implementation**—The local implementation period will be April 29, 2021, to May 28, 2021. Look for updates on the NALC Member App and visit nalc.org for further information on the new contract and the ratification process. A more detailed summary of the contract will be provided in the December issue of The Postal Record.