

The three-member arbitration panel that will set the terms of the next collective-bargaining agreement between the NALC and the USPS has scheduled its first meetings for early August, shortly after the conclusion of our national convention. Hearings subsequently will take place on a number of dates through January—a completely normal schedule considering the complexity of the issues before the board, NALC President Fredric Rolando said.

As noted in last month's *Postal Record*, the NALC and the Postal Service agreed upon the selection of National Arbitrator Shyam Das as chairman of that arbitration board.

Once the board's proceedings wrap up, the panel, consisting of Das and representatives of both NALC and USPS, will meet to broker a final and binding "award" that sets the terms of the next contract.

Meanwhile, on July 3, a separate arbitration board issued an award that set the terms of a four-and-a-half-year agreement between USPS and the National Rural Letter Carriers' Association.

"Naturally, the award addresses numerous issues that are unique to the

USPS-NALC arbitration to begin this month

rural letter carrier craft," President Rolando said. "But the wages and benefits that were awarded are clearly modeled on the terms of the 2010 agreement between the USPS and the American Postal Workers Union."

The president also noted that the board specifically rejected the Postal Service's call for a more radical restructuring of the economic provisions of the USPS-NRLCA agreement.

"The Chairperson is convinced that no restructuring of a single labor contract can address all of the USPS's financial challenges created, in large part, by the recession and the Postal Accountability and Enhancement Act with its retiree health benefits pre-funding obligations," Arbitrator Jack Clarke stated in issuing his award decision.

Below is a summary of the terms of the NRLCA-USPS award. ☒

NRLCA contract: summary of highlights

Term

- The term of the new agreement is Nov. 21, 2010, through May 20, 2015

Salaries and COLA

General Wage Increases Totaling 3.5%:

- Nov. 17, 2012: 1.0% increase (COLA deferred to 2013)
 - Nov. 16, 2013: 1.5% increase plus COLA
 - Nov. 15, 2014: 1.0% increase plus COLA
 - New wage schedule for new regular carriers hired after Nov. 20, 2010 (reduces starting pay 13 percent and top pay by 9 percent)
 - New hourly rate for RCAs hired on or after Aug. 11, 2012. These RCAs will receive a 7.0 percent general wage increase over the term of the agreement, but no COLA.
 - The step progression for those career rural carriers hired on or after Nov. 21, 2010, will be 52 weeks for each step between steps 1-12 of the new Rural Carrier Evaluated Schedule
 - COLA for RCAs/RCRs on the rolls prior to Aug. 11, 2012 will be rolled into hourly rates during the first full pay period of August 2015
- ### Health Benefits
- Adjusted USPS Health Benefits Contribution
 - 2012: 81 percent
 - 2013: 79 percent

2014: 78 percent

2015: 77 percent

2016: 76 percent

(Employees hired on or after the effective date of this agreement will start at 77 percent upon conversion to regular)

- MOU to consider separate Postal Service health benefits plan in future, contingent on congressional action or agreement of other postal unions

Mail Counts

- 2013: 18-day count (Feb. 9–March 2)
- 2014: 12-day count (Feb. 22–March 7)
- 2015: 18-day count (Feb. 7–Feb. 28)
- 2016: 12-day count (March 12–March 25) (unless parties agree otherwise)
- All routes will be counted unless the regular carrier and management agree in writing not to count
- National mail counts will be effective at the beginning of the fourth full pay period following the count

Equipment Maintenance Allowance

- 2013: increase EMA base rate by 0.5¢ (46.5¢ per mile)
- 2014: increase EMA base rate by 0.5¢ (47¢ per mile)

High Option Election

- A regular carrier must have a minimum of ten years of service from his/her retirement com-

putation date to be eligible to elect the high option

Standards

- DPS Letter standard for LLV routes: 43 pieces per minute
- Prepaid Parcels Accepted: 90 seconds per event and 9 seconds per parcel
- Dismount Distance (Walking Speed) standard: 0.00429 minutes per foot (2.647 miles per hour)
- Industrial engineering study of time standards, to be completed and implemented by May 20, 2015
- Moratorium on Article 34 time standard changes, except for new work functions

Route Conversions

- Auxiliary routes will be converted to regular routes within 30 days of increasing to 42 weekly standard hours. If increase is a result of a mail count, then the conversion will be effective with the mail count.
- Regular rural routes may be converted to auxiliary status if they decrease to fewer than 35 weekly standard hours

Route Consolidations

- Encumbered regular routes may be consolidated and the excessing and/or reassignment provisions of Article 12 will be applied when the route evaluation decreases to fewer than 37 weekly standard hours