

The Local Line

"A PPA Award Winning Publication"

The Official Voice of the
Northwest Illinois Area Local

Floor Edition

Update by: Jackie Engelhart

August 22, 2011

USPS Asks Congress to Eliminate No-layoff Protection in Contract

On 8-11-11 the USPS asked Congress to eliminate the no-layoff protection negotiated in all four labor contracts in order to layoff up to 120,000 workers on top of the 100,000 expected to retire by 2015.

"Based on current revenue and cost trends, and assuming a move to 5-day delivery, the USPS can only afford a total work force by 2015 of 425,000, which includes approximately 30% low cost, more flexible non-career employees. Unfortunately, the collective bargaining agreements between the USPS and our unionized employees contain layoff restrictions that make it impossible to reduce the size of our workforce by the amount required by 2015...It is not likely that the USPS will be able to eliminate these layoff protections given the nature of collective bargaining and interest arbitration."

Want 30% Non-Career and Right to Lay off 100,000 Careers...

Current labor contracts do allow USPS to layoff employees with less than six years of seniority but to do so they have to lay off non-career employees to the extent possible. USPS wants Congress to pass legislation to allow them to lay off 100,000 career employees while hiring 30% non-career! They want to layoff 100,000 career and hire 127,500 non-careers! The current contracts agreed to with all four major unions don't allow them to lay off the career employees unless they lay off non-career to the extent possible. They want to get rid of career employees so they can hire non-careers with no benefits and lower wages. They are using the poor USPS financial situation which was created by the congressionally required over-funding of retiree health benefits and over-payments to the CSRS and FERS retirement systems to attack our collective bargaining rights.

Dealing with the "Devil"

APWU just negotiated a new contract until 2015. It gave management the flexibility to hire up to 30% non-career Postal Support Employees and to post 50% of Clerk duty assignments in a plant and 100% of the duty assignments in Associate Offices as NTFT with non-traditional schedules of 30 to 48 hours. These major concessions were given in return for keeping other negotiated benefits such as the no layoff protection and the current health benefits and retirement programs that we have. Now that we have made our deal they want to get Congress to eliminate the no layoff protection they agreed to, and to let them administer our health benefits and retirement programs. Now that we have been burned and see who we are dealing with, does anyone really trust the USPS to administer our health and retiree benefit programs for us? Other Unions must now negotiate with USPS at the same time they have asked Congress to take back what they agreed to.

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Special points of interest:

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Want 30% Non-Career and Right to Layoff 100,000 Careers...
Dealing with the "Devil"
USPS Asks to Congress to Allow them to take Postal Employees out of FEHB, CSRS, and FERS
That Means Privatization...
NBA Linda Turney to Attend Hultgren Town Hall Meeting
Congratulations to these 2011 NWIAL Scholarship Winners

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USPS Asks Congress to Allow them to take Postal Employees out of FEHB, CSRS and FERS!

The Postal Service is using the financial crisis caused by the overfunding of these benefit programs to balance their budget by taking us out of the Federal Employee Health Benefits Plan and out of the Civil Service Retirement and Federal Employees Retirement Systems. They want Congress to allow them take the money they have paid into these federal plans and set up USPS administered Health and Retirement Plans, comparable to the private sector. They want to get the money back that was paid into these federal plans and then create plans with lesser benefits for those who are still working. Their proposal states current retirees would keep the same level of benefits they now have in CSRS and FERS, and current employees in Civil Service would also keep the same level of benefits unless Congress changes the law regarding CSRS. FERS employees near retirement would keep the same level of benefits but for those not close to retirement, *"The USPS would not reduce any accrued benefits that have vested, but would reserve the right to make adjustments to benefits going forward, in consideration of federal sector changes to FERS, private sector comparisons, and the Postal Service own financial position for new hires, the USPS would immediately reflect private sector trends by offering a defined contribution plan only, which incorporates private sector best practices concerning employer contributions, portability, investment options, eligibility, designated provider, and overall administration."*

That Means Privatization...

This USPS wants to privatize retirement for future hires like some in Congress want to privatize Social Security. This is very unpopular because the ability to retire would be dependent on the financial markets and Wall Street. USPS also wants to take the 42.5 billion they have paid into the Federal Retiree Health Benefits Plan and place 480,000 retirees and 600,000 current employees into a proposed three tiered plan. The first tier would be for current retirees who would be provided a health care plan commensurate with what they now have under the FEHB as overseen by OPM. The second tier would be for all current employees and would *"benchmark against the leading FEHB plans, in an effort to maintain at the outset the existing benefit commitment through health benefit plans comparable in value and cost with those provided by FEHB... Moving forward, the USPS would pursue changes that bring the design of the program more fully in line with the private sector and adopt those changes that represent best practices that would benefit the USPS and the participants alike. Finally, for new hires, the USPS would immediately establish a program that better reflects private sector trends than FEHB... The Postal Service would then have the flexibility to fulfill its obligation to provide health care consistent with best practices and the comparability standard of the Postal Reorganization Act, fund those obligations, and control them going forward."* "Benefits comparable to the private sector" means our benefits will be slashed compared to what we now have.

NBA to Attend Congressman Hultgren Town Hall Meeting

While USPS has changed course from trying to obtain financial relief from unfair Congressional Mandates, the Unions have not. Our NBA Linda Turney informs us she will be attending a Town Hall meeting on Monday, 8-29-11 from 6 to 7 pm in Yorkville at the city council chambers at 800 Game Farm Road. If you live in the 14th Congressional District you are needed to attend this meeting as Randy Hultgren is on the committee that considers legislation affecting USPS, but he listens to voters in his district. Linda is asking for anyone who lives in the 14th district to come to this meeting and wear something to identify you as a postal worker. Passing HR1351 remains the best way for postal workers to protect our jobs from the financial crisis and how the crisis is being used by USPS to attack our contract and end no layoff protection and FEHB and FERS participation. The no layoff proposal coincides with the recent announcement that USPS wants to close 300 plants and reduce the current network from 508 to 200 plants. This may be more scare tactics as USPS prepares for negotiations with the NALC and the NPMHU.

Congratulations to these 2011 NWIAL Scholarship Winners

1. Susan Favis - CS
2. Chaya Patel - CMSH
3. Kiran Anihotri - Palatine
4. Teresa Lewis - CS
5. Padma Pillai - CS (Alternate)
6. Michael Kelly - CS and Joyce Kelly - Palatine (Alternate)

Chief Trustee Ray Wience worked hard to make this a success and we had almost 100 applications thanks to Ray and Al Modi. *Jr*