

NATIONAL RURAL LETTER CARRIERS' ASSOCIATION

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August 12, 2022

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Ms. Cathy Perron Director, Contract Administration (NRLCA) United States Postal Service 475 L'Enfant Plaza, SW, Room 9126 Washington, DC 20260-4101

Certified Mail Number: 7014 1200 0001 8614 5806 Return Receipt Requested

Dear Ms. Perron:

Pursuant to Article 15, Section 4(D), of the parties' National Agreement, the Association submits this National-Level Grievance.

In dispute is the Postal Service's failure to timely implement the 2021 and 2022 basic annual salary increases owed to rural letter carriers under Article 9, Section 1 of the May 21, 2021-May 20, 2024, National Agreement ("National Agreement"). Those provisions require the Postal Service to implement pay increases effective retroactively to August 28, 2021, and to apply further increases effective November 20, 2021 and February 26, 2022.

The National Agreement was ratified and signed on March 23, 2022. Subsequent to ratification, the Postal Service informed the Union that the retroactive portion of the 2021 basic annual salary increase and the July 2021, and January 2022 cost-of-living adjustments would be paid as soon as administratively practicable. While Rural carrier salaries were adjusted to reflect the current contractual rates on July 16, 2022, no retroactive payments were made. On or about August 8, 2022, the Postal Service notified the Union that retroactive pay adjustments would not be made until early 2023, a full nine months after ratification. This delay is excessive, unreasonable and unprecedented and it has harmed rural carriers who have been deprived of these retroactive payments.

The Postal Service's failure to timely make these contractually-required payments and its unilateral decision to delay them are unreasonable and violate the Postal Service's contractual obligations, including but not limited to Articles 5 and 9 of the National Agreement. These actions and violations have caused financial harm to all rural letter carriers. The Postal Service Ms. Cathy Perron August 12, 2022 Page Two

has unjustly enjoyed the benefit and windfall of interest earned from its delay in making these payments while rural carriers must wait indefinitely and forgo or delay financial decisions and lose out on the opportunity to accrue interest and realize other gains through their TSP contributions or other investment opportunities.

Therefore, the NRLCA's remedial request includes, but is not limited to:

- a. Immediate implementation of the retroactive pay adjustments.
- b. Payment of interest from pay period 10 of 2022 until the date the payments are made ("Delay Period").
- c. Payment of additional aggregate investment damages to be calculated by determining the average percentage increase in Postal Service retiree benefit plans (FERS, CSRS) during the Delay Period multiplied by the average rural carrier participant's retiree benefit plan contribution.
- d. A requirement that the Postal Service implement any future retroactive pay adjustments within two pay periods from when any future obligation for such payment arises.

Please contact my office to determine the earliest date for us to discuss this very important issue.

Sincerely,

Ronnie W. Stutts

President

National Rural Letter Carriers' Association

RWS/sws

cc: NRLCA National Officers

NRLCA Legal Counsel

File