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# PERSONNEL PROMOTION SYSTEM OF THE POST OFFICE DEPARTMENT

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(PART III—MORALE PROBLEMS)

## HEARINGS

BEFORE THE  
COMMITTEE ON POSTAL OPERATIONS  
OF THE  
COMMITTEE ON  
POST OFFICE AND CIVIL SERVICE  
HOUSE OF REPRESENTATIVES

NINETIETH CONGRESS

SECOND SESSION

JUNE 18, 25, 26, AND 27, 1968

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ОТЧЕТ

Всего в отчете 10 страниц, в том числе 1 страница вложения.

В отчете отражены следующие данные:

1. Общие сведения о деятельности организации за отчетный период.

2. Анализ выполнения плана по основным показателям деятельности.

3. Основные результаты работы по основным направлениям деятельности.

4. Анализ причин отклонений от плана.

5. Меры, принятые для устранения отклонений.

6. Заключение о выполнении плана за отчетный период.

7. Рекомендации по улучшению работы на следующий период.

8. Приложения к отчету.

9. Подпись ответственного лица.

10. Подпись руководителя организации.

# PERSONNEL PROMOTION SYSTEM OF THE POST OFFICE DEPARTMENT

TUESDAY, JUNE 18, 1968

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON POSTAL OPERATIONS OF THE  
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,  
*Washington, D.C.*

The subcommittee met, pursuant to notice, at 10 a.m., in room 210, Cannon House Office Building, Hon. Robert N. C. Nix (chairman of the subcommittee) presiding.

Mr. NIX. The subcommittee will be in order.

Today we will reopen our hearings on the morale problems in the postal service. The hearings have been useful to management and employee organizations in the postal service. It is our hope that disputes that exist can be discussed in the open and a public record made, since the people of the United States are the employers of the postal service and have a right to know about the condition of the postal service.

The hearings which began on March 10, 1967, in Philadelphia were very much concerned with this subject. The Postmaster General, W. Marvin Watson, in a release dated June 12, 1968, announced the beginning of a new equal employment program. This program is an extensive one and involves 23 new contract compliance examiners who will be responsible for reviewing the activities of private companies who do business with the postal service and who will review the equal employment efforts of these Government contractors. A new task force has been appointed to visit post offices and check into the promotion practices of these post offices with authority to make on-the-spot changes where necessary. For the first time a prepromotion supervisory training program will be set up to train 5,000 supervisory candidates of all races and \$1.5 million will be spent on this program. In addition, postmasters in first-class offices have been given the special responsibility to see that equal employment opportunity programs work. This is all very encouraging. I hope that the activities of the subcommittee in turn encouraged the Post Office to take these and other steps.

Our purpose here is to have the fullest discussion possible on all employee problems. The questions from the chairman and the other members will be directed to this purpose. We are concerned with the entire operation of the Post Office Department. These hearings will be a textbook for the future.

Our first witness this morning is one of my very good friends, one of the outstanding leaders in this field. I am happy to welcome Mr. James Rademacher, vice president, National Association of Letter Carriers.

You may proceed, Mr. Rademacher. First of all, introduce for the record your associates and proceed.

**TESTIMONY OF JAMES RADEMACHER, VICE PRESIDENT, NATIONAL ASSOCIATION OF LETTER CARRIERS, WASHINGTON, D.C., ACCOMPANIED BY J. STANLEY LEWIS, SECRETARY-TREASURER, AND JOSEPH H. JOHNSON, FIELD DIRECTOR**

Mr. RADEMACHER. Happy to.

I am accompanied by our very able Secretary-Treasurer, Mr. J. Stanley Lewis, on my right, who will later enlarge on testimony on labor-management relations. On my left is our able national officer, national field director of the Washington, D.C. region, Mr. Joseph H. Johnson, of Richmond, Va. Mr. Johnson services the needs of our members in Washington, D.C., the States of Maryland, West Virginia, and Virginia.

We are happy to have him join us today.

I am vice president of the National Association of Letter Carriers, with headquarters at 100 Indiana Avenue NW., Washington, D.C. We have more than 200,000 members located in close to 6,500 branches in every State and possession of the United States.

I am delighted and very grateful that you have permitted us to appear before you today. It is seldom that we get the opportunity to inform a committee of problems existing in any but the major areas of our concern—such as pay, retirement, insurance, and the like. Yet there are many other areas which are comparatively minor, but, when put together, add up to a major cause of failing morale, diminishing performance, and widespread dissatisfaction and disenchantment.

“Man does not live by bread alone,” as you so well know. Thanks to the determination and steadfast resolution of the Post Office Committees and the general membership of the Congress, letter carriers, although not yet at the true level of comparability, are enjoying wage improvements. Yet, morale is not high amongst all employees because there are unsatisfactory conditions of work which together with so many postal pay steps, tend to make for unhappy employment.

I am going to cite a number of specific instances today, but I want to make clear that these examples are merely symptomatic of an unhealthy condition which is widespread in the service.

I don't think there is any quasi-industrial organization of any size in the Nation which tries to get by with untrained supervisors in the way that the Postal Establishment operates.

Although a start is at last being made in this area—after 179 years of total inaction—the efforts to produce a trained skilled body of supervision in the Postal Establishment are pitifully inadequate.

Supervisors who know they are not sufficiently trained in their jobs are inclined to compensate for their inadequacy through bluster and petty tyrannies. We have this condition throughout the service, but not all supervisors can be categorized in this fashion.

Of course, this attitude is encouraged by the peculiar conditions which surround postal employment. We have not sought, nor are we currently seeking, rescinding of our restrictions against striking. I want to make that very clear. But the fact remains that, since employees are deprived of any really effective weapon of legal retaliation, some postal supervisors and many postmasters are inclined to exploit their workers and treat them in a manner which would cause instant work stoppages in almost any industry in the private sector.

What we think, therefore, that is most needed is a reform of the state of mind of postal management. This means intelligent training of supervisors—education in how to treat other human beings—instruction in the art of applying intelligent compassion—respect for the human family, and particularly those who work under management's direction. All this is lacking.

The average supervisor today is told by his elders—who have been untrained themselves—that he must dominate and tyrannize over his employees or he will lose control of them. This is all nonsense, of course, but it is part of the folklore of the post office.

The new supervisor is made to believe that he is a lion tamer, alone in the cage of wild beasts, armed only with a whip, a chair, and a gun filled with blanks. When the Clyde Beatty approach doesn't work, he is hurt because the lions snarl back at him.

The attitude and the training of supervision in the post office today has not emerged from the dark ages of the late 19th century despite certain well-meaning efforts to modernize management concepts. Perhaps, Mr. Chairman, this committee will be able to be responsible for dragging postal management, screaming and kicking, into the 20th century.

So much for generalizations, Mr. Chairman. I now would like to get down to specific symptoms of the illness which plagues the entire postal system.

Although our forthcoming national convention, which will be held in Boston, Mass., August 18-24, will act upon approximately 300 resolutions concerning working conditions in the postal service, today we want to mention just a few of the more important difficulties that postal workers are suffering in the areas of training, labor-management relations, attitudes of management, vehicles, and street observation.

Our secretary-treasurer, J. Stanley Lewis, who is accompanying me here today, will elaborate on the recent negotiations between our organization and the Post Office Department which terminated in a signed national agreement. He will want to also elaborate on how management attitudes have seriously affected bargaining between our branch leaders and representatives of management at the local level.

Although President John F. Kennedy in signing Executive Order 10988 on January 17, 1962, intended the order to be a giant forward step toward creating a modern climate of labor-management relationship in the Federal service, the Executive order has been widely ignored; and union activity in these areas is meager with negotiations actually being ineffectual.

#### LABOR RELATIONS

Probably the reason for the ineffectiveness of the order in most instances is the fact the Post Office Department has overreacted and constructed a large bureaucracy within a bureaucracy to handle the machinery. A huge national election among postal workers was ordered and secret ballots were cast to determine which organization, or union, should represent them. The election became a monster popularity contest and the results proved what everyone knew in the first

place; letter carriers wanted to be represented by the National Association of Letter Carriers; other employees wanted to be represented by their craft—the clerks wanted to be represented by the clerk organization, and so forth.

It now appears that the policy is to have management do everything within their power to prevent union gains, rather than to attempt to work with the unions to establish the finest working relationships in Government service. As Mr. Lewis will discuss, our local negotiations this past few months have been labeled a farce by those who participated, and the instructions which were issued to postmasters became nothing more than mandates of destruction of existing local agreements under which both management and labor have been able to work successfully and cooperatively over the past 5 years.

One of the most frustrating aspects of the negotiations at the national level has been the habit of the Department to populate the negotiating table with second-stringers, men without the authority to make any meaningful decisions. The labor union representatives, on the other hand, are first-stringers who have such decisionmaking authority delegated to them. After many hours or days of wrangling over complicated issues, the departmental functionaries will arrive at a satisfactory conclusion, but will then retire to have their conclusion approved or disapproved by their superiors. We, therefore, find conclusions which have been reached through negotiations will be disapproved by superiors who have not participated in the discussion nor listened to the arguments.

Another reason for our organization to consider the negotiating process as being unsatisfactory is due to the inexperience of the Department's personnel in postal matters. There is not one key official who negotiates for the Department who has ever been inside a post office except possibly to mail a package. Each top negotiator for the Department has no postal experience whatsoever other than that which he has acquired over the past few years since his appointment. In the nitty-gritty atmosphere of solid negotiation there is far more need for practical knowledge than there is for theory. Yet, the Department's negotiating crew know nothing about postal work from a practical point of view—only from a theoretical point of view.

We are anxiously awaiting the recommendations of the special Presidential Panel which has been appointed to analyze the fulfillment of Executive Order 10988, and bring in proposals to amend this well-intended order to meet the modern demands of labor-management relations.

#### TRAINING

Much has been said about training and the Congress only recently approved expenditures of about \$2 million for a postal training program. Oddly enough, this money is earmarked for the training of postal management. In fact, \$300,000 of this amount was spent for the alleged training program which took place at the University of Oklahoma in February. It is true that in the very large post offices, because of the larger appropriations in these particular establishments, new employees do receive limited training.

However, there are 6,500 post offices in the United States where there are letter carriers. In about 6,000 of these offices postmasters have never been advised that appropriations are available for training new employees. In almost every instance, in the smaller post office the postmaster merely shows the new worker through the office, places a satchel on his shoulder and orders him to deliver the mail. What few errors do occur in the postal service today are caused by the untrained postal worker. It is penny wise and pound foolish for management to close its eyes to the need which exists for well-trained, thoroughly-oriented employees. The Federal Government is spending millions of dollars to train unskilled and uneducated workers in many fields. Yet the postal service which has an annual turnover of over 100,000 workers spends \$2 million to train the bosses, and an insignificant amount to train the people charged with the security and sanctity of 83 billion pieces of the U.S. mail.

A press release issued by the Civil Service Commission on May 6 stated that one of every three Federal civilian employees received 8 or more hours of classroom training during fiscal 1967. This may be true in all of the 56 agencies mentioned by the Commission, but certainly in the postal service no such record has been established. Because of the failure of the Post Office Department to insist upon training the thousands of employees who are now required to drive vehicles for the first time, the motor vehicle accident rate in the postal service remains at a very high statistic of more than 28 accidents per each 1 million miles driven. This, naturally, costs the taxpayer considerable money and in many cases the employee suffers painful disabling injury.

Mr. Chairman, on June 1, the Postmaster General issued a press release announcing the signing of a \$655,000 contract launching the most extensive management safety training program in postal history. It is all well and good that more than 37,000 postal supervisors throughout the Nation will now be trained, but none of these people are driving vehicles.

At two recent State conventions of letter carriers, we asked for a display of hands of employees who have been forced to use right-hand drive vehicles in the performance of their work because of the Department's modern mechanization program. We were disturbed to note a large number of delegates raising their hands admitting there had been little or no training given. Certainly there should be several hours of training by skilled instructors when an employee is asked to drive a right-hand vehicle after a lifetime of driving the conventional-type vehicle.

We are told there are no funds and there is no time allowance to train drivers. We believe that it would be of significant importance to this committee to ask for a report on driver training, such report to include the number of vehicles, the amount of training given to each driver of the vehicle, and the accident rate on new vehicles including the right-hand-drive trucks. This information should substantiate our charge that inadequate training has been given in this very serious area.

## MANAGEMENT ATTITUDES

It is natural to assume that postal management is particularly concerned about productivity. The postal worker is equally as concerned about prompt delivery of the mail. Letter carriers take pride in not only prompt delivery but in efficient delivery; and skilled, experienced carriers are proud of their enviable record of making correct delivery of misaddressed mail. These same carriers are responsible for forwarding millions of pieces daily to new residences of former patrons of their routes. It is the carrier's responsibility to see that the mail is forwarded to the new address.

In the concentration on productivity there is neglect of humanism in many post offices. Management fails to understand employees are human and are not machines. Attitudes of disrespect prevail in many offices. Employees are pressured to do more. There is rarely an expression of "a job well done" on the part of management despite the all-out efforts of most of our membership. On the letter carrier's route he is a member of the family who stands 10 feet tall because of the services he renders. He is a man respected, loved, and honored. However, after completing his strenuous tour he finds upon his return to the post office that he becomes as unimportant as a piece of undeliverable third-class mail.

When the hundreds of thousands of dollars are spent in training postal management, certainly one of the classroom sessions should be devoted to the importance of the human element and greater emphasis should be placed upon the need of treating employees with respect and dignity. Postmasters and supervisors should not be permitted to answer a legitimate complaint of an employee with the terse comment—"If you don't like it, quit."

In addition to respect for each other, management should be taught respect for the families of postal workers. So many times a wife or a mother in telephoning a report of her husband's or son's illness is treated rudely and angrily by a frustrated supervisor. In other instances, management has been derelict in its obligation to respond in the hour of need. We do not anticipate that each person who becomes a part of management shall be sympathetic to the problems which arise in an employee's personal life, but we do expect that, acting within the scope of their duties, postal management will do everything possible to assist postal workers.

This was not so recently, in a small town in Illinois, which will not be identified at this time because our investigation is pending. A letter carrier died and his wife visited the post office with the hopes of having the postmaster assist her in preparing the forms necessary for life insurance and widow's annuity. After waiting a reasonable time, the widow returned to the post office and was told that perhaps the delay was due to the fact that her husband may not have listed her as his beneficiary. The widow returned to her home and committed suicide because of this insinuation.

At Trenton, Mich., Letter Carrier Leo Schrieber was told each day for the first 6 months of his employment that if he did not like the conditions, he could quit. When he brought this complaint to his assistant postmaster concerning the daily harassment, Carrier Schrieber was

told: "That is a lie, it was not daily because I never told you this on Sundays." This carrier complains that if he dares to submit a grievance he is punished by being refused overtime, and by being followed around his route by supervisors. The records will indicate that this small office has had a 30-percent turnover of employees during the past 3 years.

At Pittsburg, Kans., Letter Carrier Howard O. Woods suffered a seizure at the timeclock on Friday, December 22, and the postmaster was not concerned in the least. According to our correspondence, he had to be ordered to call an ambulance, after standing outside his office door doing nothing. Mr. Woods' letter to me states, "I have never known another man who shows as little consideration for men and their families."

At McKeesport, Pa., Carrier Harry S. Hitchens declares that his hemorrhaged ulcer can be attributed to the constant harassment and inhumane treatment by the supervisor and the postmaster. Mr. Hitchens' letter states that: "Supervisor Bathe has told me and the branch officers that he will personally see to it that my illness is not going to get any better, if he has anything to do about it." He also stated he intends to "see me fired." Despite the knowledge of the seriousness of this employee's illness, management continued to harass him before he completely broke down—by frequently weighing his mail satchel to make certain he carried the maximum weight. And, despite the fact that Mr. Hitchens had sprained his ankle, Superintendent Bathe placed this employee on a restricted sick leave list from which he was eventually removed after the postmaster learned of this improper action.

It is not only the personal inhumane treatment which exists in a limited number of post offices but also morale shattering is the situation which is allowed to exist concerning inadequate and unsafe as well as unhealthy facilities. It has been necessary to complain for months concerning buildings without heat, inadequate toilet facilities, no parking, no ventilation, et cetera.

Not every postmaster looks upon his employees in the manner described above; and I want to report the very successful efforts of Postmaster Edward L. Baker of Detroit, Mich., who does respect the dignity and efforts of his employees. On June 1, 1967, Mr. Baker advised all supervisors, and all employees of the Detroit Post Office, that he was about to issue periodic policy statements in an effort to improve relations between supervisors and employees. Mr. Baker declared the purpose was to "bring about a climate of mutual respect and understanding, and to establish better and safer working conditions as well as to improve the efficiency of our operations." The number of grievances at Detroit are practically nil; and employee organizations at that city are very proud of their relationship with management. Naturally, as in all offices, every supervisor does not subscribe to the postmaster's theories, and there are a few exceptions to the rule at Detroit.

#### STREET OBSERVATION

Throughout the years, for some unknown reason, there has been a delight by some representatives of postal management to spy upon

people who carry the mail. Even the Postal Inspection Service does not go to this extreme other than periodically to observe employees through official lookouts which are constructed in all large post offices.

More than 75 years ago, President Benjamin Harrison issued an Executive order which gave all letter carriers the protection of civil service. When the Democrats came into office under President Cleveland, they began to ignore the order and replaced Republican carriers with Democrats. The outcry was so great that Postmaster General Bissell, who served in Cleveland's second term, hit upon the scheme of traveling special agents, or "spotters," whose duty it was to spy upon Republican letter carriers and get them fired from the service. These spotters were purely political hacks with no postal experience, and for the most part no scruples. What they could not legitimately record as charges they manufactured out of thin air. At one time, a third of the letter carriers in your hometown, Philadelphia, Mr. Chairman, were up for dismissal on charges filed by these spotters. Almost all the carriers involved were Republicans.

Finally, in 1896, Congress ordered, in an appropriations bill, that the "spotter" system be banished from the postal service.

Later, in came the Republicans and they tried the same kind of gambit, in order to purify the postal service of Democrats. But once again Congress prevented the Department from engaging in excessive snooping for political reasons.

In Chicago, 70 years ago, the position of "letter carrier sergeants" was created. The postmaster of Chicago pointed out that these "helpers" were not spies, but the letter carriers soon learned differently. So it is today that management insists upon supervisors using their spare time in touring the various districts of letter carriers who may be union officers rather than carriers suspect of violating regulations.

We hesitate in making the following allegation but because of the constant harassment on the part of some supervisors we feel that it is necessary to express our opinions concerning the overstaffing of supervisors in the branch stations in some of the larger post offices. In most of these stations there are now three supervisors. One is expected to supervise carriers—but it must be remembered that carrier duties are limited in the post office to casing assignments for about 3 hours daily. Some station supervisors find much to do in reviewing carrier route inspections and in making route adjustments to satisfy the service needs of the public. Meanwhile other supervisors, less inclined to be bothered with such laborious work, merely drive up and down spying upon letter carriers who are engaged in delivering the largest mail volume in the history of our country.

The Post Office Department has recently amended a street observation policy which still makes it mandatory that letter carriers be counseled and advised when management plans to make route observations. Despite this instruction, in many areas including especially the State of New Jersey, supervisors still get their "kicks" from snooping on letter carriers. This has a serious effect on morale and is unnecessary. A letter carrier has an assignment which according to regulations must be based on a schedule "as close to 8 hours as possible." A supervisor in any post office can observe a letter carrier during his casing duties

and know the amount of mail volume; and he further has the knowledge of the approximate field time necessary to deliver that mail volume. It should not be necessary to drive up and down literally pushing a carrier to accomplish his objective.

There are many other problems which greatly affect morale in the postal service today, but we do not want to take the time of the committee; and we hope that the Post Office Department will resolve many of these issues through our labor-management meetings.

Some of the other subjects which we could cover today include the effect on morale which comes about when drivers of Government vehicles are asked to pay for damages which have been caused by unavoidable accidents. In some cities, carriers drive in fear of having their pay reduced, paying for vehicle damages as a result of accident, being suspended from their jobs for being involved in an accident, and possibly being "grounded," meaning a return to foot carrier duties.

Still another area which has caused concern is the failure of postmasters to recognize senior letter carriers for promotion to supervisory positions. It is grossly unfair to encourage all postal employees to take the supervisor examination and then disregard applicants who may be beyond age 45, which has been routine procedure over the past several years. It might be of interest to the committee to learn the ages of newly appointed supervisors over the past several years to ascertain if there has been age discrimination. We have reports, although other reasons have been given, the age of an employee must have been considered when he was bypassed. We are not advocating that employees should be promoted strictly on the basis of seniority. There is credit given on the examination for the service of each candidate. However, it must be considered that the senior man does have a wealth of experience, and knowledge, and he has in his own mind not only the hope of being recognized for a supervisory position, but also the opportunity to enable himself to receive a higher annuity based upon the higher supervisory salary.

#### APPEALS PROCEDURES

We have in the postal service one of the finest grievance and adverse action appeals procedures existing anywhere today in or out of Government. One of the reasons for this being true is the fact that employees have adequate rights when they are aggrieved, or when adverse action is proposed against them. We have in our national agreement provisions for prompt attention to a grievance, and when such grievance is brought to the attention of the immediate supervisor, he is expected to resolve same within 3 working days. If the supervisor cannot resolve the grievance to the employee's satisfaction, the installation head has 5 working days to render a written decision. If the aggrieved is still dissatisfied, he may appeal the installation head's decision within 5 working days; and within 3 working days the postmaster shall arrange for a three-man hearing committee.

After the hearing has taken place, and within 5 working days, the hearing committee must furnish its decision to the postmaster. If the hearing committee's decision is not acceptable to either the grievant or the installation head, either party may appeal within 10 working days.

The regional director must decide on the appeal within 10 days, and then the appellant has an additional 10 days, following the decision, to appeal to the Department's Board of Appeals and Review. Similar procedures have been provided for an adverse action appeal.

You will note how in each instance definite time limits have been established and a grievance appeal, as well as an adverse action appeal, is transmitted generally promptly and within time limitations as defined in the national agreement. Then comes the delay. After employees have seen the procedure in action and how each appropriate individual has conformed to the time limitations, the morale of the employee is shattered as he waits, in some instances, more than a year for a final decision.

As the representative of more than 90 percent of letter carrier appellants, I would like to cite actual statistics concerning pending appeals before the Department's Board of Appeals and Review. I have in my files today 61 active appeals on which I have not yet been invited to appear before the Board of Appeals and Review. Also in my files are an additional 133 appeals. Of this number, 85 were reviewed this year. Another 48 were reviewed during 1967—in other words, there have been 133 appeals reviewed by this representative and the Board of Appeals and Review to which no decision has yet been made. Some of the appeals date back to July 1967. Others concern suspensions which have occurred 8 months ago.

My purpose here is not for a moment to criticize the three-member Board of Appeals, nor any member of their staff. The current Board of Appeals is the most fair and impartial group with whom I have ever dealt over 27 years of postal service. We do not win every case, and certainly we do not lose in each instance.

When we lose a decision, at least we know that the appeal has been carefully and judiciously reviewed without any regard as to personalities, but with decisions absolutely made on the basis of merit and finding of fact.

The Board of Appeals and their staff is completely understaffed and overworked. It is humanly impossible for the three-member Board to render fair and impartial decisions if they are required to give prompt attention to each and every appeal without taking necessary time to carefully scrutinize all the facts. It is humanly impossible for the limited staff to likewise review from a technical aspect all of the existing conditions in each appeal, and to do so promptly.

Therefore, the reason for the backlog which, as has been noted in our own situation, in close to 200 cases, is the fact of understaffing. Representatives of the Board are required to conduct training sessions around the country and to attend numerous meetings causing them to be away from their review of the many cases for lengthy periods of time. It also appears that the Board of Appeals and Review is conducting business for other divisions at the Department.

It should not be necessary to increase the Board itself, but the staff certainly should be enlarged with competent persons who are familiar with the postal service and the procedures, as defined in our national agreement and regulations.

By no means should the committee consider that our testimony today encompasses every condition in the Postal Establishment which contributes to morale. Neither should the committee consider that Postmaster General W. Marvin Watson is in any way responsible for the conditions outlined. Postmaster General Watson has given early evidence of his concern for conditions of employment, and even higher concern for the postal service. We expect great things from the new Postmaster General, and perhaps advice from this committee could cause early achievement of the goals which we anticipate will be attained by Mr. Watson.

Generally, the conditions underscored herewith are practices which have prevailed because of lack of adequate appropriations, lack of training of postal management, and the overemphasis on productivity with inadequate concern for the human element.

Now, if I may, Mr. Chairman, I would like to introduce Mr. Lewis, who has some brief remarks on the labor-management program.

Mr. Nix. I would be very happy to have Mr. Lewis proceed.

Mr. Lewis. Thank you very much, Mr. Chairman.

Having been designated as the chief negotiator for the National Association of Letter Carriers by president Jerome Keating at the very inception of the labor-management program, I am very well acquainted with the conditions which exist there. In the Executive order which was issued by late President Jack Kennedy back in 1962, high hopes were raised in the Postal Establishment, particularly our organization, that at long last there was going to be consideration to the morale and needs of the employees. Certainly we recognize that we are going to have to deal strictly with those matters having to do with working conditions and personnel policies and practices.

For the first year or perhaps the first 2 years the Executive order was in effect in the Post Office Department, we found that there was equal enthusiasm on the part of postal managers to have a workable program as well.

Somewhere in the process this enthusiasm waned and became a gradual state of deterioration, so now we unhappily must report that the labor-management program, as it is known in the postal service, is practically a meaningless operation. I think it cannot be better explained or exploited than by what happened during our past negotiating period lasting about 6 months. At the national level it was necessary that we negotiate a complete new agreement. I believe this is unheard of, Mr. Chairman, in the private sector where, let us say, in the form of the United Automobile Workers, where they negotiate with Ford or General Motors and win benefits this year to have to go back next year and rewin those benefits all over again.

We look upon a contract as a living document, one in which we progress and not step backward. Unfortunately, the Post Office Department does not have the same feelings in this area.

As I said, we have been forced at the national level and the local level to negotiate new contracts, something that was entirely unheard of in any segment of industry or labor, and one which even the Postmaster General himself, who came from the steel industry, commented upon in his own office as a gambit of hitting upon optional negotiables.

This meant that local management, if they determined this was a right they wanted to retain themselves, even though it pertained to working conditions, personnel policies and practices of the employees, could, by merely saying to the employees, "We refuse to even discuss this with you," be upheld by the Department as an optional negotiable item.

With attitudes like this it is impossible to have a meaningful labor-management program. As Mr. Rademacher pointed out earlier in his statement, while salaries and economic benefits are important, our people are now reaching the point where good working conditions, good personnel practices, become even more important. Just this past week we had our National Association of Letter Carriers City Delivery Committee—this is a group of five active letter carriers who meet on a once-a-year basis with departmental officials—discuss working conditions in the letter carrier craft. This committee was established originally about 10 or 12 years ago. Each year we are called in or meet with the Department and some very lively discussions are held usually resulting in some very definite changes and improvements being made.

Always in the past we have been able to meet with people and discuss our problems with people who can make decisions. This year, prior to the committee being called in, we were informed that there would be no decisions made at these meetings, that there would be staff people meet with our people to listen to our arguments, hear our discussions, but in the final analysis they would report our arguments to the higher-ups who ultimately would make a decision, so we hope. We have no objections to meeting with anybody from the Department any time, but we have learned from experience that nobody can present our arguments in favor of what we are trying to accomplish as we can ourselves. To give our arguments to subordinates who in turn submit their ideas of our arguments to their superiors makes a farce of the whole operation. It is a wonderful opportunity for the Post Office Department—and I am speaking only of this agency—to make some real gains in building morale among their employees. We are not asking for the opportunity of the right to manage the Post Office Department. But we believe that the intent of the Executive order issued by the late President Kennedy, that through the mutual cooperation of the Department and the postal employees that a better service could be brought about. It is just as effective and meaningful now as it was back in those days.

We could cite you instance after instance. For example, Mr. Chairman, out of the total items presented to the negotiating table at local levels, there are over 7,000 nonnegotiable items, matters that apply to working conditions, personnel policies, and practices, which the Executive order gives us the clear right to discuss and have been declared optionally nonnegotiable by management because they just don't care to discuss these matters with us.

Thus the Department has done more in the last year or year and a half to destroy the entire image, entire picture that it has built up in the postal operation, as far as morale is concerned, than anything in my 28 years in the postal service.

I welcome the opportunity, Mr. Chairman, to discuss these matters with you, and hope calling these to your attention will have some effect in creating a better atmosphere, a better morale, a better productivity among postal employees.

Mr. NIX. Mr. Rademacher, do you wish to introduce your other guest?

Mr. RADEMACHER. Mr. Chairman, I am very pleased to have this opportunity and thank you for the privilege. I ask that our assistant secretary-treasurer, Mr. Charles N. Coyle, bring forward our guest.

Mr. Chairman, we have here today from Kenya, Africa, Mr. Chadwick Adongo, who is an international representative of the Postal Telegraph & Telephone International. We are very pleased that he has found the time to be with us so that he can participate and witness firsthand the democratic processes that take place in our great country.

Mr. NIX. Mr. Adongo, on behalf of myself and the entire committee, I want to welcome you here. It is indeed a pleasure to have you come.

I also serve on the Foreign Affairs Committee of the House of Representatives of the United States. I am likewise a member of the Subcommittee on Africa. You come from a section of the world in which I am deeply interested, for which I have great admiration; first, because of my ties with that section of the world, and second, because of the tremendous strides toward freedom, decency, that part of the world has made in recent years.

You see you are welcomed here by me and other members of the subcommittee and the full committee. I reflect their views. This is a deep and sincere welcome.

Mr. Rademacher, would you care to have Mr. Adongo or Mr. Johnson proceed at this point?

Mr. JOHNSON. There is not much more I can add to what our vice president said, except that we appreciate this hearing greatly.

Mr. NIX. Did Mr. Adongo want to make a statement?

Mr. RADEMACHER. Perhaps he would like to respond to your very warm welcome. He may do so at this time.

Mr. NIX. We would be delighted to hear you.

Mr. ADONGO. Thank you very much, Mr. Chairman.

I am very much delighted to be here to witness the process of your democratic approach to labor problems. I thank you very much because this is going to be an education to me. I therefore thank you very much.

Mr. NIX. Thank you.

Now I would like to refer to the optional, nonnegotiable rights that you mentioned a while ago. That is of tremendous interest to me. Did I understand you to mean that the representatives of management come to the bargaining table and say that there are certain subjects that are virtually off limits?

Mr. LEWIS. That is right.

Mr. NIX. They are not negotiable?

Mr. LEWIS. That is right.

Mr. NIX. Do you have any recourse to that decision?

Mr. LEWIS. Yes; there is recourse at the local bargaining tables. If a matter is determined to be nonnegotiable or optional and nonnegotiable by local managers and we don't agree, this is a subject that we cannot discuss, we can therefore refer it to the regional level where it is then reviewed by the employee representative and the representative of the regional staff.

Mr. NIX. What I am getting at, Mr. Lewis, is this: Can you say to them there will be no negotiations unless this is determined?

Mr. LEWIS. Yes; you have that option. Then the conclusion to that option is if you say there will be no negotiations, there also will be no contracts ever signed. You are put in the position that you can either discuss the items that management feels that they want to discuss or discuss nothing at all.

For example, in one office here in our own Washington, D.C., region, where we had some 30 items which had been in all our previous contracts at the local levels, the branches resubmitted these identical items for negotiation, and out of 30 items submitted, 29 of them which had appeared and they are currently operating under were declared to be nonnegotiable by the local management.

These were upheld, I might say, Mr. Chairman, by both regional people and ultimately by the Department, which is to be expected because there is where the instructions came from.

The Post Office Department passed down through the regions to the local managers their optional, nonnegotiable provisions.

Mr. NIX. The authority to declare certain questions not negotiable arose somewhere. Could you tell us from where?

Mr. LEWIS. From the material we have gotten, Mr. Chairman, this arose at the training school that was given to top regional officials and top postmasters in Norman, Okla., at the University of Oklahoma.

Mr. NIX. When?

Mr. LEWIS. This was, I would say, in February, sometime in February of this year, February or March of this year. A series of four different meetings were held for each of them in a week, at which some 600-plus total representatives from management were called into Oklahoma by the Post Office Department.

Mr. NIX. Since that time, this has been a part of management's policy?

Mr. LEWIS. Yes, sir.

Mr. NIX. Before this came into being, what was the condition?

Mr. LEWIS. The condition at that time, Mr. Chairman, was that every item that pertained to working conditions or personnel policies which was not specifically restricted by the provisions of the executive order, for the hiring of employees, removing employees, budget of the Department, things of this type, were negotiable at the bargaining table at all levels.

Mr. NIX. Why did you accept the ruling that certain subjects were not negotiable?

Mr. LEWIS. Mr. Chairman, we have not accepted it. As far as we are concerned, these items are still negotiable. We have come down to this position: When we get to the national level on items that we discuss as negotiable or nonnegotiable or optionally negotiable, we present our case and the Department tells us, "In spite of your disagreement, we are declaring these items to be nonnegotiable."

Mr. NIX. What I am getting at is this: Have you challenged the legality of this ruling; have you any way of doing so?

Mr. LEWIS. We have not challenged it. Our organization has not challenged the legality of a ruling such as this type. Frankly, I don't know where we would challenge it to, the courts or wherever it would be. We—Mr. Keating, Mr. Rademacher, and myself—have met with

top departmental officials, including Postmaster General Watson, in trying to bring some order out of the chaos that exists at the present time. As of this date, our efforts have been ineffective and have not been producing any results at all.

We intend to pursue this, Mr. Chairman, in every way possible. We recognize that Mr. Watson is a new Postmaster General. We would like to have him have the opportunity to bring his own house into order. If we find ultimately we cannot be successful this way, I am sure that our organization will investigate and take whatever steps are indicated as a result.

Mr. NIX. Mr. Rademacher, may I ask you, under Executive Order 10988, what are your rights in reference to nonnegotiable subjects?

Mr. RADEMACHER. Executive Order 10988 just permits negotiation, but it ends there. There are no spelled-out rights of what we are to do if something like what we are facing today occurs. I am happy that you brought this out because it should be revealed to the committee that there are over 7,000 of these so-called nonnegotiables that have occurred throughout the entire country.

In talking to people that went to this University of Oklahoma, this was the reaction that we got from some of the people that were ready to speak out. They went into one class and heard a labor professor, a person skilled in teaching laboring people, meet with the postmasters and other representatives of management and they stated unequivocally that "the unions are here to stay, gentlemen, and the best thing for you to do is to sit down and negotiate and try to work out the best possible conditions under existing regulations and laws."

The postmasters sat there and realized the professors must mean business. The bell rang and they went into the next room. They were told, "Don't give an inch." That is exactly what has happened. The courageous postmaster that wants to get along has signed an agreement, and some of the agreements are very fine. This situation we are talking about is not widespread. Perhaps at this point it is in about 60 percent of the post offices. In the other offices, the postmasters had the courage to sign an agreement irrespective of the orders they received.

I think, Mr. Chairman, to resolve this matter once and for all and save time, it would be of interest to the committee to ask the Department to supply the training material and have the staff go over it and see what harmful effects there were in the training material. There were no harmful effects in the national agreement. The harmful effects came about in carrying out the procedures outlined in the agreement.

Mr. NIX. I am quite sure that will be helpful. That will be done.

At the moment I want to pursue this thought. This Executive order mentioned certain procedures. Certainly there were certain duties it contemplated when it was issued. There were certain other features which were not mentioned. Whenever there is a legal document—and this is a legal document—someone has to interpret the meaning of the document. Therefore, it is fair to assume that someone explained it to the management in this case. That would be the attorney of the legal department of the Post Office; would it not?

Mr. RADEMACHER. No, sir. I am sorry to have to say that it is the Civil Service Commission that did the interpreting. We have testimony before the Presidential Panel urging this whole program be moved out of the Civil Service Commission, and transferred to the Labor Department or a special agency set up just for the labor-management relations program in Government. We feel the Civil Service Commission should not have jurisdiction and control over the program. It is their interpretation that is responsible for many of our problems today.

The Executive order did provide definite areas for negotiation and when we respond in those areas, some postmasters claim it to be their prerogative. If you look at the Executive order too closely, you see there are not too many areas in which to negotiate. Now the President's Panel is examining the Executive order to which we have suggested amendments to make the order realistic and provide the unions with the type of protection you are referring to today, and which is not in the Executive order.

There is only one provision of the Executive order that can protect us in the dilemma we are in; that is, section 15, which provides: "It is not the intent of the order to terminate any past practices or policies." Yet it is the intent of the current postal management to scuttle the policies that do prevail.

Mr. Chairman, 5 years ago our people had a crash training program and they managed to get a very fine agreement in almost every post office. Today you wouldn't recognize that agreement because of what has happened to it.

It has been slaughtered, not by the national agreement which was just signed by the Postmaster General, but by the training material disseminated to fearful postal management at the training school.

Mr. NIX. This subcommittee intends to have the Civil Service Commission in to explain, but it seems intolerable to me that one body has the right, before it negotiates with another body, to say which subjects are or are not negotiable. It does not make sense to me.

It would seem to me that the parties would have a meeting among themselves and decide what is or is not the subject matter of the conference. That is not the fact.

Mr. RADEMACHER. That is where the conflict lies, Mr. Chairman. The national agreement itself says we can negotiate in any area whatsoever that is not in conflict with the laws of this country or the regulations that have been spelled out, but anything to do with personnel policies that are not in conflict with any regulations, laws, and so on, can be negotiated.

And then we have the training school setup for management where they are told, "You do not have to," and this committee will read this in the information you are going to secure from the Post Office Department. In fact, the literature tells a postmaster, "You can negotiate route adjustments," and the next paragraph says, "But you had better not do it."

Mr. NIX. This in effect nullifies the national agreement or certainly restricts its operation. Would you say that?

Mr. RADEMACHER. It has made a farce of the whole program, Mr. Chairman. Mr. Lewis can speak on this subject.

Mr. LEWIS. I would like to point out that Executive Order 10988 which was issued in 1962 has not been changed one iota, one comma, one word added. Therefore, we should negotiate in the fourth round, which we are now in, as we negotiated in these areas the last three negotiations at the local level under the Executive order which is our charter allowing us to negotiate. The national agreement has been strengthened even more than it was originally. The agreement provides that in the field of working conditions, personnel policies, as long as it does not conflict with the existing laws or future laws, existing regulations of the Post Office Department, Civil Service, or the Department of Labor where they apply, as long as it does not come in conflict with the national agreement and is within the administrative jurisdiction of the postmaster, it is a fit subject for negotiation.

But these policies have all been nullified by the careful instructions that were issued not only in Norman, Okla., but by the people who went there and returned to their home area and had meetings with postal officials of smaller offices. So it became widespread not only in the areas represented by the 600 people who were at Oklahoma, but throughout the entire postal service.

Mr. RADEMACHER. If I may briefly, Mr. Chairman, I will give you an example of what happened. We have a very fine branch at Brownsville, Tex. They are a very good group that tries to get along with management and they realized the problems we were going to have. So they thought they would start out this year by negotiating a proposal indicating that the branch will not attempt to resolve any grievance in any other way than spelled out in the national agreement.

In other words, not go to the newspapers or demonstrate, but just do it according to procedure. And they presented this as proposal No. 1. The postmaster said it is nonnegotiable.

Mr. Chairman, I submit to you that same language was a proposal of the Post Office Department on page 4 of the postmaster's training book, the exact language that our branch took from the training book submitted as a proposal and the postmaster of Brownsville, Tex., said not negotiable.

At this point, Mr. Chairman, I would like Field Director Joseph H. Johnson to tell you briefly how he found things in the Washington, D.C., region on these "nonnegotiables."

Mr. JOHNSON. Mr. Chairman, the items at the local level, which are declared nonnegotiable, come to the regional level, at which I am to sit down and discuss same with the regional officials. Approximately 500 of these items did come to the regional level and we discussed them. Of the 500, I daresay less than 10 percent were returned back to our local branches with agreement they were negotiable. The balance of them, of course, were referred to the national secretary-treasurer, who must discuss the issues with the Department.

So you see, we are not doing very well at all because at the regional level they have received these instructions and, quite frankly, many of these people at the regional level did go into the field and taught some of the smaller office postmasters who were not able to go to the Oklahoma school.

They gave these same instructions to the postmasters in the smaller offices that they would get in Norman, Okla. That is what caused this type of results.

Mr. NIX. I think it would be fair to say that whatever major difficulties we have in management and labor in the Post Office could be eliminated if full, meaningful discussion could be had on all of these subjects that are legally brought up.

So the conclusion follows, if this committee is able to reach some accommodations on this nonoptional or nonnegotiable rights, to have it explained and have it eliminated. I do not see where it has any part in real negotiations.

Let me ask you a question on another subject.

Do you think the former Postmaster General O'Brien's suggestion that the Post Office Department should be abolished and turned into a nonprofit corporation would help or hurt the postal employees, Mr. Rademacher?

Mr. RADEMACHER. Mr. Chairman, the committee's recommendations which stem from their investigation have not been officially released. We have read about them in various publications. But from the early information that we have on it and being an organization dedicated to service, we certainly could not go along with the proposition.

We have always depended upon the Congress for servicing the needs of our members through pay and fringe benefits, and in the same manner we have depended on the Congress to see to it that the people in this country receive the best possible mail service. We feel that a corporate form of postal service would soon diminish service, the type of mail volume would be limited, and the employees would not have the privilege of coming before the Congress as we are today. A corporation whose directors would be concerned about profit or nonprofit or showing a good record would not be as human minded as this committee and other committees of the Congress have been.

So that is where our fears stem from, and until we actually see the recommendations, we cannot take an official stand. I am merely responding on the evidence we have at hand.

Mr. NIX. We have had extensive hearings before this committee on that question. We have a great number of bills and an equally great number of plans for this. And of course the proponents of each bill seem to be convinced that his plan is the plan of the century. And yet, during the hearings, in answer to questions as to the value of the respective plans, no one has any assurance that the evils complained of could be remedied or that there would not be comparable evils if the respective plans were accepted.

I, too, think it might be wise to wait for this report to come out, not in the hope it is going to offer any grand design, but merely to peruse it and see what it does offer. I am not prejudging it, but they still are human beings and I cannot for a single moment believe that they have qualities superior to the other human beings.

Is it your opinion, Mr. Rademacher, that the morale could be materially strengthened and improved if some of the things set forth in your statement are accomplished?

Mr. RADEMACHER. Very definitely, and naturally the first method would be to have a little bit more humanism displayed and the elimination of suspicion on the part of management especially as concerns the unions. They say the unions want to usurp their authority and take over the Post Office Department, which is the furthest from the truth you can get.

Also, there is a matter in the hands of the Congress that would help in other ways, and that is adequate appropriations. We have lambasted management today—they have got it coming in some areas—but they, too, are the victims of these pressures which stem from inadequate appropriations. They have just had another reduction this year and we are going to try to live with it according to Postmaster General Watson. We hope we can with the expanding mail volume.

Once again morale is affected when one sees the heavy volume of mail. Every press release we read says more mail, it is exploding. Somebody has to deliver the mail. If there is no manpower available, no overtime permitted, there naturally is a shattering of morale.

Now, in the postal service within the next 5 years, perhaps 60 percent or more of every letter carrier will be mechanized. We are for mechanization but if you do not train people properly, if they live in a state of fear, if they dare to have an accident they are going to be suspended or going to have to pay some of their family's income to repair a vehicle, or they are going to have to suffer transfer of assignment just because they had an accident—these things all add up to morale factors and they can be corrected by this committee suggesting changes and by there being an all-out attempt to educate management in other areas than productivity.

As I have stated, Mr. Chairman, the productivity of the letter carriers is at an all-time high. The only reason it is not higher is because the Post Office Department is loaded down with temporaries, and if you deduct the number of temporaries from the postal payroll, you will see the productivity of the letter carrier is extremely high. With that high productivity and with the fact that our routes are adjusted as tight to 8 hours as they possible can get, then there is reason to forget about productivity and concentrate on the human element. And that is all we are asking.

Mr. Nix. I thank you very much, Mr. Rademacher, Mr. Lewis, Mr. Johnson. And again, Mr. Adongo, I want to thank you for being present and I renew my welcome to you to visit Washington and visit my office at any time you find it convenient when you are in the city of Washington.

Thank you very much.

Mr. RADEMACHER. Thank you, Mr. Chairman.

Mr. Nix. Our next witness is Mr. David Silvergleid, president of the National Postal Union.

Will you take the chair, Mr. Silvergleid?

**TESTIMONY OF DAVID SILVERGLEID, PRESIDENT, NATIONAL POSTAL UNION, ACCOMPANIED BY ROBERT P. KEPHART, SECRETARY-TREASURER**

Mr. SILVERGLEID. Thank you.

Mr. Chairman, and members of the subcommittee, my name is David Silvergleid and I am privileged to serve as president of National Postal Union, located at 425 13th Street NW., Washington, D.C. We represent approximately 70,000 postal employees and 10,000 career Federal employees.

I am accompanied by our secretary-treasurer, Robert P. Kephart, of Philadelphia.

We are grateful, Mr. Chairman, for your scheduling these hearings on morale problems in the postal service. In our opinion, there has been too much justified criticism of the postal service, and this gives us a needed opportunity to discuss some of the underlying factors contributing to the present deplorable situation.

Mr. Chairman, I intend to talk briefly on 10 of what we consider major irritants, and if we could eliminate these irritants we would undoubtedly have a much better postal service.

#### RECRUITMENT AND RETENTION

Despite Post Office Department's glowing recruiting posters placarded from time to time in every postal installation and unit describing alleged advantages in a postal career—pay, fringe benefits, promotions, leave, paid holidays, advancement and other features—it has failed to attract employees on a permanent basis. Examinations in almost all geographical regions are practically a year-round basis. Although the national economy has been functioning at a high rate since 1961 with unemployment at about 4 percent or less, which may or may not have had an adverse effect upon retention of higher educated postal employees, even among the unskilled and untrained who enter postal service, there has been marked lack of interest in establishing careers in the post office. This situation was worsened recently by the establishment of the position of "hourly rate regular."

Many factors have contributed to this disinterest. To cite but a few, employment of temporary help to the detriment of career substitute earnings; career substitutes with equal skills to regulars do not receive equal benefits or pay; regular employees performing higher skilled duties or assignments frequently do not receive higher level pay; health and safety precautions are generally ignored or receive secondary attention; politics and favoritism are often fundamental in higher level promotions and preferred assignments; postmasters and officials all too frequently tend to ignore modern personnel practices, flagrantly disregard employee rights and the dignity of the individual employee and, in the main look upon a particular postal installation as their feudal domain; nightwork, weekend and holiday schedules are the norm; covert discrimination against racial and ethnic minority groups after appointment despite equal employment opportunity policies creates cynicism and resentment.

I am happy to see, Mr. Chairman, a new release, which I received this morning from the Post Office Department dealing with a new plan of action on EEO, has been distributed throughout all of the post office regions. I can only express the fervent hope that while a cursory perusal of these instructions indicates that they certainly tend in the right direction, there will be a definite implementation of what is contained in these instructions other than merely wishful thinking and wishful hoping.

The Department will continue to experience a large turnover rate unless drastic attention and correction is devoted to these and other unfavorable features of postal employment.

## APPOINTMENT SYSTEM

Postal appointments within civil service law by examination are generally exemplary. The "Higgins Ratio"—establishes one career substitute for each five regular career employees, now perhaps to be increased to one for four by a law which is being presently considered by the Congress—is outmaneuvered through the hiring of temporary employees, and this has become standard procedure.

Indefinite, temporary, and part-time substitutes are appointed and assigned allegedly for peak periods, but, in practice, are frequently used as much as 7 days a week. In practice they are neither expected nor required to meet the same criteria as career regulars or substitute employees.

In addition, so-called seasonal assistants are now employed on a comparative year-round basis for weekend work in large postal installations, and frequently in smaller postal units. Summer temporary assistants and Christmas temporary assistants appointments are additional categories which destroy desire for careers among employees. The latter group, particularly, build resentment within postal employee ranks, as they are utilized during maximum mail volumes in the month of December when maximum skills and training are required and serve to deprive underpaid, skilled employees of additional income.

Often these temporary Christmas employees, whose appointments involve questionable procedures, receive favored or desirable tours and hours of duty, which serves to break down morale in the ranks. Several large post offices, notably Philadelphia, Pa., have recently experimented in the total elimination of Christmas temporaries, with outstanding success.

## PROMOTION PROGRAM

Despite institution of a so-called merit promotion system in 1955 in initial level supervisory positions, and further refinements during the past decade, career employees remain disillusioned with the implementation of promotion policy. Promotion to higher levels in particular in the Post Office Department from earlier days to present remain largely political. No action taken to date has been capable of eliminating the backroom dealings of small and high politicians. Postal employees are all too aware of this octopus' tentacles and feel they must accede to this spoils system if promotion or advancement is to be obtained. As a result, the qualified, the able, the competent are often bypassed with concomitant loss to good public service.

This lack of proper merit promotion procedure may reach down even to the lowest level supervisory positions, such as level 3, group leader, custodial. Promotion to nonsupervisory, technical, and administrative positions, or even preferred tours or assignments may also involve politics.

Millions of words have been written condemning and denouncing the evil effects of patronage in the post office. This is one area which requires strong legislative action that would provide advancement solely through merit and qualification. Employee motivation would

unquestionably receive tremendous impetus if there was an ironclad law providing for promotion and eliminating politics.

#### WORK ASSIGNMENTS AND SCHEDULING

The Post Office Department traditionally reserves its so-called rights to assign and schedule employees, regulars, or substitutes.

Sometimes this occurs indiscriminately with little or no consultation with employees or their union representatives, despite Executive Order 10988, and I might add, despite the national agreement. Imperiously declaring "management's mission" to transfer or reassign as its sole prerogative, employees are rescheduled from days to nights or vice versa with little notice, brought in ahead or later than their established tours of duty, assigned to Saturday and/or Sunday work upon short notice under the guise of "service needs" or "emergency"; required to work as many as 10 successive days or nights without a rest day; regular employees compelled to work their 8 hours within a period of 10 or 12 hours.

Particularly hard hit are the career substitutes, since law only guarantees a minimum of 2 hours after an official reporting time. Substitutes receive overtime only after working 40 hours in a week. There are times where they may work 10 or 12 hours on 3 heavy days of the week, 4 hours on the 4th day and ordered not to report for the balance of the week to avoid payment of overtime. In general, local management tends to seek to schedule substitutes for 6 days or nights per week with a maximum of 6 hours each day, Saturdays, Sundays, and holidays included. Disillusioned and disheartened by the Department's indifference to their welfare, substitutes resign to seek greater equity elsewhere. Turnover among this group is at an extremely high rate, from 10 to 50 percent depending on the office, as compared to private industry's maximum of 6 percent. The new career employee sees little or no advantage in continuing a postal career under these adverse conditions combined with low salaries, inadequate personnel policies, poor working conditions.

In short, an overall failure by the Department to measure up to private industry standards. Here too, congressional action is required to abolish substitution which can only be justified by the Department as a method of avoiding treating employees in as fair and equitable manner as Government demands from private employers.

I might interject at this point, Mr. Chairman, that considering the amount of money involved in training one substitute over a period of 3 to 6 months, it is an indication of why the Post Office Department is costing so much money to operate these days when we have such a tremendous turnover.

#### TRAINING

Post Office Department training policies offers one of the saddest features of postal operations. The Bureau of Personnel, responsible for postal training of employees and management, has always been treated as a stepchild of the Department. Inadequately financed, inadequately staffed, completely subservient to mail-handling operation in all its phases, it furnishes a prime example of entrenched bureaucracy vitiating modern scientific approaches to employee development.

The vast percentage of postal operations still depends on manual methods. Yet with the exception of an all too brief orientation period for new appointees in large installations, training is almost completely overlooked in Postal Establishments.

For example, at the very heart of mail-handling operations lies skilled sorting, commonly known as "scheme knowledge" which may require from a month to years of home study by a distribution clerk. Although authorized by postal regulation, so-called on-the-clock scheme training up to 30 hours for new career substitute clerks on occasion is confined only to the very largest offices.

The failure to recognize training values as a vital tool of good postal service is keenly pointed up in areas of supervision and management. The relatively poor quality of postal supervision, so dependent upon political appointments and favoritism, destroys motivation, creativity, and ingenuity in postal employees. There is no real organized and required training program for either employees promoted to supervisory posts or first-level supervisors promoted to more responsible or higher levels.

I recognize, Mr. Chairman, that such a program is now being negotiated and we look forward to what the results will be.

Sporadic instructions for supervisory training serve only to emphasize the lack of such training, most particularly in responsibility for securing employee cooperation and development.

In this last third of the 20th century, it is almost incredible that no real efforts have been undertaken to establish, let alone develop, scientific and professional training programs and policies for postal employees as mechanization, automation, and technological advances enter the postal scene. Hundreds of millions of dollars pouring into modernization and automation of postal facilities, yet minimal amounts budgeted for training of employees and easing the impact, even the fear, of this coming industrial revolution upon postal employees. The human element in the post office is ignored, forgotten, or relegated to a secondary role despite the imperative necessity for training if the public is to be served by good Government.

#### BIDDING SYSTEM

The national agreement negotiated by postal unions and postal management establishing bidding procedures and formulas for tours, duties, assignments, and details based upon seniority has alleviated in some measure medieval practices prevailing for years in many post offices. However, there still remains a residue of favoritism and "post office politics" at local levels in assignments, details, duties, and tours, since alleged qualifications and experience are employed to provide junior employees with preference over senior employees.

In addition, loosely worded phrases in the agreement, that is, "service considerations," "emergency," "management's mission," serve to deny justice, equality, and opportunity to numbers of employees. The right of a skilled, experienced, senior employee to advance to less onerous assignments, details, duties, or even tours, frequently runs into the implacable rock of a supervisor's personal predilection for a particular employee or, perhaps even far worse, covert prejudice or

discrimination against the senior employee. At times this is accomplished by weighting posting for a bid position in behalf of a specific employee's qualifications or experience.

Perhaps the greatest injustice occurs in those promotions to higher level, nonsupervisory positions which, though posted for bids, permits management's judgment to determine the successful bidder on the basis of "best qualified" without due consideration to seniority or opportunity to perform the duties of the position. Here too, politics and favoritism rears its ugly head and no amount of lipservice by management's claim to objective opinions and employees' rights of promotion appeal will deny this all-too-prevalent fact. There is no facet of postal policies and operations more distorted, which has created more cynicism and bitterness, destroyed morale and motivation among employees, than the rank odor emanating from the abstract promotion policies and regulations of the Post Office Department and the practical application in the postal field service.

There is a desperate need in this area for mandatory personnel policies that would eliminate abuses and injustices, and provide proper incentives.

#### INCENTIVE AWARDS

Adoption of suggestions and ideas do receive careful attention and, on the whole, are rewarded perhaps not in as significant amounts as tangible savings to the Government should dictate, but still providing incentive for employees. However, superior accomplishment awards and quality step increases are poorly administered. In the former category, management will, on occasion, set limits by percentages of the number of employees in a particular unit or section, regardless of high individual job performance. Awards frequently are recommended for those employees whom a supervisor may feel friendly to and ignore or overlook other employees who perform above standard of achievement of their duties.

Quality step awards are almost nonexistent in postal field installations. There are perhaps a bare handful of postal employees who have been singled out for this type of awards throughout the Nation. Although accurate statistics are unavailable, it is probably less than 1 percent of the total work force. It appears inconceivable that in a post office with thousands of employees, only two or three employees were determined to be sufficiently high in achievement to merit this step increase. This can hardly be judged a proper incentive for employees to devote more than passing interest in their particular job functions. Meritorious and distinguished service citations are generally provided for singular acts or outstanding performances in exceptional circumstances such as heroism, bravery, courage by employees to citizens in the course of an employee's daily duties, or even in his private life. These awards are entirely warranted in their implementation. Though postal regulations permit and authorize these awards for superior quality or above-average performance, they are rarely, if ever, distributed or recommended with these concepts in mind.

## APPEALS AND GRIEVANCES

Disappointing as most policies, programs, and procedures may be in many areas, a survey of the vital functioning of appeals and grievance practices outdistances all failures in presenting the dimmest view for employee motivation. Employee expectations and reliance on appeal procedures for review of outright injustices, prejudices, discrimination, inequity, denial of simple human rights, arbitrary and high-handed supervision, and dictatorial management are all too frequently destroyed by continuous rubberstamping of lower echelon decisions by appellate levels.

Cynicism and frustration are eternally present among postal employees and are nowhere more in evidence than when seeking corrective avenues of redress of grievances or excessive punitive action within the fine print of appeal theory and appeal practices. All the foregoing baleful practices and failures cited previously of postal supervision and management at field levels almost daily culminate in employee grievances and create a subtle form of guerrilla warfare between employees and management.

Hearing committee's decisions favorable to employees are often reversed at regional levels. Hearing officers, factfinding regional representatives are limited in scope to factfinding, but all too frequently lean in management's direction as they are bound by rules of admissible evidence. Regional appeal review officials, weak in background training, lacking in professional knowledge, and politically orientated, extend cursory examination to appeals cases in their decisions. Board of Appeals and Review, the highest appellant level, apparently stays within the vacuum of letter-of-law postal regulations. Documentary evidence in the vast majority of appeal cases almost solely weights their decisions. Since employees have great difficulty securing witnesses, let alone written evidence in their behalf, a high percentage of Board of Appeals and Review decisions sustain regional and postmaster decisions. Advisory arbitration, although theoretically another channel open to employees in adverse action and grievances, is seldom invoked due to cost involved.

Finally, appeals to Civil Service Commission are limited by regulation to certain areas or violations by Post Office Department of its own rules which do not apply to most employee appeals. Very few employees seek to obtain a review of adverse action appeals through the appeal system of the Commission.

The inadequacy of the present appeals and grievance system as it is applied can only be substantially adjusted and corrected within the complex framework of related topics discussed above, and by revision of postal policy and programs which would correct inequities at their source. A piecemeal approach will continue to foster employee antagonism and silent cynicism.

## EMPLOYEE-MANAGEMENT RELATIONS

Executive Order 10988, issued in 1962, has served as a historic landmark in post office employee-management relations. Establishing formal recognition of unions in the Federal Government service, notice was served on both authoritarian and paternalistic postmasters and

management at all strata, of employees' rights to be recognized as an indispensable ally for good postal service. Employees were granted the right to organize, to join unions, to a voice in their welfare and working conditions, even more—to a measure of equality and dignity.

How unfortunate 6 years later to witness many aspects of disillusionment among employees and their union representatives. What appeared to be a blazing beacon has turned into a candlelight in the darkness. Those first few years raised employee morale and hopes, but this has been distilled by sophisticated management rapidly learning and practicing techniques subverting written agreements for employee protection negotiated at national and local levels. Violations of contracts, weak as they are, are all too common under the guise of "moving the mails" or the umbrella of "service to the public." Union representatives are continually frustrated by the lipservice paid by management, particularly by workroom supervision, to the skeleton contracts. The widespread practice by field management of ignoring many improvements established in these contracts has become common practice.

#### NATIONAL AGREEMENT, 1968

May I preface my remarks, Mr. Chairman, by emphasizing at this point that the National Postal Union, which represents some 70,000 postal workers, does not have exclusive recognition at the national level because of the craft development and the craft approach, so we were not parties to the national agreement.

I would like the record also to show that the total number of postal workers we represent is in excess of the total number represented by five of the national exclusive unions who did negotiate the national agreement.

In preparation for negotiations for a new national agreement in 1968, the Post Office Department assembled over a period of time a trained staff of skilled specialists in the art of negotiation. In addition, management seminars were instituted in Norman, Okla., for postmasters and other top local management officials to prepare them for local negotiations.

A reading of the brochure used at Norman, Okla., outlining the specific areas of local negotiations, and emphasizing the necessary role to be played by management officials, would leave the indelible impression that management and labor were deadly adversaries. Postmasters were, in effect, told they had "given away the shop in negotiating prior local agreements." The new national agreement, which by its terms canceled out all prior local agreements, presented local postmasters with the opportunity to start from scratch and renegotiate on an entirely different basis.

As a result, in almost every office where local negotiations were undertaken, regardless of craft, the number of alleged nonnegotiable items and impasses rose to unprecedented proportions. Where under previous national agreements there were generally fewer than 1,000 nonnegotiable items, at this time there are at least between 6,000 and 7,000 such items to be considered by the Bureau of Personnel.

In many post offices no agreement was possible. In some instances the postmasters were personally in complete disagreement with the "get tough" attitude, but were unable to ignore regional instructions.

In most of the post offices, the postmasters welcomed the opportunity to "take back their shop," and refused to consider, as negotiable, practices which had been in existence longer than their own tenure in office.

Upon conclusion of negotiations at the national level, the Post Office Department obviously felt it had engineered a remarkable coup, as within a short time thereafter the top departmental negotiators received cash bonuses for their efforts. However, the shortsightedness of this attitude soon became apparent. As local negotiations either broke off or were completely stymied, all sorts of pressures developed, both on the employee representatives and departmental officials. As a result, Postmaster General W. Marvin Watson issued instructions that wherever there were nonnegotiable items or impasses, the signing of a local contract could be deferred until July 1 or whenever such items were disposed of, if prior to July 1. There seems to be some relaxation in certain areas of local negotiations where previously management negotiators had been adamant.

We do not have any direct knowledge at this time of any departmental instructions to the field indicating approval of a more flexible approach. However, the obvious ultimate effects on employee morale of an adamant and inflexible approach by management are so apparent, it seems inconceivable intelligent management would persist in such an attitude.

We again emphasize that Executive Order 10988 proposed to establish an area for joint labor-management efforts in behalf of a good postal service. It did not contemplate an outright adversary situation with either party seeking undue and unwarranted advantage. Needless to say, the recent unfortunate approach to local negotiations by management constituted a definite subversion of the intent of Executive Order 10988.

Mr. Chairman, we sincerely appreciate your obvious and sincere interests in the welfare of postal workers and the postal service. We are thankful for this opportunity to present the views of National Postal Union.

We are personally very grateful for this opportunity to express our views.

Mr. NIX. Thank you, Mr. Silvergleid. It is a real pleasure to have both you and Mr. Kephart here today.

I would like to ask this: On page 13, the second paragraph, the latter part of it, it is stated that, "The national agreement, which by its terms canceled out all prior local agreements, presented local postmasters with the opportunity to start from scratch and renegotiate on an entirely different basis."

The question is this: The national agreement presupposes that both sides participated in concluding the agreement. If that be true, how can it be called an agreement if one side did not agree or takes exception to all parts of it or to the main part of it?

Mr. SILVERGLEID. Mr. Chairman, as I pointed out a little while ago, the National Postal Union was not party to this agreement, and, frankly, I do not want to appear to be in a position of being critical in any way of the unions which did negotiate the agreement.

However, the fact remains they apparently reached complete agreement with the Post Office Department on the written portions of what is now the so-called national agreement for 1968.

My understanding is that while they disagree at present on the application and interpretation of the national agreement, there was no hesitation in signing that agreement. It is a fully executed agreement, it is perfectly legal, as you undoubtedly are aware, Mr. Chairman, being an attorney.

I would say this: We felt, and we still feel very strongly, that there are certain conditions in the new national agreement which we would not have concurred in had we had the opportunity to negotiate. Unfortunately, these conditions have created the present difficult situation. They have completely eradicated all local agreements that had been in effect, canceled them out. Whatever benefits had been previously won by exclusive local unions at their level were wiped out and such exclusive local unions are compelled to renegotiate from scratch.

Mr. NIX. But the parties that did negotiate the agreement were authorized under the law to do so?

Mr. SILVERGLEID. That is right.

Mr. NIX. The agreement, then, is binding, and whether the provisions of the agreement are acceptable to some persons they are nevertheless bound by it?

Mr. SILVERGLEID. They are bound by it.

You will note, Mr. Chairman, that I made some comment about what I hope appears to be a more liberal and flexible approach by management. I would like to cite one instance.

Our big local in New York City, the Manhattan-Bronx Postal Union, which represented more than 23,000 postal workers of all crafts, submitted 100 items to start off with, and 87 of those 100 were declared nonnegotiable. It became obvious at that point they could not reach an agreement under those conditions. I am happy to state for the record a very good local agreement was ultimately reached—our local was satisfied—as satisfied as they could expect to be under the circumstances.

I feel this was brought about by some of the publicity given the attitude of postmasters throughout the country in taking the adamant position they did. The difficulty stems, as the previous witness pointed out, in my opinion, from the so-called training program given management in Norman, Okla. I read through that document, which you intend to obtain for the committee, and I would have to say that it practically instructs the postmaster, get tough—to be adamant. “Whatever you previously gave away, take back.” And now that the damage has been done, the Department says in effect, “Well, we never intended for them to do that.” But that is the way it has worked out in actual practice, and it has created so much ill will that it is bound to have a tremendous detrimental effect on morale if it is not corrected.

Mr. NIX. According to the statement made on page 14, the second paragraph, you said:

As a result, Postmaster W. Marvin Watson issued instructions that, wherever there were nonnegotiable items or impasses, the signing of a local contract could be deferred until July 1, or whenever such items were disposed of, if prior to July 1.

It seems to me that is certainly a relaxation.

Mr. SILVERGLEID. It indicates it might be a relaxation.

Mr. NIX. That in itself is an order, so therefore it must be taken as a relaxation. There is no rigidity to it.

Mr. SILVERGLEID. No, sir; there is no rigidity except this instruction—I want to clarify it—applies only in those instances where non-negotiable items or impasses have developed. In post offices where the employee local union felt they had to take what they could get and signed agreements, they are stuck with them. They are going to have their contracts for the next 2 years without any change.

Mr. NIX. You see the thought that constantly recurs in my mind is this: I would not accept something that I thought was unjust or inequitable unless the pressure was so great that I had to or unless I had no choice under the regulations.

Now I do not know why these persons negotiating would feel that they would have to accept. That is something I would like to explore.

Mr. SILVERGLEID. Mr. Chairman, it is the position of the National Postal Union, and I say this very bluntly and very openly, that we would not have signed that national agreement. We would not have become party to it under the conditions and the manner in which it was written and executed.

Mr. NIX. Let me ask you this in that regard: Suppose you had been a participant in the conference leading to the agreement and there were, let us say, three others; and two representatives agreed and you did not. You still would have been bound; would you not?

Mr. SILVERGLEID. No.

Mr. NIX. You would not have been bound?

Mr. SILVERGLEID. No; the exclusive unions negotiate collectively on basic provisions, then they negotiate separately on what they call supplementals, which apply only to their particular craft. Any one of them could have said, "I refuse to sign" and not been a party to it.

Mr. NIX. Yes, of course, any one of them could. But assuming three said we agree, you would have been left as the third negotiating party to negotiate—

Mr. SILVERGLEID. We could have continued to negotiate only on a supplemental without accepting the basic agreement. In some local post offices, by the way, Mr. Chairman, they have negotiated only on what they call a supplemental, one or two or three items, so that they will have a binding agreement.

And I might say this very openly—I have referred to it in my testimony—some postmasters were openly hostile to the Department approach. What they have done in those offices is not sign a written agreement, but agreed they would adjust all of their problems at labor-management meetings.

Mr. NIX. What I am trying to separate in my mind is this: Let us say someone representing the union is negotiating with management. Often, many of the individual members of the union never agree to the terms of the settlement.

Mr. SILVERGLEID. That is right.

Mr. NIX. But they authorize the officials to act for them in that negotiation. An accommodation is reached between labor and management. It is then brought back to the labor union for acceptance or rejection.

Now, the majority accepts it and it is binding, both on those who accept and those who reject it.

In this instance, I put to you the question of three organizations negotiating with the postal authorities and two accepting, the other disagreeing. Would it not bind the third as well?

Mr. SILVERGLEID. Only perhaps administratively, Mr. Chairman, if the Department issued regulations to conform with the provisions of the national agreement. We have to understand that these are craft groups. The National Postal Union is industrial—we represent all the crafts. But the craft groups negotiate. If the clerks had signed an agreement, it would apply only to them, and not to letter carriers or mail handlers. Each craft would have to be party to that agreement.

On the other hand, I have been given to understand by some departmental officials that if an agreement was not reached, if there were not a written agreement, this would give them all the leeway in the world to impose restrictive regulations, and this may of course be a hatchet over the heads of some of the union negotiators.

Mr. NIX. What I am going to do—what I am going to find a great deal of interest in—is to make a special study of the recognized bargaining agents; who they are, what authority they have, how they got the authority, and by having the authority whom do they bind with their decisions.

Mr. SILVERGLEID. May I suggest you keep one thought in mind, Mr. Chairman, and you were the one who mentioned it. They do not have to go back to their union members to get ratification.

Mr. NIX. I see.

Mr. SILVERGLEID. Our locals do.

May I state for the record that in National Postal Union our locals do not sign an agreement until they bring it to a membership meeting. But nationally they do not have to go back to their membership. In private industry they would.

Mr. NIX. In the earlier part of your statement you mentioned among other things, "Promotion to higher levels in particular in the Post Office Department from earliest days to present remains largely political."

Mr. SILVERGLEID. From our experience, Mr. Chairman, this can apply even to the nonsupervisory levels, the technical-administrative assignment, so-called, where an employee does not have to be on a supervisor's eligible register. He is given that appointment strictly on the basis of qualifications, so-called, the best qualified. And there is no doubt about the political aspects that enter into that picture in many offices.

Mr. NIX. I would like to know, specifically, if an employee is not on the supervisory promotion list, how is he promoted over people who are on the list?

Mr. SILVERGLEID. He will not be promoted to what is known technically as a supervisory position. As I just indicated, they have, particularly with mechanization, now they have any number of technical and administrative positions which are in the higher levels and which are not considered to be supervisory positions.

Mr. NIX. Let us assume that the hypothetical individual employee is not on the supervisory promotional list. Is it not possible to assign

him to that work—and in time he develops a degree of competence—and then move him into a promotion?

Mr. SILVERGLEID. Technically it is not, Mr. Chairman. Technically no. The agreements provide that where they have to utilize acting supervisors, the employees on the eligible supervisor register should be given prior consideration.

Mr. NIX. Would seniority be one of the considerations?

Mr. SILVERGLEID. Not in the high level, not in supervisor assignments. The examination mark is equated with consideration for service, but once you get your mark, that is what it is. Your length of service no longer enters into the picture.

Mr. NIX. If there are three men on the supervisory promotion list, who has the right to choose between the three?

Mr. SILVERGLEID. Each post office with a certain number of employees sets up a promotional panel, as they call it, and there is a so-called zone of consideration. In the larger post offices, that has been extended to 100. It used to be nine. So they have provided much more leeway for permitting politics to enter into the picture.

Mr. NIX. In the zone of consideration—excluding veterans—how do you come to a decision as to which person would be selected for the position?

Mr. SILVERGLEID. The panel set up by the postmaster consisting of top management personnel makes that decision and then submits the name to the postmaster for his approval.

Mr. NIX. Who makes the guidelines for the panel?

Mr. SILVERGLEID. I do not know. Mr. Kephart just came from the post office, he probably knows more about it than I do.

Mr. KEPHART. They interview them. They bring each man up before a panel and interview them and ask specific questions and at that point there is a vote of whether this man looks like he is going to make good supervisor material or whether he is rejected at that point for not having post office attitude and so forth.

Mr. NIX. If I should examine 20 men, any one of whom are eligible for the job, I must have some kind of standard that he measures up to, or fails to. What I am seeking to find out is who fixes the standard if there is one, and if there is no standard by which these men are judged, then I would like to know how they are judged.

Mr. KEPHART. One of the things that they judge them on is their attendance, whether they get to work on time, their attitude toward the Department, toward other things. It is in this area when you come to the human judgment; this is the area where it becomes a little gray.

Mr. NIX. The area of discretion on their part?

Mr. KEPHART. Right.

Mr. NIX. But there are positive standards. You mentioned attendance, work record, and personality; as gathered from his ability to get along with people.

Mr. KEPHART. That is right.

Mr. NIX. Then the person who has the right to judge him determines whether he has gotten along with people?

Mr. KEPHART. We have experienced, and I can only speak for Philadelphia because of just recently coming from there, that we believe on some occasions the personality conflict between the man who is doing

the interview, if he has been his supervisor on the work floor, oftentimes comes into the picture, where because of a certain personality conflict he has been given a poor judgment, which we believe was not right. But this again is where the human element comes in and you are going to have it, and I do not know how you could eradicate it.

Mr. NIX. Gentlemen, I want to thank you very much for having come here today and for giving us the benefit of your testimony. We are most grateful to you.

Mr. KEPHART. Thank you, Mr. Chairman.

Mr. SILVERGLEID. Thank you, Mr. Chairman.

Mr. NIX. The subcommittee will stand adjourned.

(Whereupon, at 12 noon, the subcommittee adjourned.)

## PERSONNEL PROMOTION SYSTEM OF THE POST OFFICE DEPARTMENT

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TUESDAY, JUNE 25, 1968

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON POSTAL OPERATIONS OF THE  
POST OFFICE AND CIVIL SERVICE COMMITTEE,  
*Washington, D.C.*

The subcommittee met, pursuant to notice, at 10 a.m., in room 210, Canon House Office Building, Hon. Robert N. C. Nix (subcommittee chairman) presiding.

Mr. NIX. The subcommittee will come to order.

When these hearings began last year, our main concern was the problem of promotion within the postal service. We found that 85 percent of the people within the service are never promoted. What is worse, the nature of the postal service, with its specialized skills prevents persons transferring to other Government jobs. The Post Office is, after all, the only industrialized operation within the Federal Government with over 700,000 employees.

The problems are tremendous. The hearings were then broadened to cover all personnel problems in the postal service under the new title of morale.

Today we will hear testimony from the United Federation of Postal Clerks and the National Association of Postal Supervisors. Each witness will take up a different aspect of the postal system's morale problems. We will hear discussion today about what is viewed by some as the breakdown at the local level of labor negotiations because the Federal Government reserves the right to decide what is negotiable, and the controversial Seattle project which provides for the transfer of postal supervisors upon promotion to any office within a five-State area.

Our first witness today is Mr. E. C. Hallbeck, president of the United Federation of Postal Clerks. He is accompanied by Mr. Patrick Nilan, the legislative director of the United Federation of Postal Clerks. Gentlemen, we want to welcome both of you. I am happy you are here and you may proceed.

### TESTIMONY OF E. C. HALLBECK, PRESIDENT, UNITED FEDERATION OF POSTAL CLERKS, AFL-CIO, ACCOMPANIED BY PATRICK NILAN, LEGISLATIVE DIRECTOR

Mr. HALLBECK. Thank you, Mr. Chairman.

Mr. Chairman and members of the subcommittee, for purposes of identification, my name is E. C. Hallbeck and I am the president of the United Federation of Postal Clerks. The federation is the exclusive

representative for the clerical craft in the postal service. I am accompanied today by Mr. Patrick J. Nilan, our legislative director, and I welcome this opportunity to present a brief statement to this subcommittee with respect to morale in the postal service.

As the exclusive representative of the clerical craft, our organization is extremely well aware of the problems that today exist in the postal service. As a result of these problems and the failure to achieve satisfactory solutions, there is, to my mind, a definite deterioration in morale. This results from many factors but it seems to me that one of the principal reasons for the lack of a higher morale is the loss of personal dignity. There was a time when postal employees had a very distinct sense of pride in their work. They felt, and rightly so, that they were an important part in a great undertaking. Today, that is no longer true. Current practices in the postal service tend to make numbers out of people. Today, we speak of "bodies" as if these bodies were faceless things without dignity. The time when people had pride in a postal job has long since passed. The esprit de corps of other years no longer exists. Today, the postal service is a factor and the pride of the skilled artisan is no longer important.

One of the reasons for the current situation, in my judgment, is the failure in many quarters to observe the principles of good faith collective bargaining. Despite the Executive order issued by President Kennedy on January 17, 1962, many postmasters are today unwilling to admit that:

The efficient administration of the Government and the well-being of employees require that orderly and constructive relationships be maintained between employee organizations and management officials.

They are unwilling to admit that:

Subject to law and the paramount requirements of the public service, employee-management relations within the Federal service should be improved by providing employees an opportunity for greater participation in the formulation and implementation of policies and procedures affecting the conditions of their employment.

Mr. Chairman and members of the committee, both of those quotations are taken from the Executive order of the late President John F. Kennedy.

Instead, many postmasters apparently consider themselves feudal lords, masters of all that they survey; free to operate without let or hindrance; despite the fact that the President of the United States has directed otherwise.

This has resulted in failure to negotiate in good faith on matters respecting "the formulation and implementation of policies and procedures affecting the conditions of their employment." It appears rather that many postmasters, with some evidence of support from departmental and regional officials, feel that accepting the form, but not the substance, complies with the Executive order. Violations of the Executive order or of national or local agreements go virtually unpunished or, at best, an offending postmaster receives a slap on the wrist and promptly proceeds to repeat an offense.

I can think of nothing more likely to improve morale in the postal service than the enactment of legislation that would provide for the employees of the Federal Government rights similar to those provided by the National Labor Relations Act for employees of private indus-

try, and with some independent appeals body, such as the National Labor Relations Board, to which appeals might be taken. It is evident that an Executive order, based on our experience of the past 6 years, does not do the job and I suggest that a law which, perhaps, could eventually be tested in the courts, might have a far better long-range effect.

In the clerical craft, there are many factors which contribute to a loss of morale. One is the lack of opportunity for advancement. Such opportunities as are available, and they are few in number, are bound up by regulations which make a farce out of the examining process. Nonsupervisory positions providing for higher level pay are all too often awarded on the basis of the best qualified, which leaves it up to the postmaster to determine who is best qualified and, as a result, many of these positions are awarded not to those most deserving, but to those fair-haired boys who, for personal or political reasons, are in favor with postmasters.

There is an almost complete lack of recognition of the seniority principle. I submit that, all other conditions being equal, the senior employee is entitled to consideration based on the fact that he has, over the years, performed good service. However, in application, this is almost entirely unheard of in the postal service.

Another contributing factor to the loss of morale is the present trend in the postal service to abolish day tours. Despite the fact that work performed between 6 p.m. and 6 a.m. requires a differential or premium pay of 10 percent, many of our people with long years of service are being relegated to undesirable tours of duty that require them either to start their work in the middle of the night or to end their work in the middle of the night. These are hours not ordinarily considered desirable and deprive the employee of the opportunity for family and other associations enjoyed by employees of private industry.

Another factor that contributes to loss of morale in the postal service is the constant downgrading of jobs. The skilled craftsman, who was, and is, a scheme distributor, finds himself replaced in many instances by people with lesser skills, paid at lower rates; whose only objective is to receive a day's pay. They care not whether mail is handled in accordance with regulations or whether mail is promptly and accurately handled.

Today, in all of our large cities particularly, employees work in outmoded buildings and the only way the work areas can be described is to call them depressing. Many of them lack elementary facilities, are poorly lighted, poorly ventilated, cold in winter and hot in summer, overcrowded, dirty, and a very far cry from modern establishments in private industry.

Added to all these things, there is, to my mind, a lack of competent supervision. Postmasters and supervisors all too often are selected on the basis of who they know rather than what they know, and a good many of them at least ought to take a course of "How To Win Friends and Influence People." Postal workers are no different than anyone else. They resent injustice. They resent a lack of recognition. They resent a loss of dignity, and their morale suffers accordingly.

I have enumerated briefly some of the causes for discontent and loss of morale. If this subcommittee, in its wisdom, can discover ways

and means for improving the current situation, it will perform a service both for the employees and the American people whom they serve.

I appreciate this opportunity of expressing our views, and I believe Mr. Nilan, who is accompanying me, will add something further at this point, Mr. Chairman.

Mr. NIX. We will be very happy to have Mr. Nilan proceed.

Mr. NILAN. Thank you, Mr. Chairman.

Mr. Chairman, I would appreciate it if you would give us an opportunity to submit, for the record, a tabulation of a questionnaire which we have developed concerned with recent negotiations by our local unions with postmasters which I believe would be enlightening to the committee, pointing up the most frustrating experience we have ever had in trying to negotiate local agreements with postmasters.

Mr. NIX. Without objection, that will be included in the record.

(The tabulation referred to follows:)

The final tabulation of the negotiations questionnaire sent by the United Federation of Postal Clerks to local union affiliates provides the following statistics:

- (1) 500 questionnaires mailed out to UFPC local unions;
- (2) 271 questionnaires returned to the Legislative Director at UFPC national headquarters;
- (3) Local postmasters unilaterally decided 2,204 union proposals were nonnegotiable; and
- (4) Of these 2,204 union proposals, 995 were provided for in previous local agreements in the 271 post offices where UFPC local unions responded to the negotiations questionnaire.

Mr. NILAN. Thank you very much.

If I may, in order to indicate the frustration and disappointment our organization has experienced in local negotiations during the past 60 days, I would like to present today a preliminary report on this questionnaire which points up major problems which are resulting in deteriorating morale in the postal service and particularly among our local unions, our officers, and our members.

We sent out, approximately 3 weeks ago, a negotiating questionnaire to 500 of our largest local unions. As of last Thursday, June 20, we had 231 of these 500 questionnaires returned. It is interesting to note, Mr. Chairman, that of these 231 responses which we have received only 79 of these 231 local unions had signed contracts with postmasters as of May 17. In other words, approximately only one-third of this very representative sampling of our local unions were able to sign contracts as of May 17, which was the closing date for negotiations in local post offices throughout the country.

In the most critical area we have encountered in negotiations at the local level, we find that in the 231 largest UFPC local unions, 2,091 items referring to our clerical craft were declared nonnegotiable by the postmasters. Of these 2,091 items, 906 or almost 50 percent of the items declared nonnegotiable during the recent negotiating period had previously been included in agreements between our local unions and the postmaster.

Mr. Chairman, to have postmasters who agreed 2 or 4 years ago the items were negotiable and then suddenly tell the local unions they are in a nonnegotiable area with the postmasters retaining them in their so-called management areas, prerogatives, and unilateral management rights is certainly very damaging to labor relations in the postal service. I say again, half of the 2,091 items declared nonnegoti-

able during the recent negotiating sessions had been in previous local agreements and the postmasters refused even to negotiate them in the most recent negotiations.

I would like to read into the record some comments from local unions to indicate the very serious morale problem this has created.

We received a letter from our local in Las Vegas, Nev. As you know, Las Vegas enjoys the distinction of being a very liberal community and we would hope the postal service in that community would represent an equally liberal attitude. However, we were advised that in Las Vegas the postmaster arbitrarily determined that 110 proposals by our local union were nonnegotiable during the recent negotiating session; 95 of these items had been included in previous local agreements. This time, however, he decided they are no longer negotiable on the local level. The president of our local union there advises us:

We consider 1968 negotiations a flagrant example of failure by local management to negotiate in good faith. Apparently there is no desire for meaningful labor-management relations. Local management apparently equates desire to prevent abuse of authority to a desire to usurp authority.

We have a similar situation in Ridgewood, N.J. The local union advises us the postmaster used every means at his disposal to delay negotiations so they could not complete negotiations by May 17. The carrier branch called off negotiations on May 8, charging the postmaster with bargaining in bad faith. The federation local union did the same on May 16. Copies of these reports have been sent to the legal counsel of the federation in Washington.

Another instance arose in Long Island City, N.Y., where the local union advises:

It was quite obvious that our postmaster was not willing to negotiate in good faith.

You have another similar situation in Tonawanda, N.Y. I am giving you samples from different sizes of post offices so that they will be representative. Our local union at Tonawanda advised us:

The Post Office Department did not negotiate in good faith. It was cut and dried as far as they were concerned. The postmasters had their orders before we started. It was a pro against an amateur in negotiations.

I could go on and give you many other examples. Out of the 231 responses we have received to date, to be perfectly candid, only 40 or 45 were generally favorable, but about 75 percent of the total responses are very indicative of the type of frustration that creates innumerable morale problems in the postal service. I share with President Hallbeck the hope that Congress will enact legislation that will give us some of the bargaining rights we should have.

Mr. NIX. Thank you, Mr. Nilan.

The subcommittee is deeply interested in the entire subject matter, but is particularly interested in the arbitrary right on the part of management to decide that which is or is not negotiable. I am prompted, therefore, to ask this question: How do they justify their absolute right to make that decision?

Mr. NILAN. They justify it, Mr. Chairman, on the basis of Executive Order 10988, first; and continually, that postal management has a complete authority and unilateral right to determine what is and what

is not negotiable. In other words, it is the position of the Post Office Department that their local postmasters are the prosecutor, judge, and jury concerning what items are negotiable and what are nonnegotiable, and we have no other appeal than a form of arbitration which requires mutual consent. It is simply a cavalieristic and paternalistic type of labor-management attitude where they decide what to negotiate and what not to negotiate and we have no real appeal rights.

Mr. HALLBECK. Mr. Chairman, unfortunately the Executive order did not provide, as the National Labor Relations Act provides, for an impartial appeal body to which we could go with complaints. The final decision is at all times in the hands of the Postmaster General, the head of the agency. That is true in every other Department of Government. We believe that is one of the things that is badly needed; an impartial appeal body to which some of these things might be referred.

Mr. NIX. Without objection, I think it might be well if we could have a staff study done on Executive Order 10988, and its effect on Post Office labor relations.

What is your remedy, as of now, when subjects are declared to be nonnegotiable?

Mr. HALLBECK. When they are declared nonnegotiable at the local level, they are discussed first at the regional level. If a solution is not possible at the regional level—and I must say some solutions have been found at the regional level but in the majority of cases a solution is not found at that level—then they are sent here and there is a further meeting at the departmental level with departmental representatives in an attempt to resolve the matter; but the Department, again, has the final decision. If they will not agree, that is it. Beyond that, there is no appeal.

Mr. NIX. Do they file reasons supporting the decision that they have made?

Mr. HALLBECK. The standard reason is that it violates management's prerogatives as stated in the Executive order; article 3 I believe of the Executive order. I will have to look it up to be sure, but it is either article 3 of the Executive order or article 3 of the national agreement.

Mr. NIX. Let us assume that even after that you wish to appeal further. Do I understand there is no body to which you can appeal?

Mr. HALLBECK. No; there is no body to which we can appeal. Theoretically, you could send all these items to arbitration, but would you like to arbitrate 2,091 questions in 231 post offices? It is simply impossible.

Mr. NIX. Do you think a Government version of the National Labor Relations Board would be helpful in this matter?

Mr. HALLBECK. I do, very much, and I believe there is solid support for that outside of the unions. I know that at one time one of the branches of the Department of Defense made the suggestion that such a board should be established.

Mr. OLSEN. Mr. Chairman.

Mr. NIX. The gentleman from Montana.

Mr. OLSEN. There is such a bill before the Subcommittee on Manpower and Civil Service.

Mr. HALLBECK. Yes.

Mr. NILAN. Ninety bills have been sitting before that subcommittee since January 10, 1967, and hearings have not even been scheduled

on them on the House side. We are very disappointed, Mr. Olsen, that the subcommittee has been unable to hear testimony on these bills.

Mr. OLSEN. Do you believe there should be a separate bill for the Post Office Department?

Mr. NILAN. We have given it considerable thought, but we do cooperate with other Federal employee unions and we would hope legislation would be enacted for the entire Federal employee family.

Mr. OLSEN. It could be amended, though. I am suggesting this might be the only way to get this legislation moving.

Mr. HALLBECK. It would seem to me that the Federal Government, as an employer, should have a consistent policy applying to all of its employees.

Mr. OLSEN. Of course. I was suggesting this as a means of getting the legislation considered.

Mr. NIX. The argument has been made that the Post Office Department is unique in Government in that it is the only large-scale industrial operation in Government and, therefore, that is used as justification for the expression of the gentleman from Montana. Is that true?

Mr. HALLBECK. It is true that the Post Office Department is unique among Government agencies. I expect it is compared most often with people under the Classification Act. I think more logically it could be compared with people under the Wage Board Act, because the work more nearly compares with the work of people under the Wage Board Act than with the work of people under the Classification Act.

Mr. NILAN. That is particularly true, because of the 700,000 postal employees, approximately 600,000 or 610,000 are rank-and-file working employees—postal clerks, letter carriers, and mail handlers. So it is very unique, in that the troops far outnumber the generals.

But if I may, I would also like to interject this for your consideration. As a responsible union we have been trying for the last few years to discourage our postal clerks from trying to promote legislation that would proclaim the right to strike for postal employees. We have tried to discourage them from taking the pledge out of the constitution because we recognize our court of last resort is the Congress and the Congress has usually been responsive when some executive branches and administrations have not. But we are reaching the point, particularly in view of membership frustrations recently, where our State and local unions, that have been conservative in their labor trends, are eliminating the no-strike pledge from their respective constitutions. In August, at our national convention, there will be a multitude of resolutions offered to eliminate the no-strike pledge from our national constitution. Your State of Pennsylvania, Mr. Chairman, 2 weeks ago unanimously adopted a resolution to place the right of postal clerks to strike at the top of our legislative program.

We are trying to point out to our membership the proper way to approach these problems, but we are concerned if the present trend continues in the postal service we will be unable to have our people stay within the confines of existing legislative programs. It is very possible that delegates to our convention in August will eliminate from our national constitution the no-strike pledge. But equally concerned is the distinct possibility that the convention may also place it as the top item on our legislative program. This is why it is difficult to understand why the top postal management insists on giving orders

to local postmasters the end result of which is to heat up the membership of our organization. This is of increasing concern to our officers, and we are concerned as to how our people may react if the present trend in labor-management relations continues.

Mr. NIX. Is there pending between management and the unions any agreement to sit down and discuss this area with a view to arriving at some accommodation?

Mr. HALLBECK. It has been discussed at all levels, even with the Postmaster General himself, and at the present time we have felt compelled to file a charge of violation of the code of fair labor practices. Not unexpectedly, the Department denied they were in violation and we have asked that the matter go to arbitration. The difficulty is resolving the question to be presented to an arbitrator.

Mr. NILAN. I might add, as late as in March of this year, Mr. John W. Macy, Jr., in a very outspoken letter to the committee of which you are a member, advised the committee that the Civil Service Commission was absolutely opposed to the enactment of any labor-management legislation by Congress. He pointed out the alleged tremendous progress postal employees and other Government employees had made in the area of labor-management relations. Of course, if we ever have an occasion to confront Mr. Macy with our problems in the field, I do not believe he would be that enthusiastic.

The previous Postmaster General, Mr. O'Brien, recommended that the legislation be held in abeyance until a report was made by a special committee studying Executive Order 10988. This committee was appointed in September of 1967. Here we are 9 months later and there is no indication when, or if, this committee will report. Frankly, in my opinion, the report is being held in abeyance until the Congress leaves Washington, and this is being used as a means of withholding consideration of labor-management by law legislation. We feel very badly about it because the report was expected in April, it was expected in May, we were told it would be not later than May 15, and we understand the special task force of the President has not even indicated whether or not a report will be submitted before this Congress adjourns.

Mr. NIX. I want to assure both Mr. Hallbeck and Mr. Nilan that this subcommittee will exert every possible effort to have this subject clarified and do something about it. It is just inconceivable to me that anyone can view negotiations with the restrictions you have indicated. The very concept of negotiations seems to me to be subverted by the arbitrary right to say what is and what is not negotiable. It does not make sense at all to me.

Mr. HALLBECK. I could not agree with you more, Mr. Chairman. We know of one office where the postmaster had mimeographed forms. All he had to do was fill in the subject, and the only thing that happened when a subject was mentioned, he filled in that subject and handed the form to the union representative saying it was not negotiable.

Mr. NILAN. May I read into the record an editorial which appeared in one of our local publications in the last week. It is headed "Reflect for a Moment." They are not promoting the right to strike, but it goes on like this:

If we could strike, would there be a 12:01 a.m. tour on Sunday nite-Monday depriving the poor of \$300 a year, plus a disruption in their daily lives? If we could strike, would many postal employees be paying \$350 per year for a health

plan while the Government contributes about \$100? If we could strike, would we be contributing over \$400 a year toward a pension plan as obsolescent as pony express, which computes annuities on the basis of the 5-high average, while, for example, NYC employees receive annuities based on their last year of service, or their 3-high average, whichever they choose? If we could strike, would scheme-qualified, career employees, receive the same pay as assorted part timers, zoners, students, coders, political hacks, etc., who are exempt from schemes, case checking, parcel post, disruption of tours from night to day and day to night, and the multitude of abuses that career employees are subjected to? If we could strike, would career subs work 6 days a week for less than 40 hours? If we could strike, would temps be on the workfloor while subs are sent home with less than 8 hours? If we could strike, would 60-year-old clerks with 20 years of P.O. service, be compelled to do mailhandler work while substitute mailhandlers perform the easy clerical details requiring no scheme knowledge? If we could strike, would there have been the unbelievable disruption of the mobile units and the subsequent curtailment of service to the public in many years? If we could strike, would we be wasting time and money in court attempting to implement 89-301?

Mr. Chairman, again, this is not for one moment promoting the right to strike by postal employees, but it represents what our people in the field are experiencing in trying to negotiate with postal management which is unsympathetic.

Mr. WALDIE. What is wrong with the right to strike by postal employees?

Mr. NILAN. There is certainly nothing wrong with it other than at the present time it is prohibited by law.

Mr. WALDIE. You said you were not for one moment promoting the right to strike by postal employees.

Mr. NILAN. What I meant was, at the present time, because we are restricted by law from striking, the editor was careful to point out he was not advocating striking at this time and breaking the law.

Mr. WALDIE. What would be wrong with advocating a change in the law to permit strikes?

Mr. NILAN. There would be nothing wrong with it.

Mr. WALDIE. Would your organization advocate such a change in the law?

Mr. NILAN. I think we would prefer to have labor-management legislation enacted providing arbitration by an impartial body.

Mr. WALDIE. Do you think it would permit you to adjust grievances as much as would the right to strike?

Mr. NILAN. Absolutely not.

Mr. HALLBECK. Might I add, while it is not generally known, one of the features of the so-called no-strike law in Government prohibits an organization or prohibits an employee from being a member of an organization that even asserts the right to strike, so asserting the right to strike is as bad as striking itself, which makes a very tight box.

Mr. WALDIE. I think not striking is a desirable thing.

Mr. HALLBECK. That is right. No sensible labor leader wants to strike.

Mr. WALDIE. I think it would be incumbent on any Government agency to make certain that the necessity for a strike never occur. If they are not willing to administer the labor laws in that context, it seems to me the right to strike is a necessary alternative.

Mr. HALLBECK. It is the only thing.

Mr. WALDIE. I can't distinguish between the right of the postal service and the right of a utility to strike, but the employee is ill-

served by not having an employer that has compassion. He is not well served if he cannot get that consideration from management, and postal employees seemingly do not have means of obtaining a reaction from their employer that employees of a private employer have. I don't think this is proper.

Mr. HALLBECK. I would say that a government that imposes a restriction on the right to strike at least, in all good conscience, ought to provide an acceptable alternative in the way of good labor-management relations.

Mr. WALDIE. I don't know that there is an acceptable alternative.

Mr. HALLBECK. Most labor problems involve wages and the Congress sets the wages. It is not the Department that sets the wages.

Mr. WALDIE. I am not sure I am willing to accept that either. The school board asserted the same defense, that teachers should not have the right to strike, and I have heard nonprofit hospitals assert the same thing, that nurses should not have the right to strike against the patients because it is a tax-supported institution. I suppose that would eliminate the right to strike of 80 percent of the working force of the Nation. If the public employer is as careless of the rights of the employees as your evidence would indicate is the case with the Federal employer, it seems to me the Federal employee must have some means to enforce his just demands.

Mr. HALLBECK. The only comment I would make is that Congress is a cut above the school boards and so on.

Mr. WALDIE. Some of the evidence does not so indicate.

Mr. HALLBECK. As one who has studied this situation over a long period of years, I have come to the conclusion that the Congress itself is a pretty fair employer. Our efforts, with the Congress on the whole, have been far more satisfactory than our efforts with administrators.

Mr. WALDIE. That is encouraging.

Mr. OLSEN. I must leave to attend another meeting, but I want to say I am in agreement with Mr. Waldie and our chairman, and also the witnesses, that we have to do a better job of providing arbitration machinery so that the employees can get a fairer arbitration of grievances. I go back to my original suggestion that perhaps the bill in the Manpower and Civil Service Subcommittee should be in this subcommittee, even if it is a bill purely for the Post Office Department. We can amend it to include others. That would be a way to move it.

I thank the gentlemen for their splendid presentation and will try to get back to hear from Dan Jaspán. I want to know what the supervisors have to say, too.

Mr. NILAN. Before you leave, I will be very pleased to supply you and the chairman of the committee a suggested draft of a bill that would apply to postal employees.

Mr. NIX. We will be happy to receive it.

Mr. NILAN. In reply to Mr. Waldie, we concur with your concern over the situation we are in. It is indeed tragic that practically the only area in which we find ourselves on the same basis as Russia is the prohibition of the right of Federal employees to strike. Canada has enacted a law that permits postal employees to strike; so has Australia, France, Germany, and almost all nations in the free world. So, in this area, the United States is far behind some of the more progressive countries of the world.

Mr. NIX. I want to thank Mr. Hallbeck and Mr. Nilan for their testimony. It has been most informative and most helpful to the subcommittee. I reiterate the fact that this subcommittee is deeply interested and intends to do something about it.

Mr. HALLBECK. Thank you very much.

Mr. NIX. Our next witness is Mr. Daniel Jaspán, the legislative representative of the National Association of Postal Supervisors. Mr. Jaspán, you may introduce your associates and proceed.

**TESTIMONY OF DANIEL JASPÁN, LEGISLATIVE REPRESENTATIVE,  
NATIONAL ASSOCIATION OF POSTAL SUPERVISORS, ACCOMPANIED BY DONALD N. LEDBETTER, NATIONAL SECRETARY;  
AND BRUCE W. STERLING, THIRD VICE PRESIDENT AND ASSISTANT POSTMASTER OF MASONTOWN, PA.**

Mr. JASPÁN. Mr. Chairman and Mr. Waldie, my name is Daniel Jaspán. I am the legislative representative of the National Association of Postal Supervisors, composed of more than 33,000 postal supervisors, with members in all 50 States and in Guam, Puerto Rico, and the Virgin Islands. Our members are employed in post offices, branches, stations, motor vehicle facilities, maintenance units, airmail facilities, and mobile units. I am accompanied by our national secretary, Donald N. Ledbetter and our third vice president, Bruce W. Sterling, who is assistant postmaster at Masontown, Pa.

I guess we will be the villains in most of these hearings since we represent the lowest management in the postal service. We are the third level, below the Post Office Department and the regions, but I would like to point out that all our members, including our officers, are former craft employees, mostly clerks and carriers, and most of us belonged to those organizations.

We are grateful to Congressman Nix and the members of the subcommittee for their interest in a subject as important as morale in the postal service. All of you recognize the importance of good morale in order to provide a good, efficient, and effective postal service; and so do we.

Just as a doctor does in examining a patient, it is always good to look for the symptoms before examining the causes of disease. The most important symptom in examining morale among supervisors is the fact that whenever any of the national officers attend our State conventions, we hear more and more supervisors say, "I can't wait until I reach age 55 and have 30 years' service so I can get out of the post office." The pressure for an optional 30-year retirement, regardless of age, is also symptomatic of lower morale. Until recent years, it was rare for a postal supervisor to want to leave the service before he was in his 60's, and it was not uncommon for postal supervisors to work until the mandatory retirement age of 70.

Another indication that there is something wrong was brought to our attention rather forcefully when the Retirement Act was liberalized so that those retiring by December 30, 1965, received an additional 8.1 percent in their annuities. Of the approximately 11,000 postal employees who retired, 2,200 were postal supervisors. Even though the postal supervisors comprise only 5 percent of the postal population, 20 percent of the retirees were supervisors. There must have been some

unhappiness to cause this exodus. In our testimony, we will try to point out some of the many items that lead to reduced morale among postal supervisors.

#### ASSAULTS

As we testified before this subcommittee 3 months ago, postal supervisors have cause to be seriously concerned about being maimed or killed by recalcitrant employees. This has shattered the morale of supervisors throughout the country. However, we will not dwell on this subject since it appears that the action begun by this subcommittee will come to a successful conclusion some time after the Senate Subcommittee on Postal Affairs holds hearings tomorrow. We believe that the enactment of H.R. 15387, which would make assaults on postal supervisors and other employees a Federal offense, will relieve this real morale problem.

Mr. Chairman, we want to thank you again for your interest in that bill. We know that without your pushing it forward it would have lingered in the Judiciary Committee for a long time and all of us, postal supervisors as well as other employees, are appreciative of your efforts.

#### DISCIPLINE

The Civil Service Commission and Post Office Department have set up elaborate disciplinary regulations. Under these regulations, the technicalities of appeal procedures are stressed more than whether or not the employee should be disciplined. Postal supervisors, contrary to what may be stated by some of the craft organization representatives, do not desire to discipline employees unless there is no alternative, and then only in the interest of good postal management.

The fact that the procedural aspects are stressed more than whether or not the employee should be disciplined makes it difficult for a supervisor to correct conditions. This leads to a breakdown of morale, not only among supervisors, but among employees who see a few of their fellow workers not producing and apparently nothing being done about it.

We realize that the adverse decisions by the courts have made the rules more complex. However, we feel sure it would lead to increased morale among supervisors, and supervised, if disciplinary procedures were simplified and supervisors were given more authority, since they have the responsibility of creating harmony in the postal family and maintaining an efficient mail service.

An additional factor, making it more difficult to maintain discipline, is the lowering of employment standards so that those with prison records may be employed in the postal service. It was an employee with a prison record who killed a postal supervisor in the Philadelphia Post Office. We feel strongly that there should be no lowering of standards in the postal service, and that people hired should be of the highest integrity so that the sanctity of the U.S. mails will not be violated.

#### DOWNGRADING

Another factor contributing to lower morale in the postal service is the constant threat of downgrading of the position level. We have

had instances of supervisors who were placed in a certain level in 1955, under the provisions of Public Law 84-68. After they served in those positions 10 years or more, the Post Office Department changed the criteria for the position with the result that many more employees were downgraded to lower levels, even though in many cases the duties and responsibilities had increased over the years. They are entitled to downgrading protection for 2 years, but after that time there is no assurance that they will be reassigned or promoted to a higher level, and it is possible they may spend the rest of their service in the lower level.

We believe that morale would be increased if provision were made by law that, if a position level is downgraded, the incumbent shall maintain his level or be laterally reassigned or promoted at the first opportunity. This job security and assurance of no reduction in salary would do much to improve the morale of the postal supervisors who are primarily affected by downgradings.

#### DIRECT SUPERVISION

All craft employees are subject to direct supervision during their entire tour, except letter carriers, who are not directly supervised when delivering mail.

Supervisors are responsible for the conduct and performance of employees while they are delivering mail, and are also responsible for seeing that they are properly attired.

Some years ago instructions were issued that, even if patrons phoned to the post office that the carriers were loitering or not performing their duties properly, the supervisor had to await the carrier's return, counsel him, and then let him know that he would be observed and what day the supervisor would observe him on his route. This regulation, which bound the hands of the supervisors, made it impossible to supervise properly.

At our insistence—and after a report from the General Accounting Office showed that they had observed letter carriers loitering and not performing their duties to the best of their ability—this order was modified, but there is still some misunderstanding as to whether or not supervisors are permitted to observe letter carriers on the street at any time and without restrictions.

The able representative of the National Association of Letter Carriers refers to observation of letter carriers as "spying." We can see no reason to suggest that observing a letter carrier while he is supposed to be performing his duties should be labeled as "spying"; while observing a clerk, mail handler, elevator operator, or other employees for their full 8-hour tours is "supervision." In our opinion, intermittent or even steady observation of letter carriers will lead to more efficient delivery of the mails. An employee who is performing his duties to the best of his ability need have no fear of being observed at any time.

Mr. Chairman, there has been a consultative session between our officers and the Post Office Department since this was written. The Post Office Department representatives agreed that they will issue new instructions to clarify this situation. There should be some instructions in the Postal Bulletin in the near future. We hope that supervisors will be told that they have the right to observe letter carriers during their tours of duty.

## VACANCIES

Aiding in the breakdown of morale among postal supervisors is the length of time it often takes to fill many vacancies in the supervisory positions. In order to have an efficient postal service, vacancies should be filled as soon as possible after they occur. This practice causes loss of higher earning for many employee, and also causes undue hardship for other supervisors who have been forced to assume additional responsibilities and duties, in many cases, with no increase in pay.

When vacancies remain unfilled, this leads to less efficient supervision, with resultant poorer service to the public.

We can see no reason why it should take longer than 30 days to fill practically any vacancy in the supervisory positions in the postal service.

This is not only good personnel practice, but it leads to increased morale in all ways.

## WORK MEASUREMENTS

Some years ago, the Post Office Department initiated a work measurement system. Individual guidelines were established in order to measure the production of the employees. There was immediate resistance by the craft organizations. Many bills were introduced in Congress to stop this management prerogative.

The standards set up were easily attainable by experienced employees. No penalty was permitted against any employee who did not meet the standards. In fact, when the system was first initiated, the pressure was entirely on the supervisors rather than on the employees. It was only after our strong protests that the employee's performance was measured. However, this was not satisfactory since poor performances could not be used for disciplinary purposes. As a result, the whole system gradually fell into disrepute.

The Post Office Department has now established a new work measurement system known as the line-of-average chart (LOAC) in order to measure the unit production in the various post offices. Again, under this system the pressure is put on the supervisor rather than the employee. When the implementing instructions were first issued, they included provisions for "disciplining" supervisors whose units fell below the average. We vigorously protested this provision as it placed responsibility on the shoulders of supervisors with absolutely no means of measuring the production of employees under their jurisdiction.

For a supervisor—part of management—to be singled out as a target for disciplinary action, we submit is a poor management practice. We venture to say that nowhere in private business would top management say that middle and lower management are to be disciplined, particularly in print, so the rank-and-file employees would have access to the threat. Speaking of morale, this certainly does not contribute to placing it on a high plane.

## PROMOTIONS

At our conventions we always have resolutions on the subject of promotions and its various aspects. Promotions to firstline supervisory positions are now made on the basis of written examinations with seniority and personal evaluation being considered before the promotion. We are in agreement with this procedure.

One of our problems arises in offices where there are hundreds of first-line supervisors vying for the few positions above the first line. In New York City, for example, there are approximately 1,100 firstline supervisors in level 8. When the relatively few positions in level 9 or higher open up, there is at present, no objective way of selection. We have asked the Post Office Department over the years to establish promotion examinations to fill vacancies in levels 9 and 10 by giving examinations and having such examinations conducted; and having registers established under the direction of the Civil Service Commission. We have not been successful. Budgetary limitations have been credited as the reason. We feel there could be a substitute to an examination or a system developed to ease the problem. The present method, or rather lack of method, of selection leads to a morale breakdown among the many level 8 supervisors aspiring for promotion.

Our organization has always been on record in favor of all promotions being made on the basis of merit only, without political consideration and without regard to race, creed, color, national origin, or sex. According to complaints from our members, the most flagrant violations of this procedure occur because of political influence. As we testified before this subcommittee previously, it is impossible to prove that politics enter into any promotions except postmasters and rural carriers; but there are many indications that this is the method of selection. This definitely reduces morale and kills incentive among many deserving employees.

Another inexplicable barrier to promotions has been set up whereby promotions to vehicle and maintenance positions are limited to vehicle and maintenance personnel and these employees cannot be promoted or assigned to positions in the operations branch of the post office, even though all of these employees are within the administration of the same postmaster.

It is also true, Mr. Chairman and Mr. Waldie, that the employees or supervisors in the operations branch cannot be transferred to vehicle and maintenance positions. It is closed both ways.

We know that morale could be improved if all positions in the complement of the same post office were within the reach of all employees and the invisible walls now existing were torn down.

#### EMPLOYEES SUPERVISED

It is the general practice in industry to limit the number of employees supervised by the firstline supervisor to between 10 and 20 employees. Public Law 84-68, enacted in 1955, states that a foreman of mails, who is our firstline supervisor, "supervises approximately 20 or more employees." The Post Office Department considers the "approximately 20" to mean no fewer than about 16 or 17, but gives a very liberal interpretation to the "20 or more." At first, many firstline supervisors found that they had as many as 80 employees under their supervision. This has now been cut down to a maximum of approximately 45. We cannot see how the law can possibly be interpreted in any way to read that "approximately 20 or more" can mean even as many as 45. In our opinion, the firstline supervisor cannot adequately supervise that many employees. We have been trying to have the law changed to read that the firstline supervisor is in charge of "no more

than 20 employees," which we believe was intended when the law was written and which we believe would lead to better supervision and increase the morale among our firstline supervisors.

We have also tried to have the Post Office Department change their interpretation of the law. We have met with them to try to have them reduce this "approximately 45" to a figure that is closer to 20. We have not been successful. This has been going on over the years. We believe it can be accomplished only by law.

In addition, this would mean more supervisors and would help break the bottleneck between craft employees and supervisors by giving more promotional opportunities to the craft employees. All supervisors are promoted from craft positions, and since there are only about 35,000 positions with more than 700,000 employees carried on the rolls, it is very difficult to be promoted to a supervisory position. There is something wrong when fewer than 10 percent of the postal positions are in supervisory levels, while about 50 percent of the employees under the Classification Act are in equivalent grades. The creation of additional supervisory positions would improve the morale among supervisors as well as rank and file employees, whose opportunities are now extremely limited.

#### CAREER DEVELOPMENT PROGRAM

One of the items leading to a complete breakdown of morale among postal supervisors is the so-called career development program, now in pilot operation in the Seattle region. We would like this committee to take a close look at this program.

Postal employees usually work in the post offices in the communities where they were born and raised. Those who reach supervisory positions are generally active in their communities, church affairs, civic affairs, and have many other local interests. They are respected members of their communities.

Under the Seattle plan, many of these supervisors will have their promotion opportunities eliminated unless they are willing to break their community ties, uproot their families, and move to another community. This can be a real hardship on them since, for making such radical changes, their salary may be increased by as little as \$500 or \$600. These supervisors will not be welcome in the new office, since they are cutting off promotional opportunities for the employees in that new office and this will lead to a great resentment and lowering of morale.

Under the Seattle plan, the local postmaster would have no part in the original selection of the employee—that is, the employee who is to be a supervisor in his office. He would be selected by a board consisting of a postmaster from a similar-sized post office, who is a political appointee, and by two regional officials who also most likely would be political appointees. With the board consisting of three political appointees, it is difficult for us to assume that politics would not be used in this selection.

I might point out also that even lateral reassignments in the same level cannot be made in that post office unless it is the same position title. For example, we may have a supervisor who is working a midnight tour starting at anywhere between 10 p.m. and midnight. If he

wants to be laterally reassigned to a station in the same level, no increase in pay, the career development program would forbid it. He would have to compete with all the other supervisors in the region who want to have that station superintendent position.

The Post Office Department defends this policy by stating that it is common in other agencies and in industry. There are no other agencies or industries which are located in as many different communities and we are certain that if this is investigated, it will be found that none of these changes in other communities, or in other agencies, are made for as little as \$500 or \$600, but that the salary increase is in the thousands. We respectfully urge this committee to take a good look at the career development program, for this program has a shattering effect on morale.

#### SALARIES

Supervisory salaries in industry have always been more than supervisory salaries in the postal service. Even the present comparability phases would still leave supervisors far behind their counterparts. When an employee is promoted to a supervisory position, his salary increase is approximately \$600. This is a very small differential between the supervisor and the supervised. In addition, the employee promoted generally has had a better tour of duty—often daywork—and few responsibilities. It is becoming more difficult to find good employees in the craft positions who are willing to assume the additional responsibility, with all the resultant pressures and obligations, for the little salary differential. This probably contributes to lack of morale as much as any other problem in the postal service. Until there is adequate differential between the salaries of supervisors and the craft employees, there can be no increase in morale.

#### CONCLUSION

As can be seen by the above, there are many factors contributing to the lowering of morale among postal supervisors. We believe that most of the causes of complaint can be eliminated by positive action and we are hopefully looking forward to the day when we will not hear so much dissatisfaction among our members and when they will not be looking forward to retiring at the earliest opportunity.

We appreciate the interest of this subcommittee in our problems and hope that steps will be taken to improve conditions, in general, leading to improved morale and efficiency in the postal service.

Mr. NIX. Thank you very much, Mr. Jaspán.

Have you any evidence to support the belief that the Post Office Department intends to extend the principles of the Seattle project?

Mr. JASPÁN. The Seattle project now is in a 6-month trial period which will end about the third week of August. After that, the Post Office Department will evaluate the program. It won't be extended immediately, but they will evaluate it and decide whether or not to extend it. We have heard some expressions by Post Office departmental officials that they are going to put this into effect regardless of how the National Association of Postal Supervisors feels about it. So we believe that they will decide that the Seattle plan is successful, and we believe they will extend it unless something is done. We hope that the Congress will be able to intervene.

Mr. NIX. What is the average age of supervisors? Usually, how long does it take a supervisor to obtain a promotion?

Mr. JASPAN. Generally, I would say that very few employees are promoted to supervisory positions in less than 12 to 15 years. I believe the average number of years would be somewhere around 18 or 20.

One of our branches, the Brooklyn, N.Y., branch, took a survey to determine this. They found the average number of years of service before being promoted to supervisor was close to 20.

Mr. NIX. Did I understand you to say one of the objections to the transfer of supervisors is that most other Government and private organizations do not transfer people in comparable positions?

Mr. JASPAN. No. What I meant to bring out is that other agencies don't have employees in as many communities, and there are promotions; but these promotions are not made for as little as \$500 or \$600. When there is a promotion the salary increase usually goes into the thousands. If the Post Office Department brings someone in from the field—and I am thinking of one in particular who came here—there is a difference of as much as \$2,500 in his salary between what he was making in his local post office and what he is offered in the Post Office Department. That is a differential that makes it worthwhile. In the career development program, most of these so-called promotions would be for one or two salary levels—which could be as little as \$500 or \$600—which wouldn't even pay for breaking up their homes and buying new homes in another community.

Mr. NIX. Would you favor written tests for supervisors rather than the present method of promotions?

Mr. JASPAN. Well, there is a written examination now, Mr. Chairman. A promotion now, from craft to supervisor, is based on a written examination.

Mr. NIX. I am talking about above the initial level.

Mr. JASPAN. We are very much in favor of a written examination above the initial level, particularly in offices where they have a number of supervisors in the initial level. I guess the great majority of our members, postal supervisors, remain in the initial level all of their supervisory careers. They do not go above that level. The fact that there is no way of breaking out in an objective manner, such as examinations, makes it very frustrating.

Mr. NIX. Do you think the test should be directed to one's knowledge of the work he is called upon to perform, rather than on his general knowledge?

Mr. JASPAN. You are talking about a supervisory position or above the first level?

Mr. NIX. Above the first level.

Mr. JASPAN. It should be. Of course, I don't make up examinations. I haven't any experience with it, but I believe it should be based on their general postal knowledge. But, also it should be based on the potential of the supervisor as far as supervising employees. I think there would have to be a combination of the two.

Mr. NIX. I should think that his ability to handle men would be a part of his capabilities.

Mr. JASPAN. That is what I mean by his potential, whether he could handle men, what he would do under certain circumstances, his ability to get along with his fellow supervisors and other employees, and such things as that. In my opinion, that is very important.

Mr. NIX. Mr. Waldie.

Mr. WALDIE. I have no comment, Mr. Chairman, except to say that Mr. Jaspán's presentation, as usual, is quite excellent and quite instructive for the committee.

Mr. NIX. I want to thank you very much, Mr. Jaspán.

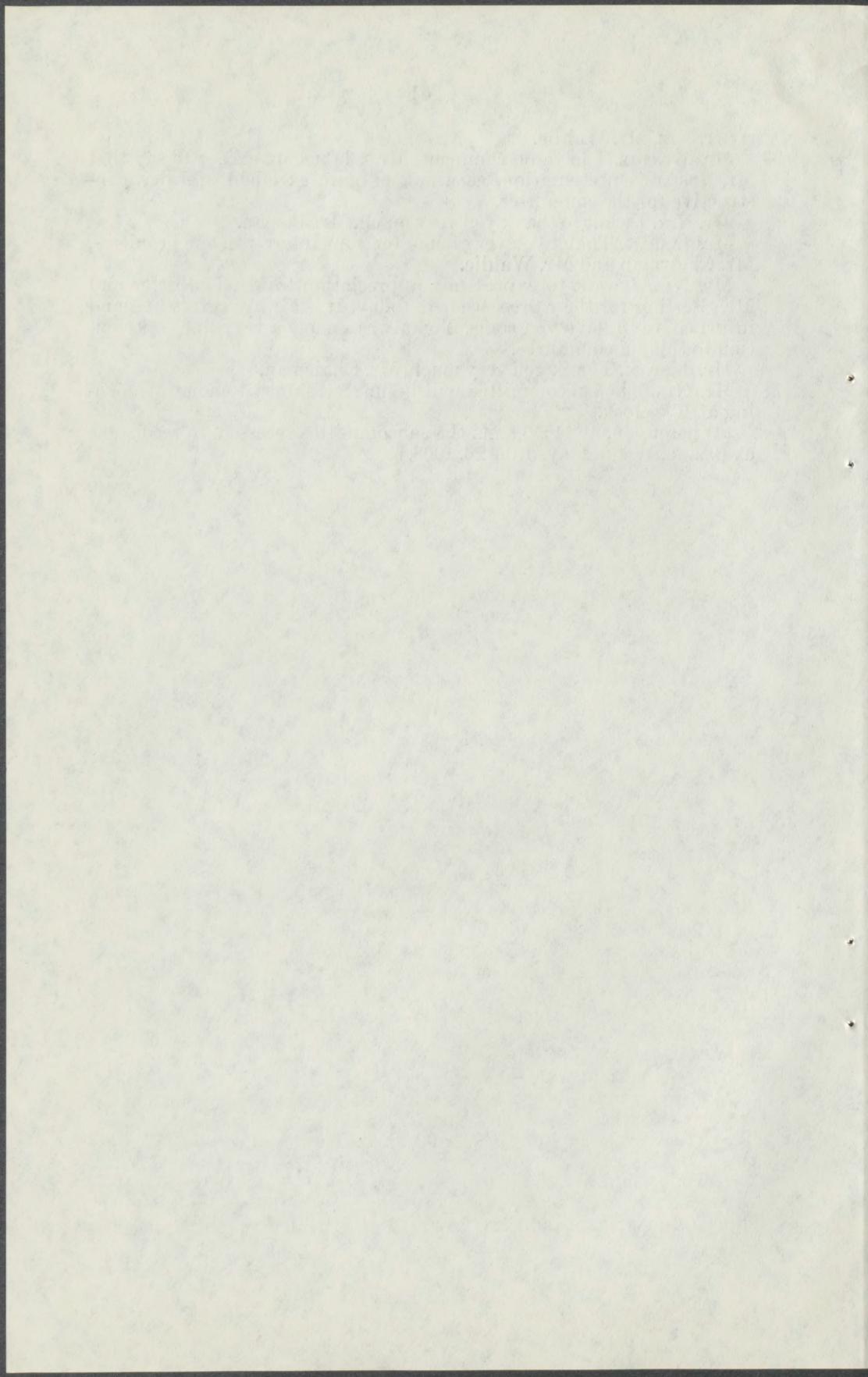
Mr. JASPÁN. Thank you very much for your interest in our problems, Mr. Chairman and Mr. Waldie.

Mr. NIX. I want to express my appreciation to Mr. Ledbetter and Mr. Sterling for their presence here today. It is always refreshing and informative to have you come. You always make a very fine contribution to this subcommittee.

Mr. JASPÁN. Thank you very much, Mr. Chairman.

Mr. NIX. The subcommittee will be in recess until tomorrow morning at 10 o'clock.

(Whereupon, at 11:20 a.m., the subcommittee recessed, to reconvene at 10 a.m., Wednesday, June 26, 1968.)



## PERSONNEL PROMOTION SYSTEM OF THE POST OFFICE DEPARTMENT

WEDNESDAY, JUNE 26, 1968

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON POSTAL OPERATIONS OF THE  
POST OFFICE AND CIVIL SERVICE COMMITTEE,  
*Washington, D.C.*

The subcommittee met, pursuant to recess, at 10 a.m., in room 210, Cannon House Office Building, Hon. Robert N. C. Nix (subcommittee chairman) presiding.

Mr. Nix. The subcommittee will come to order.

Our hearings, which deal broadly with the employee relations of the Post Office Department, have reached the point where they touch the subject of labor relations in the Government, generally. This is as it should be since the Post Office Department has 700,000 employees and is the largest employer of civilians in the Federal Government.

The Post Office Department is unique in several ways. It is, after all, the only large industrial organization within the Federal Government. It is also one of the largest employers in the United States, and it has had a highly developed labor relations program dating back beyond the founding and development of other large labor organizations in the United States.

A situation has developed within the Post Office Department that is not healthy. The Department, and the Government, generally, adopted the position that it alone could decide what is negotiable and what is not. There is no objective outside authority to decide this question as there is in the private economy; namely, the National Labor Relations Board. Executive Order 10988 was the last chance for the purely personnel approach to labor relations. That is, acting without definitions that are binding, but on the principle that, like school-children, employees should be motivated with the proper attitude rather than having rights of their own which they could assert against their Government employer. This approach has failed. A Government board made up of members appointed by the President may have to be set up so that the rights and duties of employees can be determined by an outside and neutral agency.

The Government is too big, and the Post Office Department is too important to the lives of our citizens, to have its services discontinued. This is a matter of vital concern and will continue to be such until this matter is settled.

The subcommittee started its hearings a year ago. Our interest then was basically in discrimination in Government. We found, for instance, that private industry was held to a much stricter standard in

the matter of employee testing than is the Post Office Department or other Government agencies. In an organization where promotion is so limited that it takes a postal employee who becomes a supervisor 15 to 20 years to reach that status, feelings often run high among those employees who are not promoted. It is all the more necessary that we have an unassailable promotion system. Our standards in the matter of rooting out discrimination in any form have to be higher all the time. What was considered progressive yesterday is insufficient today. This subcommittee is determined to root out the source of the suspicion that discrimination exists, and we will do so.

Ladies and gentlemen, the gentlewoman from Hawaii, Congresswoman Mink, the distinguished gentleman from North Carolina, Congressman Kornegay, and Congressman McClure, a member of the full committee; will submit statements for the record. Without objection, these statements will be made a part of the record at this point.

(The statements referred to follow :)

HOUSE OF REPRESENTATIVES,  
Washington, D.C., June 27, 1968.

HON. ROBERT N. C. NIX,  
Chairman, Postal Operations Subcommittee,  
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am forwarding the enclosed statement sent me by Mr. Kenneth R. Freitas, past president of the United Federation of Post Clerks, Local 162, Honolulu, Hawaii, for your committee file concerning the public hearings on morale in the postal service, which you are now holding.

I would appreciate your consideration of Mr. Freitas' remarks in the subcommittee's deliberations on this matter.

With best wishes,

Very truly yours,

PATSY T. MINK,  
Member of Congress.

Enclosure.

CONGRESSWOMAN MINK: You mentioned in your letter something about a statement, regarding morale in the postal service, for the printed hearings, I don't rightly know how to prepare it, letterwise, but about it, yes!

Morale in the postal service, is nearly nonexistent; almost, as we jokingly put it, "deader-than-a-doornail."

Any post office that enjoys true morale throughout is either in a class by itself, or will become subject to some higher level staff changes. Postmasters who try to maintain proper employee morale usually find themselves the outcast of the officials in the regional office, or die a "slow death" unless they conform to the "hard line."

Departmental officials will smile and say that morale was never better enjoyed than at the present. Who's doing the enjoying? Certainly not the employees! Ask yourself then, "Why are thousands of people leaving the postal service for other jobs?" "Why do I read about walkouts and picketing by postal employees?" "Why do thousands of postal employees, with many, many years of service, still work night tours?" "Why are postal employees restricted from certain aspects of politics?" "Why are postal employees talking more and more about the right to strike?"

These and many other questions leaves one to wonder if there is such a thing as morale within the postal service.

Anyone really interested in getting to the bottom of this issue should get himself a job in any post office. He'll certainly find out the answer, but quick.

Morale in the postal service? What is it?

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STATEMENT OF HON. HORACE R. KORNEGAY, A REPRESENTATIVE IN CONGRESS FROM  
THE STATE OF NORTH CAROLINA

Mr. Chairman and members of this distinguished subcommittee, I appreciate very much the opportunity to offer testimony in this series of hearings on the general subject of morale problems in the postal service.

I should like to address myself to the subject of the morale of the star route contractors and carriers, because from the information available to me these contractors (who are, of course, not postal employees, per se) have been subjected to a very demoralizing situation, stemming from their inclusion under the Service Contract Act of 1965, Public Law 89-286; and, further, because of the failure of the Labor Department to work out and refer to the Post Office Department a realistic set of wage rates for the drivers of the mailtrucks serving the star routes. Some of these determinations by Labor have not been timely with reference to the new star route contracts to be effectuated on the first of July, leaving some of the star route contractors "holding the bag," with a group of dissatisfied drivers keenly aware that drivers in closely adjacent areas are receiving a much higher hourly rate of pay.

My office has developed a long, drawn out, and heavy correspondence on this matter since the exemptions for mail contractors were deleted from the service contract bill on the House floor. In 1967 I corresponded with the Administrator of the Wage and Hour and Public Contracts Division of the Labor Department relative to the hardships which would accrue to the carriers when contracts came up for renewal, when other types of carriers were exempt from the coverage of the act, thus putting star route carriers in a special category which subjected them to inequitable and discriminatory treatment and imposed upon them great hardships in retention of drivers because of problems which could be foreseen and which did subsequently develop.

In my correspondence of last year I requested that the Administrator give the most careful consideration to the alleviation of the situation through the invocation of section 4(b) of the 1965 Service Contract Act, permitting the Secretary of Labor broad discretionary powers to "allow reasonable variations, tolerances and exemptions to and from any or all provisions of this act as he may find necessary and proper in the public interest." It was my understanding at the time that the Post Office Department was very much interested in this exemption being granted but had no plans to seek legislation to exempt the mail transportation contractors from coverage under the act.

I submit herewith, labeled "Exhibit A," the copy of an interim reply from the Administrator to my letter of March 8, 1967, which is dated March 17, 1967, and which is self-explanatory; and I also submit a later letter from the Administrator, dated April 28, 1967 and which I have labeled "Exhibit B," together with the enclosure to the Administrator's letter, labeled "Exhibit C," which is copy of the withdrawal notice of all wage and fringe benefit determinations issued under the McNamara-O'Hara Service Contract Act applicable to star route contractor contracts pending determination of appropriate rates.

Enclosed herewith as "Exhibit D," is copy of the notice published on March 7, 1968, in the Federal Register, signed by Administrator Lundquist, which states that after consideration of responses received from the withdrawal notice of April 22, 1967, in the Federal Register, he had decided not to resume application of the withdrawn determinations to the long- and short-haul star route contracts with the Post Office Department, but to replace them with new determinations to be issued in the *normal course of business*. (The italic is mine.)

On April 27, 1968, I received a letter from a star route contractor in my congressional district expressing his concern on learning that the wage determination scale set by the Department of Labor for trailer drivers in the Charlotte, N.C., area was \$3.17 per hour, and that this rate varied between other points in North Carolina by as much as \$1.25 per hour. This contractor also expressed apprehension that it had taken Labor so long for the Wage and Hour Division to produce a wage scale for the Greensboro, N.C., area, where his own operation is initiated, and in this same letter to me he voiced the thought that an established rate for the entire State would be in order.

On April 29, 1968, I again wrote the Administrator, passing on this information and referring to our correspondence of the previous year, requesting his full comments. The Administrator replied on May 16 with a brief cover letter enclosing to me copy of a letter written to my constituent, the star route contractor. I attach, as Exhibit E, along with subheads E(a), E(b), E(c), E(d), E(f), the pertinent portions of the Administrator's letter to my constituent, together with copies of the wage determinations made by Labor in areas of North Carolina, referred to in his letter to my constituent, all of which are self explanatory.

I should like to point out, however, that the dates for these wage determinations are March 19, March 25, and April 4, 1968, for the various counties concerned

and April 9 for "All Counties in North Carolina" (see the Administrator's letter to my constituent on this determination 68-209) ; but, and let me emphasize this point, the determination for the Counties of Forsyth, Guilford, Randolph, and Yadkin is dated May 9, 1968. The city of Greensboro is located in the county of Guilford—one of the counties of my congressional district.

It is the position of the Atlanta Regional Office of the Post Office Department that no wage determination is applicable to the contracts of my constituent, which all emanate from Greensboro, in Guilford County, since negotiations for renewal of these contracts began almost a month before any information was received from the Department; therefore, again according to the regional office as communicated to my constituent on June 21, 1968, the only mandatory wage requirements are those relating to the minimum wage of \$1.60 per hour.

Now, if you will examine the wage determinations which are part of exhibit E, you will note that the determination made for Guilford County and for the other three counties bracketed with Guilford, is a scale of \$2.60 per hour, which is not effective due to the failure of the Labor Department (according to my understanding) to respond to the Post Office Department's request for the wage determinations when sending out the intent to renew contract forms, and I further understand that 30 days is allowed for this response if it is intended a determined rate is applicable.

Thus, gentlemen, we have here the anomaly of having a wage determination made by Labor too late to be applicable to new contract terms, along with the varying wage rate determinations made in the State, where there are overlappings of routes and wide variance of rates in areas closely located, causing great dissatisfaction to the drivers of the star route mailtrucks and great pressure on the contractors in the counties where the wage determinations were supplied too late by Labor to implement the new contracts.

Mr. Chairman, I want to strongly urge the subcommittee to give serious consideration to communicating with the Secretary of Labor to urge that a meeting be held with the Postmaster General (or designated officials of these two Cabinet officers) to discuss and explore ways and means of correcting the confusion and the existing inequities and to make the treatment accorded the star route carriers as equitable and nondiscriminatory as possible. From what I can learn—although I certainly may not have all the details—there has been an appalling lack of liaison or meaningful communication between the two Departments on this issue.

It is my understanding that the suggestion has been advanced that the same wage rate for mailtruck drivers be set for a complete State, so as to eliminate competitive hiring and dissatisfaction among drivers; or to have regional wage rates set in these wage determinations, perhaps using the fifteen post office regions as wage level areas.

Mr. Chairman, I frankly do not have a solution to recommend to this troublesome problem, but I am convinced that it is destructive of morale for both the star route carriers adversely affected, as well as for their drivers; and I feel that a solution should be sought which would entail the proper liaison between the Post Office Department and the Department of Labor, with each Department willing to make some concessions to see that this situation does not further deteriorate. Some of the many small businessmen who effect the delivery of mail on the star routes through a contractual arrangement with the Post Office Department are caught in a real squeeze and must cope with dissatisfied drivers aware that drivers in nearby areas are working under a Labor Department wage determination of a favorable nature, which creates a genuine discrepancy in their own pay. Obviously, this is creating a lot of unhappiness in the working situations of many drivers and a good many headaches for the star route contractors involved, along with genuine economic problems. I hope the subcommittee can take this matter under careful advisement and come up with some effective recommendations about resolving this urgent problem as soon as possible.

Again, Mr. Chairman, I thank you for giving me opportunity to make this statement.

## EXHIBIT A

U. S. DEPARTMENT OF LABOR,  
WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS,  
OFFICE OF THE ADMINISTRATOR,  
Washington, D.C., March 17, 1967.

HON. HORACE R. KORNEGAY,  
*House of Representatives,*  
*Washington, D.C.*

DEAR CONGRESSMAN KORNEGAY: This will acknowledge receipt of your letter of March 8, 1967, with which you enclosed a copy of a letter from Mr. J. Archie Cannon, of Cannon, Wolfe and Coggin, Greensboro, North Carolina, concerning the application of the McNamar-O'Hara Service Contract Act to contracts for the star route hauling of mail.

The matter is receiving consideration and a reply will be sent to you as soon as possible.

Sincerely yours,

CLARENCE T. LUNDQUIST, *Administrator.*

## EXHIBIT B

U.S. DEPARTMENT OF LABOR,  
WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS,  
OFFICE OF THE ADMINISTRATOR,  
Washington, D.C., April 28, 1967.

HON. HORACE R. KORNEGAY,  
*House of Representatives,*  
*Washington, D.C.*

DEAR CONGRESSMAN KORNEGAY: This is in further reference to your letter of March 8, 1967, concerning problems faced by star route carriers performing on contracts subject to the McNamara-O'Hara Service Contract Act.

As part of its reexamination of this subject, the Department of Labor has withdrawn until further notice all wage and fringe benefit determinations issued under the McNamara-O'Hara Service Contract Act which are applicable to such contracts pending determination of appropriate rates. Attached is a copy of this withdrawal notice which was published in the Federal Register of April 22, 1967.

Sincerely yours,

CLARENCE T. LUNDQUIST, *Administrator.*

Enclosure.

## EXHIBIT C

[Federal Register, Vol. 32, No. 78—Saturday, Apr. 22, 1967]

DEPARTMENT OF LABOR, WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS, STAR  
ROUTE CONTRACTS WITH POST OFFICE DEPARTMENT—WAGE DETERMINATIONS

Wages and fringe benefits governing employment on certain long and short haul star route contracts with the United States acting through the Post Office Department have been prescribed in determinations issued by the Administrator under the McNamara-O'Hara Service Contract Act of 1965 (79 Stat. 1034) during the past year. Substantial question has been raised concerning what wages and fringe benefits prevail for employees performing on such contracts who are covered by the determinations identified below. Insofar as such contracts are concerned (but not in other applications) such determinations are hereby withdrawn until further notice published in the Federal Register. Interested persons are invited to participate in the decision whether such further notice should resume application of such determinations to such contracts, and, if not, what determinations should replace them. Such participation shall be by submission of written data, views, or argument to the Administrator, Wage and Hour and Public Contracts Divisions, U.S. Department of Labor, Washington, D.C. 20110 within 30 days after this notice is published in the Federal Register.

The determinations to which this notice has application are as follows. They may be examined or copies obtained from the Administrator at the above address.

## LONG HAUL

*Wage determination number, and head out point by State*

66-94	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont.
66-210	New York.
66-229	North Carolina.
66-230	South Carolina.
66-266	Illinois.
66-267	Alabama.
66-268	Nebraska.
66-269	Oklahoma.
66-270	Tennessee.
66-271	Kansas.
66-272	Georgia.
66-273	Michigan.
66-274	West Virginia.
66-275	Wisconsin.
66-276	Texas.
66-277	Florida.
66-278	Missouri.
66-279	South Dakota.
66-294	Ohio.
66-295	Iowa.
66-296	Minnesota.
66-300	North Dakota.
66-301	Arkansas.
66-302	Arizona.
66-303	New Mexico.
66-304	Washington.
66-305	Nevada.
66-306	Wyoming.
66-307	Colorado.
66-308	Idaho.
66-309	California.

## SHORT HAUL

*Wage determination number, and head out point by Standard Metropolitan Statistical Area*

67-1	Chicago, Ill.
67-2	Atlanta, Ga.
67-3	New Haven, Conn.
67-23	Kansas City, Kans.
67-24	Kansas City, Mo.
67-26	San Francisco-Oakland, Calif.
67-27	Denver, Colo.
67-36	Monroe County, Mich.
67-37	Toledo, Ohio.
67-72	Walker County, Ga.
67-73	Chattanooga, Tenn.
67-76	Detroit, Mich.
67-128	Lubbock, Tex.
67-132	Seattle, Wash.
67-133	Tampa-St. Petersburg, Fla.
67-144	Oklahoma City, Okla.
67-145	Boise City, Idaho.
67-146	Green Bay, Wis.
67-147	Milwaukee, Wis.
67-148	Boston, Mass.
67-149	Rockford, Ill.
67-150	Midland, Tex.
67-151	San Antonio, Tex.
67-152	Youngstown, Ohio.
67-153	Columbus, Ohio.

67-154 Canton, Ohio.  
67-155 Newark-Jersey City, N.J.

Signed at Washington, D.C., this 19th day of April 1967.

CLARENCE T. LUNDQUIST,  
*Administrator, Wage and Hour and Public Contracts Divisions,*  
*U.S. Department of Labor.*

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EXHIBIT D

[Federal Register, Vol. 33, No. 44—Thursday, Mar. 7, 1968]

DEPARTMENT OF LABOR, WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS, STAR  
ROUTE CONTRACTS WITH POST OFFICE DEPARTMENT—WAGE DETERMINATIONS

On April 22, 1967, notice was published in the Federal Register (32 F.R. 6376) that insofar as long and short haul star route contracts with the U.S. Post Office Department were concerned specified wage determinations issued under the McNamara-O'Hara Service Contract Act of 1965 (79 Stat. 1034) were withdrawn until further notice. Interested persons were invited to participate, by submission of written data, views, or argument, in the decision whether such further notice should resume application of the wage determinations to such contracts, or, if not, what wage determinations should replace them.

After consideration of the responses and pursuant to authority in the McNamara-O'Hara Service Contract Act of 1965 and Secretary's Order 36-65 (30 F.R. 15305), I have decided not to resume the application of the withdrawn determinations to the long- and short-haul star route contracts with the U.S. Post Office Department, but to replace them with new determinations to be issued in the normal course of business.

Signed at Washington, D.C., this 1st day of March 1968.

CLARENCE T. LUNDQUIST,  
*Administrator, Wage and Hour and Public Contracts Divisions.*

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EXHIBIT E

This is in reply to your letters of April 3 and April 26, 1968, concerning the issuance of wage determinations under the provisions of the McNamara-O'Hara Service Contract Act.

In response to notices of intention to make contracts for mail hauling services recently received from the United States Post Office Department, six determinations of prevailing wages and fringe benefits have been issued to apply to employees employed on covered mail haul contracts in the State of North Carolina. This action was taken following publication in the March 7, 1968, issue of the Federal Register of a notice advising of a decision not to resume the application of the withdrawn determinations to the star route contracts with the U.S. Post Office Department, but to replace them with new determinations to be issued in the normal course of business. A copy of the Federal Register notice and copies of the applicable determinations are enclosed for your information.

Wage Determination 68-209 applies to over-the-road line hauling of mail as defined in the determination. This determination was based upon an International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America collective bargaining agreement which was found to represent the majority of truckdrivers engaged in over-the-road long haul operations in the States of North Carolina and South Carolina; however, the wage rate currently determined to be prevailing in WD 68-209 is lower than that provided for in the collective bargaining agreement. This is due to a downward adjustment in the wage rate provided for in the collective bargaining agreement, which was made to equalize the earnings of the over-the-road drivers employed by mail haulers, to whom overtime must be paid, and over-the-road drivers employed by common carriers, who are generally exempted from such overtime compensation. The adjustment was in accordance with information submitted by interested parties pursuant to the invitation published in the Federal Register, April 22, 1967, inviting comment as to whether the then existing determinations having applica-

tion to mail haul contracts should be resumed and if not, what determinations should replace them.

Wage Determinations 68-102, 68-137, 68-138, 68-172, and 68-324 apply to contracts for the short-run hauling of goods and merchandise, including but not limited to mail. All of these determinations, including WD 68-102 covering the Charlotte, North Carolina area, were based upon a Bureau of Labor Statistics' wage survey of each of the areas specified in the respective determinations. The data obtained in these surveys are representative of the wages paid in each of the specified areas to truckdrivers on various types of short-run hauling operations. Please note that WD 68-324, issued May 9, 1968, applies to the Greensboro-Winston-Salem-High Point, North Carolina area. The issuance of this determination was possible as a result of a recent survey conducted by the Bureau of Labor Statistics of this locality.

For your information, regulations under the Service Contract Act require that a determination be incorporated into any invitation for bids issued after its receipt by the awarding agency.

Sincerely yours,

CLARENCE T. LUNDQUIST, *Administrator.*

Enclosures.

Exhibit E(a).—*Register of wage determinations and fringe benefits under the McNamara-O'Hara Service Contract Act*

[State, North Carolina; locality area, all counties; wage determination No. 68-209; date, Apr. 9, 1968]

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health and welfare	Vacation	Holiday	Other, pension
WD 66-229, ISSUED JULY 19, 1966, IS REPLACED					
Employed on contracts for over-the-road line hauling of mail for which the "headout" point is within the above locality: Driver..	<sup>1</sup> \$3.15	( <sup>2</sup> )	( <sup>3</sup> )	( <sup>4</sup> )	( <sup>5</sup> )

<sup>1</sup> \$3.28 effective Apr. 1, 1969.

<sup>2</sup> \$9.50 per week payment for each employee after 30 days of service with an employer.

<sup>3</sup> 6 days paid vacation after 1 year of service with an employer; 12 days after 3 years of service; 18 days after 10 years of service; 24 days after 15 years of service.

<sup>4</sup> 7 paid holidays per year: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day, and the employee's birthday. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

<sup>5</sup> \$9 per week payment for each employee after 30 days of service; effective Apr. 1, 1969, \$10 per week.

NOTE.—Over-the-road line hauling (transportation) of mail is the transportation of mail by motor vehicle from one postal facility to another, including mailers' plants, without intermediate stops for pickups and/or delivery, providing the distance between the headout point and the terminal point is in excess of 40 miles.

CLARENCE T. LUNDQUIST,

*Administrator, Wage and Hour and Public Contracts Divisions.*

Date: Apr. 9, 1968.

EXHIBIT E(b).—Register of wage determinations and fringe benefits under the  
McNamara-O'Hara Service Contract Act

[State, North Carolina; locality area, Mecklenburg (119) and Union (179) Counties; wage determination No. 68-102; date, Mar. 19-68]

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health and welfare	Vacation	Holiday	Other
Employed on contracts for short-run hauling of goods and merchandise:					
1. Truckdrivers, light (under 1½ tons).....	\$1.93	-----	-----	-----	-----
2. Truckdrivers, medium (1½ to and including 4 tons).....	2.06	-----	-----	-----	-----
3. Truckdrivers, heavy (over 4 tons, trailer type).....	3.17	-----	-----	-----	-----
Applies to all classes of service employees listed above.....			(1)	(2)	-----

<sup>1</sup> 1 week paid vacation after 1 year of service with an employer.

<sup>2</sup> 5 paid holidays per year: New Year's Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

NOTE.—Applies to service employees on all contracts for intracity and short-run hauling and delivery except contracts for specialized transportation services such as moving and storage, trash removal, and over-the-road hauling. (Included in the coverage of this determination are contracts for short-run hauling (transportation) of mail which is the transportation of mail by motor vehicle from one postal facility to another, including mailers' plants, where the distance between the headout point and the terminal point is 40 miles or less or where the distance is more than 40 miles but includes intermediate stops for pickup and/or delivery, but does not include the box delivery of mail.)

CLARENCE T. LUNDQUIST,

Administrator, Wage and Hour and Public Contracts Divisions.

Date: Mar. 19, 1968.

EXHIBIT E(c).—Register of wage determinations and fringe benefits under the  
McNamara-O'Hara Service Contract Act

[State, North Carolina; locality area, Buncombe County; wage determination No. 68-137; date, 3-25-68]

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health and welfare	Vacation	Holiday	Other
Employed on contracts for short-run hauling of goods and merchandise: Truckdriver, medium (1½ to and including 4 tons).....	\$1.87	-----	-----	-----	-----
Applies to all classes of service employees listed above.....			(1)	(2)	-----

<sup>1</sup> 1 week paid vacation after 1 year of service with an employer.

<sup>2</sup> 7 paid holidays per year: New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

NOTE.—Applies to service employees on all contracts for intracity and short-run hauling and delivery except contracts for specialized transportation services such as moving and storage, trash removal, and over-the-road hauling. (Included in the coverage of this determination are contracts for short-run hauling (transportation) of mail which is the transportation of mail by motor vehicle from one postal facility to another, including mailers' plants, where the distance between the headout point and the terminal point is 40 miles or less or where the distance is more than 40 miles but includes intermediate stops for pickup and/or delivery, but does not include the box delivery of mail.)

CLARENCE T. LUNDQUIST,

Administrator, Wage and Hour and Public Contracts Divisions.

Date: Mar. 25, 1968.

EXHIBIT E(d).—Register of wage determinations and fringe benefits under the  
McNamara-O'Hara Service Contract Act

[State, North Carolina; Locality area, Cumberland (051) and Hoke (093) Counties; wage determination No., 68-138; date, 3-25-68]

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health and welfare	Vacation	Holiday	Other
Employed on contracts for short-run hauling of goods and merchandise: Truckdriver, medium (1½ to and including 4 tons)-----	\$1.89	-----	-----	-----	-----
Applies to all classes of service employees listed above-----	-----	-----	(1)	(2)	-----

<sup>1</sup> 1 week paid vacation after 1 year of service with an employer.

<sup>2</sup> 4 paid holidays per year: New Year's Day, Labor Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

NOTE.—Applies to service employees on all contracts for intracity and short-run hauling and delivery except contracts for specialized transportation services such as moving and storage, trash removal, and over-the-road hauling. (Included in the coverage of this determination are contracts for short-run hauling (transportation) of mail which is the transportation of mail by motor vehicle from one postal facility to another, including mailers' plants, where the distance between the headout point and the terminal point is 40 miles or less or where the distance is more than 40 miles but includes intermediate stops for pickup and/or delivery, but does not include the box delivery of mail.)

CLARENCE T. LUNDQUIST,  
Administrator, Wage and Hour and Public Contracts Divisions.

Date: Mar. 25, 1968.

EXHIBIT E(e).—Register of wage determinations and fringe benefits under the  
McNamara-O'Hara Service Contract Act

[State, North Carolina; locality area, Wake County; wage determination No., 68-172; date, 4-4-68]

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health and welfare	Vacation	Holiday	Other
Employed on contracts for short-run hauling of goods and merchandise:					
1. Truckdriver, medium (1½ to and including 4 tons)-----	\$1.69	-----	(1)	(2)	-----
2. Truckdriver, heavy (over 4 tons, trailer type)-----	2.81	-----	(1)	(2)	-----
Applies to all classes of service employees listed above-----	-----	-----	-----	-----	-----

<sup>1</sup> 1 week paid vacation after 1 year of service with an employer.

<sup>2</sup> 6 paid holidays per year: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

NOTE.—Applies to service employees on all contracts for intracity and short-run hauling and delivery except contracts for specialized transportation services such as moving and storage, trash removal, and over-the-road hauling. (Included in the coverage of this determination are contracts for short-run hauling (transportation) of mail which is the transportation of mail by motor vehicle from one postal facility to another, including mailers' plants, where the distance between the headout point and the terminal point is 40 miles or less or where the distance is more than 40 miles but includes intermediate stops for pickup and/or delivery, but does not include the box delivery of mail.)

CLARENCE T. LUNDQUIST,  
Administrator, Wage and Hour and Public Contracts Divisions.

Date: Apr. 4, 1968.

EXHIBIT E(f).—Register of wage determinations and fringe benefits under the  
McNamara-O'Hara Service Contract Act

[State, North Carolina; locality area, Counties of Forsyth (067), Guilford (081), Randolph (151) and Yadkin (197); wage determination No., 68-324; date, 5-9-68]

Class of service employee	Minimum hourly wage	Fringe benefit payments			
		Health and welfare	Vacation	Holiday	Other
Employed on contracts for short-run hauling of goods and merchandise:					
1. Truckdriver, light (under 1½ tons).....	\$1.85				
2. Truckdriver, medium (1½ to and including 4 tons).....	2.20				
3. Truckdriver, heavy (over 4 tons, trailer type).....	2.60				
Applies to all classes of service employees listed above.....			(1)	(2)	

<sup>1</sup> 1 week paid vacation after 1 year of service with an employer.

<sup>2</sup> 5 paid holidays per year: New Year's Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. (A contractor may substitute for any of the named holidays another day off with pay in accordance with a plan communicated to the employees involved.)

NOTE.—Applies to service employees on all contracts for intracity and short-run hauling and delivery except contracts for specialized transportation services such as moving and storage, trash removal, and over-the-road hauling. (Included in the coverage of this determination are contracts for short-run hauling (transportation) of mail which is the transportation of mail by motor vehicle from one postal facility to another, including mailers' plants, where the distance between the headout point and the terminal point is 40 miles or less or where the distance is more than 40 miles but includes intermediate stops for pickup and/or delivery, but does not include the box delivery of mail.)

CLARENCE T. LUNDQUIST,

Administrator, Wage and Hour and Public Contracts Divisions.

Date: May 9, 1968.

STATEMENT OF HON. JAMES A. McCLURE, A REPRESENTATIVE IN CONGRESS FROM  
THE STATE OF IDAHO

Mr. Chairman, you are to be congratulated for initiating hearings on morale problems in the postal service, and I am grateful for the opportunity to contribute a few thoughts I have along this line.

Since being assigned to the full Post Office and Civil Service Committee, I have heard of countless incidents which bear on the question of morale. Most recently, a number of postal clerks in my district have raised questions concerning the career development plan as it is being formulated in the Seattle region. Let me quote briefly from one of the letters on this subject to give you an idea of their concern. This letter says in part:

"The local post office has always been just that—local, with local people working in it. Now a directive comes out that promotions will no longer be local but regionwide. There is already talk that the superintendent here will retire and someone out of region will come in and take his place, although we have plenty of good people here who should be considered for that position. Just because some love this area and Idaho and choose to stay here, they are unable to progress beyond being a clerk."

I am aware, Mr. Chairman, that the career development plan is supposed to be experimental and as such we would expect to find a few rough edges that need smoothing out. Nevertheless, I am disturbed at the implications.

The Post Office Department has been kind enough to furnish me with a copy of the career development plan, and in reading it, I notice that the regional selection board is appointed by the regional director. I note further that the memorandum states that installation heads cannot fill vacancies without the approval of the regional director.

A member of my staff called the Post Office Department concerning regional directors and was told that appointments to this position are made by the Postmaster General. Furthermore, for all practical purposes they are considered part of the patronage system. Since promotions under the plan must meet with the regional director's approval and since he appoints those who make the recommendations, it seems to me that the Department is extending partisan politics into the civil service field. I need not remind you that this is at complete variance with the purpose of the Civil Service System.

We all know, Mr. Chairman, how easy it is to get the Post Office mixed up in the political field. It was just this sort of thing that prompted former Postmaster General O'Brien to urge that the Department be removed entirely from the realm of partisan politics and be replaced with some sort of quasi-governmental corporation.

Assuming that Idaho's congressional delegation in the future should be composed entirely of a different political affiliation than that of the administration, would it not be possible for promotions to be made by Members representing adjoining States? In other words, could Senator Magnuson, for instance, see to it that a postal clerk in Washington State advances to a higher position by transferring him to a vacancy in the Boise Post Office?

It seems to me that there is also an inherent impact on the morale of local employees who have been working for years with advancement in mind, but who—because of close ties to their own community—have failed to enroll in the program. For that matter, I wonder just what are the advantages of enrolling if a postal employee prefers not to move anywhere else at all?

Unlike most Federal agencies, the postal service has always had a distinct local flavor. Particularly in the smaller communities, the fact that postal clerks are familiar with the names, addresses, and habits of those whom they serve has added to the stature of the Post Office Department in general. Must we sacrifice the resulting good will to someone's idea of progress?

Unless these questions can be cleared up, I am forced to express my complete disapproval of the career development plan as it is being practiced in the Seattle region and to urge that it not be extended to other regions throughout the postal systems.

Mr. NIX. Our first witness today, whom we are pleased to welcome, is Mr. Ashby Smith, president of the National Alliance of Postal and Federal Employees. Mr. Smith, you may introduce your associates and proceed.

**TESTIMONY OF ASHBY SMITH, PRESIDENT, NATIONAL ALLIANCE OF POSTAL AND FEDERAL EMPLOYEES, ACCOMPANIED BY WYATT C. WILLIAMS, VICE PRESIDENT; AND J. LEON HENDERSON, ADMINISTRATIVE ASSISTANT TO THE PRESIDENT**

Mr. SMITH. Thank you, Mr. Chairman. I am Ashby Smith, president of the National Alliance of Postal and Federal Employees. I am accompanied by our vice president, Mr. Wyatt C. Williams, on my immediate left, and my administrative assistant, Leon Henderson, next to Mr. Williams.

Mr. NIX. We are glad to welcome you.

Mr. SMITH. Chairman Nix and members of the subcommittee, we of the National Alliance of Postal and Federal Employees are grateful for this opportunity to appear before this committee to give the views of our union on this most important and complex subject.

That there are factors destructive of high morale among both the rank-and-file employees and the managers of the postal service is undeniable. It is equally undeniable that these factors affect adversely the productivity of the worker and the efficiency of the system.

**TRAINING**

Training, which is inadequate everywhere and practically nonexistent in some areas, is an important deterrent to the building of morale. This lack of training permeates every level of the postal system. The employee entering the service at any of the first five levels has qualified by passing an entrance examination that is almost totally

irrelevant to the work he or she is called upon to do and he or she learns what to do right only when he or she is called down for doing it wrong. The new employee is seldom or never given an overview of postal operations that would give him knowledge of how the job he is doing relates to the total mission of the agency. His task is thus reduced to routine drudgery and he is deprived of the job satisfaction that should accompany every job however menial.

At the initial supervisory level the training deficit still exists and it has a disastrous effect on the total operation of the service. The relationship existing between the mass of employees and the firstline supervisor is very sensitive, and the training, not only in mail movement, but in employee handling and motivation, is extremely important and too often ignored.

So it goes up the ladder of promotions where most moves are made on bases other than competence and the compensation of specific training is not provided.

We cannot assess to what extent this training gap is the product of top postal managements indifference to its training program or of the unwillingness of Congress to adequately finance a training program, but there is no question but that the gap exists and that it hurts morale and is responsible for much of the hostility that exists between employee and supervisor, a hostility that frequently erupts into violence.

#### SALARY

Postal employees who were on the roll in 1962 received a promise from Congress that their pay would, by 1965, be comparable to that of workers in industry engaged in like works. It is now 1968 and they are still not receiving comparable pay. This has affected their faith in the promises of their Government as they wonder, "How long?"

#### EXECUTIVE ORDER 10988—THE NEW EMPLOYEE MANAGEMENT CONCEPT

This order, issued in 1962, raised the hopes of postal employees that through their unions they would exercise considerable influence over their working conditions. This has not happened. The benefits which they have secured through negotiations have been modest indeed and each succeeding negotiating period whether at national or local level finds postal management taking more and more items out of the area of negotiability until the process becomes an exercise in futility. All items upon which no agreement is reached are decided by the Postmaster General.

In the implementation of the order the industrially organized postal unions were sacrificed to the craft concept and now the craft unions which achieved exclusive recognition are seeing such recognition drying up to a point where it becomes only a propaganda gimmick.

#### UNWHOLESOME WORKING CONDITIONS

Many postal installations are dirty and unhealthy, many are filled with safety hazards, are poorly lighted, without air conditioning or sufficient heat. In some cities the main post offices are showplaces of cleanliness and beauty and the annexes and outlying stations are filthy.

Some main offices have beautiful landscaping and the sections of the building open to the public are models of good housekeeping, while the areas in which the mass of the employees work show no evidence of a cleaning force.

The work space is frequently overcrowded. Restroom areas often provide too little space, too few washbowls and toilets for the number of employees who must use them.

Some offices have excellent facilities for providing hot nutritious meals to their employes but they are the exceptions. Snackbars, vending machines, antiquated steamtables, are the rule.

The women who are coming into the post office in ever greater numbers are the greatest sufferers from poor facilities. Their hastily contrived restrooms often do not provide the necessary privacy, few couches are provided and in some offices the female employees share toilet facilities with male supervisors.

High morale is not nurtured by these conditions.

I think at this point you may be interested in a statement as the result of certain examinations of post offices that were made by our vice president, which he will read to you at this time, with your permission.

Mr. NIX. We will be happy to receive it.

Mr. WILLIAMS. Mr. Chairman, I have visual evidence of conditions in some of the post offices I have had a chance to visit. The evidence ranges from the effect of the unhealthy working conditions on the morale of the employees to the trends of the labor movement and its present and future effects on the Federal employees.

I have evidence of conditions at the Chicago post office.

The largest and the most eloquent postal installation from the outside could be the best way to describe the Chicago General Post Office. But inside you find the familiar drab, dark, dingy walls that seem to be a trademark of large postal installations. Here again, you see the same familiar plaster cracks that show their age by the accumulation of dirt. It is hardly possible for the employees to be motivated under such unattractive conditions. I am very much aware this is a major postal installation handling huge volumes of mail. While no one expects it to look like a new hotel, there certainly is room for many interior improvements. All this should be corrected shortly. I am certain the Department survey team made this one of their major recommendations. If the dark drab interior is not enough to give this installation a prisonlike atmosphere, then you only have to see the bullpen they have set up for personnel leave control. One would hardly call it private. I understand the survey team was greatly concerned about the employee leave record.

New York Post Office: Dirt, decay, and denial.

New York City, the melting pot of the world, the city of wealth, the city of skyscrapers; certainly you would expect the New York Post Office to be the mirror of equality and democracy such as all Federal agencies should be.

**Its postal plants should be a model of modernistic architecture to correspond with its shining skyscrapers. Its accommodations for the some 37,000 employees should be the utmost in comfort and cleanliness.**

Although Mr. John Strachen, a Negro with a long career in the postal service, has been named acting postmaster, this hardly com-

pensates for an almost complete absence of Negro supervisors in charge of major operations. On the daylight tour in the main office, they were conspicuous by their absence as heads of any operation.

The major operation is housed in a giant mausoleum built in 1914. In some areas the ceilings could have given adequate space for the Wright Brothers to make their first test run. The cost of heat, lighting, and air conditioning which must have some trying time to perform its proper function, must play havoc with the post office budget. But don't worry, the budget won't suffer too badly because, I understand, they haven't painted certain sections of that post office in 30 years. Plaster cracks from water seepage continue to go unplastered; broken windows that show their age by a massive accumulation of dirt remain as they are. There must be a drastic shortage of janitorial service, and if there is, I understand there was a previous recommendation that there be a reduction in the custodial service. If it is true that such a recommendation was made, I would say it was made with an utter disregard for the health and welfare of the employees, which in itself is a matter of grave concern. While I heard a discussion of one employee who was out with tuberculosis, I am wondering how many more have contracted this germ or other respiratory diseases or eye diseases that could come from such an accumulation of dirt.

If proper dieting or a decent meal is necessary to maintain their resistance against sickness, then the employees are fighting a losing battle. It's hardly possible to get any type of meal from the hodge-podge of vending machines that seem to be under the management of one company. Surely, in the big city of New York, which is the headquarters of many vending machine companies that offer the latest in glamorized food automation, there could be better service in automated food dispensing. Lest I forget, I did see an unsanitary fly-producing can opener that is used to open canned soup. If you are lucky, you might be near that one location for the coffee machine, but if you are unlucky you'll get daily training in a long distance obstacle course.

If all this hasn't seemed bad enough for the health and morale of the employees, management decided to curtail operations in many stations where the employees at least had some elbowroom to work more efficiently and bring them into general post office, where, in most instances, they were already overcrowded. Again, I say, such a decision seems to have a total disregard for the health and welfare of the employees and there certainly is some question as to whether it has made for a more efficient movement of the mail. It certainly seems a gross waste of the taxpayers' money to see millions of dollars' worth of automation machinery sitting idle. If you think the conditions on the inside are bad then the outside conditions on the loading docks must be torture in the winter months. There was neither heater nor canvas drops to knock off the icy winds of winter, neither were there any coffee machines reasonably near to give a little internal warmth.

We won't attempt to place the blame for the conditions we've found in the New York Post Office, nor can we say the conditions here are the worst until we've checked the rest, nor can we say that the new acting postmaster and his staff will not correct the conditions that are within their power until they have been presented to them. But we do know the postmaster has requested a report of our findings with a promise to take whatever corrective measures possible.

Mr. SMITH. These are only some of the instances we have found. They are by no means all of them. In Indianapolis, I remember going down a series of dark, narrow steps into a subbasement where neither the light, the heat, nor the ventilation was adequate. It was damp, and in comparison, our ancient catacombs were a desirable place to live or to work.

In this connection I might say that most frequently, when you go into the less desirable areas of these post offices, these are the areas in which the minority group people are more likely to be concentrated.

#### SENIORITY

There is at least one area in which a requirement of years of service works against the morale of young talented ambitious employees. If the employee enters the service he knows that whatever his ability he must wait in his present level for 4 years before he can even take the examination that will qualify him to advance to a supervisory level.

#### FAVORITISM

This is a vicious practice rife in the postal service of which racial discrimination although the most obvious, is not the only manifestation. Despite Executive Orders 10925 and 11246, two of the strongest proclamations against racial or religious discrimination in the Federal service and despite specific regulations implementing these orders, an employee's race or religion may still play a larger part than his ability in determining whether he will or will not move upward. The Mexican-American and Puerto Ricans who have been denied postal employment, the Negroes who have been bypassed for promotions or preferred assignments, the instances in which minority group employees have been assigned to train white employees in a job only to see that employees get the job for which the trainer was certainly best qualified, the outside training that is secretly given to chosen employees so that when the job becomes available, he, and only he, is qualified to fill it, all these practices that militate against minority group and female employees embitter them. It is worth nothing, at this point, that minority group employees and women are a majority group in most of the large cities through which the major volume of mail moves.

The experience of a Negro employee who moves through the seniority process in a section where promotions have regularly gone by seniority, he becomes senior man in his section, expects the next promotion to be his and then seeing someone brought in from another installation or agency to take over the position he had every right to expect, this experience is all too common and the postal regional offices are among the chief perpetrators of this shell game.

In addition we find that a group will come in entering the postal service. They will be mixed groups, racially, and they will be assigned to a certain section for 2 or 3 days. Later we find the Caucasian members of the group have disappeared from the workfloor and, when an investigation is made, we find they have been assigned to offices or to much more desirable assignments. This is not the sort of thing that makes one happy to be a postal employee.

And in connection with the pay, I would like to say that pay means something more than money in a society such as ours. I think every-

body enjoys money, but pay has become a status symbol in America and a person's importance to the society is likely to be fixed by his salary. For years, on this basis, the postal employee could hold his head up with some assurance and say, "I work for the Government," because at this point he felt he certainly was not among the lower paid people of that society. And if the pay that a man receives is the value that that society attaches to his services, we definitely feel that the postal service is an extremely valuable service to the American people and to the American economy and to the world, and if its employees are not paid on that basis they are not likely to be too proud of their jobs, and if they are not proud of their jobs they will be looking for a way to get another job as soon as possible.

Thank you.

Mr. NIX. Thank you very much, Mr. Smith. I can assure you that the Post Office and Civil Service Committee has evidenced its deep interest in the pay of Government workers, particularly of postal workers. I think it is reasonable to say that is a continuing and deep interest.

On the first page of your statement you mention training. What do you suggest as a substitute for the type of training employees are presently receiving?

Mr. SMITH. I don't know that I am so critical of the type of training as the amount of training. Knowing the hardship I suffered when I entered the postal service, I have made it a practice whenever I go into an office that has a training section, to ask the training officer if he is satisfied with the training program he is carrying on, if it is sufficiently manned and sufficiently financed. I have yet to find a training officer, when he is not in the presence of a supervisor, who will say he has an adequate training program.

The Training Institute that was set up manifested to me a new interest in training at the departmental level, but, in order to be adequate, this type of institute will have to be decentralized and made available to a lot more employees. These are training devices largely concentrated on middle management, and I think middle management is important, but I think more intensive training for employees to become initial supervisors is necessary and also more adequate training for people entering the postal service for the first time.

Mr. NIX. I think, Mr. Smith, it would be most helpful to me if there had been submitted a critical analysis of each complaint. Let us take training as the first topic. I would like, in making a determination, to have before me your analysis of that which is in being, your criticism of that which is offered as a substitute, and its shortcomings. Having those factors before the subcommittee, we would be then in a position to ask management to come in and answer what is put to them, and from the assertions on your part and the answers furnished by them, one might well arrive at something constructive in any given field.

Mr. SMITH. I think it is well to emphasize that all this training, all along the line, has to go on simultaneously. I am reminded that in Chicago we had a reasonably adequate training program for people entering the service. They were given 7 or 8 hours a day of training that, in my opinion, was along the right line. But when they went on the floor, because the supervisors were not aware of the training they

had received and perhaps were out of sympathy with the newfangled training the employees were receiving, it was difficult for the employees, when they went on the floor, to apply the training they had received. So it is important to have training all along the line. But we will work on an analysis of the type you mention.

Mr. NIX. On the second page of your statement, you speak of the unwillingness of Congress to adequately finance a training program. Of course, that might be applicable to the 90th Congress, but I don't think it could be stretched out to any great extent. But I would make the observation that having a critical analysis of the things that are wrong, one seeking to influence the Congress to take any given action would be in an infinitely better position. I have found that, in order to convince the Members of Congress or any other legislative body, one must approach the subject with a complete analysis of the problem at hand, and the case for the things sought must be conclusive. I don't think the Members of Congress would back away from doing something that had been shown to them to be absolutely essential and in the best interest not only of the Post Office but of the people in the country. This has been my experience of 11 years.

You mentioned something about the nonwhite people being placed in the least desirable positions. Is that because of the grade in which they find themselves?

Mr. SMITH. No. What I am referring to here is people of the same grade and in the same craft and in the same offices, and I believe what I said indicates how this is done. When a large group of new employees comes in—and I recognize the fact that in many big offices right now when a large group comes in the majority are likely to be members of the minority group, racially, or female employees, so the fact they are minority people is not the important part, but they are brought in and perhaps put on the pouch rack, which is generally considered the least desirable job for clerks. In 2 or 3 days you look around and you find the whites don't stay there. They are drained away and assigned to office jobs or jobs on cases or jobs that have more sitting down involved in their operations. Finally, you see only the minority people working on pouch racks.

Mr. NIX. Do you attribute that to discrimination?

Mr. SMITH. It would be hard to attribute it to anything else.

Mr. NIX. Then I suggest that a cross section of those cases be documented and made a part of the record for the information and study of the committee. That is a part of the jurisdiction of this subcommittee and this subcommittee intends to shirk no responsibility.

Mr. SMITH. We have cases in our file that will substantiate this assertion and we will make them available to you.

Mr. NIX. You refer, also on the second page, to Executive Order 10988. Witnesses who appeared before this subcommittee yesterday offered critical testimony with reference to this Executive order. I then asked for an authoritative interpretation of the Executive order. I want to have the actions taken under it to determine the variance between the actions taken and the meaning to be found in the Executive order. The criticism yesterday had to do with subjects that had been declared nonnegotiable arbitrarily, which is a matter of grave concern to this subcommittee. It is of grave concern because I find it difficult to understand why anyone should have the sole authority to

say what is or what is not negotiable. I think it strikes the very basis of the principle of negotiation if one has the authority to say, "we will not talk about that," without having a discussion with the other party and reaching an accommodation on what can be discussed.

Mr. WILLIAMS. Mr. Chairman, at this point could I enter additional testimony on Executive Order 10988, because we are concerned with the whole concept of the Executive order.

Mr. NIX. Yes; I wish you would submit a statement, setting forth your experience and what you have gathered from others as the result of the application of this Executive order.

Mr. WILLIAMS. We will do that.

Mr. NIX. I want to say to Mr. Smith, Mr. Williams and Mr. Henderson, that I am very grateful for your appearance here and the contribution you have made. I look forward to having the documents I mentioned.

Mr. SMITH. Thank you for your consideration. We will provide the material you have requested.

Mr. NIX. Our next witness is Mr. Harold McAvoy, president of the National Association of Post Office Mail Handlers, Watchmen, Messengers, & Group Leaders, AFL-CIO. We welcome you, Mr. McAvoy, and you may introduce your associate and proceed.

**TESTIMONY OF HAROLD J. McAVOY, PRESIDENT, NATIONAL ASSOCIATION OF POST OFFICE MAIL HANDLERS, WATCHMEN, MESSENGERS & GROUP LEADERS, AFL-CIO, ACCOMPANIED BY ANDREW W. CARNIATO, ADMINISTRATIVE AIDE**

Mr. McAvoy. Thank you, Mr. Chairman.

For the record, my name is Harold J. McAvoy. I am accompanied this morning by my administrative aide, Mr. Andrew W. Carniato.

Mr. NIX. You may proceed.

Mr. McAvoy. My name is Harold J. McAvoy. I am the president of the National Association of Post Office Mail Handlers, Watchmen, Messengers & Group Leaders, AFL-CIO. As you may know, the Mail Handlers Union has just recently merged with the Laborers' International Union, fifth largest affiliate of the AFL-CIO. Our union will continue to retain its autonomy as a separate craft in the postal service through its own division in the Laborers' International Union.

Mr. Chairman, what we have really done at this particular time, we voted a merger. Conditions pertaining to it have yet to be worked out. We have 1 year for the transition period.

We are grateful for the opportunity to appear here on behalf of all mail handlers in this country. We would like to express our appreciation to the chairman and all members of the subcommittee for seeing fit to hold these hearings on a matter that has many mail handlers concerned.

We believe a special compliment is due the committee and Chairman Nix for scheduling these hearings, because they deal so vitally with the human element in the postal service. And despite improvements in wages, fringe benefits, and other aspects of postal workers' lives; human compassion and consideration are sadly lacking today in the post offices of this country. They are lacking because of many fac-

tors at work in the postal service that have forced out these normal concerns in favor of just getting out the mail.

Measuring morale among any employee group is a hard job. But we can safely say that morale is low in the postal service for a variety of reasons that could be corrected for the benefit of mail handlers, other postal workers, and the country as a whole.

I will now ask Mr. Carniato to proceed.

MR. CARNIATO. Mail handlers find their morale undermined from the beginning of their careers as postal employees. After they have had their hopes aroused about postal pay, fringe benefits, and other features of service, they enter new jobs only to find out they are not guaranteed regular hours.

The appointment procedure is one of the most glaring examples of where the Post Office has lagged far behind private industry and modern personnel and management practices. While the 40-hour week is widely accepted throughout our society, the Post Office continues to live in the dark ages.

Mail handlers enter the postal service on unsure footing as temporary or substitute employees working at the discretion of the local postmaster until their appointment as a career employee comes through; sometimes months or years later. It is no wonder the service has so much trouble attracting and keeping employees for postal careers.

The failure of the Post Office to offer permanent appointments to mail handlers is one of the most demoralizing aspects of postal work. Mail handlers find a bad taste left in their mouth from the beginning of their employment because of this practice. They do not feel they are a part of the Post Office from the beginning.

Postal pay has improved markedly, but the service still has trouble attracting personnel in certain cities because starting pay is not competitive. Pay must continue to be upgraded to make the service competitive in all areas with private industry.

#### FACILITIES AND VOLUME

From the physical standpoint alone, the postal service is far behind the times. Many of the major post offices of this country were built more than 30 years ago to handle the mail of an earlier, less populated America.

Not only are the plants too small and improperly designed to meet today's needs, but their physical equipment does not usually meet today's needs. The Post Office Department has been slow to automate and apply new technology to help speed the mail.

The result of this growing volume of mail has created a terrific burden on mail handlers who now experience great anxiety and frustration trying to keep up with the enormous flow of mail. Far more mail handler positions are needed to simply catch up with enormous volumes of mail.

Some progress has been made in recent years as the Department realized the dimensions of the approaching catastrophe. Mechanization has been introduced, wages and fringe benefits have been improved and the Department has tried to modernize personnel management. But these efforts have not gone far enough to cope with the mounting volume of mail.

Mail volume is increasing at a rate of more than 3 billion pieces annually. The archaic physical plants that house most post offices are already splitting at the seams from the overload. And, postal employees are desperately overworked, frustrated, and cramped—they are literally falling all over one another—in their efforts to get out the mail because of poor facilities and unresponsive management.

#### MANAGEMENT TECHNIQUES

The Post Office has failed to take advantage of modern management techniques, a grievous shortcoming that has worked to the disadvantage of every mail handler in this country. The Department's inability to apply modern techniques to post office management has seriously affected working conditions and work habits.

Much has been said about the lack of compassion and humanity within the postal service, particularly relating to the relations between supervisor and employee. It should be of no surprise or amazement to anyone. Good relationships in the postal service have gone by the boards as everyone has striven to simply get out the mail.

The Post Office Department is short of supervisors. Supervisors in the post office, in addition to being poorly trained in many cases, do not have the time in most cases to genuinely supervise employees. This produces great frustration, anger, and despair among mail handlers and other postal workers as well.

#### WORK ASSIGNMENT

The most devastating blow to the morale of mail handlers is the widespread practice of local postmasters of hiring clerks and carriers to do mail handlers' work. This crossing of jurisdictional craft lines in the postal service is the most serious problem confronting mail handlers and one that must be corrected.

The problem is by no means isolated to a handful of post offices. It is widespread and growing in intensity. In the Brooklyn, N.Y., post office, 63 temporary and substitute clerks load and unload trucks for a total of 204 hours a week, according to the most recent survey by our organization. The survey revealed similar situations elsewhere.

In Lancaster, Pa., a level 5 clerk and a level 6 clerk each load and unload trailers for 30 hours a week, 5 days a week. In Atlantic City, eight substitute clerks load and unload trucks 8 hours a day, 6 days a week. Two substitute clerks and four substitute carriers spend nearly all of their working day in Worcester, Mass., loading and unloading trucks.

And, at the Lee Street annex in Knoxville, Tenn., the practice of assigning mail handlers work to other postal employees reached new heights at the time our survey was taken. We found the following practice in effect: five substitute clerks, two regular clerks, and two supervisors were working from 3 to 6 hours a day, 5 days a week, unloading mail cars, trailers, and trucks.

The survey showed clearly that in most post offices mail handlers suffer these indignities of watching other crafts do part of their work. The study further revealed the shocking fact that mail handlers barely exist in the States of Idaho, New Hampshire, Vermont, and North Dakota. There were no mail handlers at all in the State of Wyoming.

No one can question the demoralizing aspects of this practice to mail handlers everywhere who see other postal crafts performing their work but at a higher rate of pay. This is one of the grossest inequities in the postal service. Not only is the practice a great injustice to mail handlers, but it is financially unsound to the Post Office Department.

If the Department is truly interested in economy of operation and equality for its employees, then it must take strong action, immediately, to end this discrimination against mail handlers. The continuation of the practice of hiring clerks and carriers and having supervisors in so-called emergency situations to do mail handlers' work will continue to lower morale among mail handlers and further estrange mail handlers from the postal family. The time for action has come. The Post Office Department's Advisory Board, in its report to the Postmaster General, recommended that this practice be abolished. We are still awaiting this action. It cannot come too soon. Mail handlers are tired of being second-class employees in post offices. They want the work assignments that they have bid on protected. They do not want them given irresponsibly to other crafts.

In some post offices, mail handlers endure further hardships and sacrifices as other crafts are assigned to their work in that they are deprived of thousands of hours of overtime and because the practice interferes with the scheduling of their annual leave.

#### PROMOTIONS AND CAREER DEVELOPMENT

If we are going to ask why morale is low in the postal service, then we must be prepared to ask some specific questions about the quality of life and work in the average U.S. post office. We must ask these questions: What opportunities are there for ambitious, intelligent, and skilled mail handlers to advance in the postal service? What opportunities are there for hard-working, dedicated mail handlers to rise within their craft? What opportunities are there, in general, for mail handlers and other postal employees to develop valuable skills that make them more productive and useful in our society?

Unfortunately, there is almost no opportunity in any one of these areas for hard-working mail handlers intent on making a career in the postal service. Most jobs in the postal service are dead-end streets. Four out of five postal employees never advance in the service. The Post Office seriously lacks a ladder of opportunity, a road to advancement that private industry learned long ago is so essential to recruiting, retaining, and contributing to the well-being of employees. The average mail handler is faced with the reality today that he has little or no hope of ever advancing out of his present job. This seriously hampers morale and destroys incentive.

The problem confronting mail handlers and other postal employees is the existence of a bottom-heavy labor force in the postal service. The system offers virtually no opportunities for advancement to supervisory, or group leaders, or technical positions. Jobs in these categories simply do not exist in most cases. The manpower report of the President makes the salient point that one of the chief areas of unrest in the Nation's workforce is among those workers who believe they are trapped in dead-end jobs, who see no chance for advancement, who see themselves faced with performing the same task, day in and day out,

the rest of their lives. Not only does the Post Office lack a ladder of advancement that would alleviate this problem, the slender, puny ladder that does exist is not very inviting to climb for most mail handlers.

The mail handler who wishes to become a clerk or carrier is eligible to take a noncompetitive examination. But in many areas, he is denied the opportunity to take these examinations by local postmasters. And in some cases, he is denied this opportunity because he is a member of a minority race. As you may know, the majority of our members are from minority races. But furthermore, if he is allowed to take the test and is advanced, he must relinquish all his past seniority no matter how long he has been an employee of the postal service. The mail handler who takes this route, in the hope of improving his station, suddenly finds himself treated like a new employee who has just walked in off the street. He must take the most undesirable tour and take the most undesirable assignment because he lacks seniority in his new position.

So we can see that in reality the advancement of a mail handler to a clerk or carrier actually becomes a penalty instead of a promotion for long service, hard work, and the desire to improve oneself. His pay is higher, but his working conditions and his control over his working conditions is vastly reduced. This practice is one of the reasons why so many mail handlers work 30 to 40 years in the postal service and retire at the same place they started—as mail handlers. More than any other craft in the service, mail handlers are the forgotten men of the postal service.

One of the best ways morale could be improved in the mail handler craft would be to create and open up more opportunities for mail handlers to advance within their own craft. Over the years, the Post Office Department at the national level has shown some understanding of this problem and taken steps to try to create more opportunities. We cite specifically the creation of the position of group leader and more recently the position of mail handler technician. Both of these classifications were established after strong urging by the National Association of Post Office Mail Handlers. Unfortunately, the implementation of this wise policy in the field is practically nil.

For example, there are an estimated 700 group leaders and less than 100 mail handler technicians throughout the service in a workforce of more than 42,000 mail handlers in this country. The failure to actually create more of these positions has seriously hurt morale. Mail handlers have been led to believe by the creation of these positions that many opportunities would be forthcoming. But the truth is, the opportunity has simply never gotten down to the local level where the mail handler works.

Mail handlers believe firmly they should be given the opportunity to take their own examination for mail handler supervisory positions, a practice that has been accorded to other crafts in the postal service. The fact there is not an examination that mail handlers alone may take for supervisory positions over their own craft is another example of discriminatory practices that have undermined morale and served to make mail handlers feel like stepchildren in the postal family.

Other, equally serious discriminatory practices prevail in post offices to the detriment of mail handlers. More than 50 percent of our mem-

bers are from minority groups. In most cases, this has impeded their chances for advancement in the very few areas that are open to them.

#### TRAINING

Closely related to the question of career development is the vast need for more training of postal employees. The lack of adequate training and orientation is felt at all levels of the Post Office with grave consequences for employees and the service alike.

The lack of adequate training for supervisory personnel and Post Office management directly affects mail handlers who often must work under these insensitive tyrants. Not only do most supervisory personnel in post offices today lack basic understanding about modern management techniques that would aid the service and the employees, but they are usually unduly dictatorial and authoritarian in carrying out their duties.

Intelligent training of supervisors could be a very important step in raising postal morale. Too many supervisors try to treat employees like beasts of burden without human feelings and human cares. It is no wonder this unenlightened outlook of postal management has lowered morale and destroyed incentive.

Overall, the Post Office has failed to develop sound, long-range training policies and programs to encourage mail handlers to improve themselves or to provide the know-how to those who have a desire to improve themselves. Instead, advancement has often been based on favoritism. Promotions should be based on ability and qualifications.

However, before we say more about the training deficiencies of the Post Office, we must point out again that more supervisors and intermediate level positions must be created or training programs for higher level positions could cause more harm than good. Unless there are more avenues for advancement, training programs would only arouse hopes that could not be fulfilled.

On another level, the Post Office has seriously neglected its responsibility to develop long-range policies to cope with automation and new technology. Millions of dollars are finally starting to go into new equipment to modernize and automate the postal system, but the amount of money being spent is insufficient to make sure postal employees will be fully trained to man the new jobs. This shortcoming of the service is truly remarkable. We are well into the age of automation. We are all well aware of the impact new technology has on old jobs. The often repeated phrase illustrating the irony of our age is that it is not unusual for a company to be hiring new employees at one door and laying off workers at another.

Automation traditionally has created more jobs than it has destroyed. But the jobs it creates often cannot be filled by men displaced by the machines. This is the lesson of automation, but the Post Office is making little effort to prepare the postal employees of today for the postal jobs of tomorrow.

Automation, for all the good it has brought, has also aroused great fear and apprehension among postal workers whose jobs could be affected. The Post Office has the recent experience of private enterprise to learn from in allaying fears and paving the way to the future. But to date it has shown little inclination to move into modern times in this area or to learn from the past. Understandably, morale is undermined.

## LABOR-MANAGEMENT RELATIONS

Executive Order 10988 raised high hopes among all the mail handlers of our union in 1962. The belief and hope was widespread in the service that mail handlers would receive fairer treatment, better contracts, and work under more favorable working conditions. In short, the hope was strong that many of the grievances we have discussed thus far today would be alleviated through stronger collective bargaining.

But as we all should realize so well, collective bargaining in a real sense still does not exist in the postal service. Many of the issues that have demoralized mail handlers for years still exist today throughout post offices across the country. Post office management, particularly at the local level, quickly learned ways to subvert the new order or forestall positive action, thus frustrating the efforts of postal employees to improve their lives.

The actions of local postmasters this year alone in avoiding serious negotiations on the local supplements to the national agreement would have caused a strike in virtually any private industry. Unless strong action is taken to bolster the bargaining mechanism at all levels, more frustration and anxiety will mount within the postal service. Post Office management has been incredibly slow to recognize the seriousness of this problem, the mounting unrest among mail handlers and other postal workers, and the consequences of this action in the future.

Although the Post Office has a system for processing grievances and appeals, like so many other phases of postal operations, it simply has not worked well. Employees often have to wait months to have their appeals processed.

Steps should be taken immediately to strengthen the collective bargaining process in the postal system. The present Executive order does not provide for equal bargaining power. The system does not give unions a significant voice in negotiating contracts, particularly at the local level.

Again, we can look for guidance and insight to the experience of private industry on the question of collective bargaining. The whole foundation of our national system of collective bargaining in the private sector, as laid down by law and reaffirmed by numerous court decisions, is to place both parties on equal footing. The strike has often been the great equalizer in the private sector. Since strikes are outlawed by the Federal Government, more steps should be taken to bolster employee rights and powers to make sure they bargain with their employer on an equal basis.

Mr. Chairman, we deeply appreciate your interest in this vital subject affecting the interests of our members. We are thankful of the opportunity to present our views.

Mr. Nix. I want to thank both you gentlemen for being here today, and making the contribution to this subcommittee. I can assure you of my deep interest in the subject. I also can assure you that I express the views of the other members of the subcommittee when I make that statement.

Mr. McAvoy. If we can be of any help, feel free to call on us.

Mr. Nix. We have two additional witnesses: Mr. Henry Womack, president, National League of Postmasters; and Mr. C. Pat Murphy, general manager, National Star Route Mail Carriers Association. The

subcommittee would greatly appreciate your submitting your statements for the record, because of the limitation of time. I want you to know that because your statements are being submitted for the record does not in any sense mean they are of any less value than any other statement that has been presented to the subcommittee. I regret that it has to be so, but we cannot proceed when the House is in session without specific permission from the House. That permission we do not have at this time.

I thank you and appreciate your being here today.  
(The statements referred to follow :)

STATEMENT OF HENRY H. WOMACK, PRESIDENT, NATIONAL LEAGUE OF POSTMASTERS  
OF THE UNITED STATES

Mr. Chairman, my name is Henry H. Womack, I am the president of the National League of Postmasters and am the postmaster at Catron, Mo.

We have heard a great deal about the morale factor in the Post Office Department, and it is a very important thing that the morale factor be high in order to provide the type of service that the American people pay for and have a right to expect. We believe, that in most cases, the working conditions are good, and that they compare very favorably with those in industry. It is our understanding that there has been testimony before this committee to the effect that there is some abuse of rank and file workers by postmasters who are arbitrary and who refuse to negotiate in good faith. We find this should be corrected where they are found to exist. I know, Mr. Chairman, that the postmasters I have the privilege to represent desire to have harmonious relations with their subordinates, for, obviously, such harmonious relations make for a better record of productivity and better service to the public.

There is one factor that postmasters are vitally interested in; it is a factor that certainly causes lower morale. It is a situation that needs to be corrected very much. I am talking about the situation that exists when the postmaster is paid less than some of his subordinates. Mr. Chairman, we believe that this condition should not be allowed to exist. The postmaster has the responsibility for his office, he has it 24 hours a day, 7 days per week. He is responsible for the mistakes of his subordinates. How can he exert his authority effectively when the subordinate knows that he is making more money than the boss is making? I think you will not find such a condition to exist anywhere else Mr. Chairman, and it should not exist here.

Mr. Chairman, it would not cost a great deal to correct this situation, and the returns in a much higher morale factor would be tremendous. We believe that it makes for a much sounder fiscal policy to pay the top man more than anyone who serves under his direction. We believe that it is only fair and just that this situation be corrected.

During the first session of the 90th Congress, the Honorable Charles Wilson, seeing and recognizing this deplorable situation introduced a bill, H.R. 11315 in an effort to bring equity and justice. It is not a complicated bill, it is not a costly bill, but it is a bill upon which action is long overdue, and I strongly urge that hearings be undertaken at the earliest possible date.

Now, Mr. Chairman, postmasters are going to continue to do their duty, they are going to continue to provide good service. They have been told that this coming year they are going to have to do an even better job, they are being counted on and they will deliver, just as they always have done, but I believe that all of us can readily see the lift in morale that would be immediately forthcoming if this situation were to be corrected. It would not only effect just those who find themselves in the position of receiving less pay than their subordinates, but every one of our postmasters would have the satisfaction of knowing that he is being paid for carrying out the great responsibility that is his.

I will be happy, Mr. Chairman, to attempt to answer any questions you may have on this subject and want to assure you that we are grateful for the privilege of appearing before this distinguished subcommittee. Thank you.

## STATEMENT OF C. PAT MURPHY, GENERAL MANAGER, NATIONAL STAR ROUTE MAIL CARRIERS ASSOCIATION

Mr. Chairman and members of the committee, my name is C. Pat Murphy, general manager of the National Star Route Mail Carriers Association, headquartered at 324 East Capitol Street, Washington, D.C. This is the trade association for postal contractors, who contract with the Post Office Department to handle, move and/or deliver the mails. Star route contractors are not employees of the Federal Government. They are small businessmen, holding contracts with the Post Office Department to transport mail over the highways, yet their jobs, as star route contractors, put them under the same regulations as postal employees, without the benefits. Postal officials will tell you that Star route contractors are the most efficient group employed to deliver the mail and that the unit cost of such service is much cheaper than any other type of transportation.

I am appearing before this committee at the invitation of your chairman, Hon. Robert N. C. Nix, to present a statement at this hearing on the morale of our people working for the Post Office Department.

There are many who have been postal contractors for a number of years but at the present time are experiencing problems that are causing them to consider quitting the Postal contracting service.

To begin with, our association is made up of contractors who hold contracts valued as little as \$750 annually, up to contractors holding contracts with a value in excess of several hundred thousand dollars, annually.

Each size contractor has his own distinct problem, yet each of these problems stem from the same source.

The small star route contractor is greatly handicapped in that they cannot get their take-home pay raised. Public Law 80-669 says that the contractor must exist on the profit from the operation of his route. Some of these routes will cause contractors to spend 10 to 12 hours in executing his contract. The total worktime on the route could be as much as 10 hours daily, or as little as 6 hours daily to perform his duties. He must layover from 3 to 6 hours daily which, as a general rule prohibits his obtaining supplementary employment to augment a total or gross income of \$5,000 to \$6,000 annually.

His net profit, or take-home pay for the route would probably be between \$1,500 to \$2,000 annually. As a rule, on contracts of less than \$6,000 annually, the contractor makes less than \$1 per hour take-home pay for his work. This is demoralizing since they could work for someone else for at least \$1.60 per hour. Contractors have been classified as small businessmen, and when the route is personally operated there is no minimum wage that he can expect. All he receives for wages is the small profit he makes over and above his cost of operation. Two years ago Congress passed a law that would require the Post Office Department to automatically adjust the compensation of star route contractors, due to increase in cost of living, at the first of each year, but same was vetoed by the President who claimed it was considered inflationary. The Post Office Department previously testified before the House Post Office and Civil Service Committee that it was estimated that the cost would be around \$400,000 per year. I am certain that these people could still operate their routes cheaper than rural free delivery, even with an allowed increase in pay—21 cents per mile star route vs. 57 cents per mile R.F.D.

Another group involved in our association is the mail messengers. These people contract to handle and deliver the mail from the post office to transportation (rail, bus, airline) terminals, pick up the incoming mail at these points and deliver it back to the local post office or branch post offices, as the case may be. These are primarily local mail-handling contracts and they can be canceled on 24-hour notice. They are required to supply specific size and type of equipment and run the routes under very critical time schedules. Whether the contractor has operated the route 3 days, 3 months, or 3 years, the contract can be canceled on 24-hour notice and the contractor does not receive any contract cancellation indemnity to keep him from sustaining a total loss on his equipment or investment. We feel that the man should have some protection from this type of loss that they suffer in case of cancellation, such as 60 or 90 days indemnity to tide him over until he can find work in the area and sell his equipment at a fair price. Most of these contractors have their entire savings invested in equipment and cancellation of the contract causes a financial hardship on the contractor. The mail messengers need some kind of protection from this type loss.

But, by far the most critical problem facing the star route contractors and mail messengers at this moment is Public Law 89-286, the Service Contract Act

of 1965. This law is primarily written to cause all employees of star route contractors to make a living wage. This was intended to enable all drivers to make more than \$1 per hour. The only people who will be benefited will be the employees of the contractors, and not the small contractors who do all the work on the route themselves and take home less than \$1 per hour. The drivers employed by the contractor are generally making what is accepted as the average wage in their area. This would be necessary in order for the contractor to keep drivers that can maintain equipment and schedules as required by the Post Office Department. This law authorizes the Secretary of Labor to fix the wages, and fringe benefits, for employees of contractors, and to date, these wages have not been very realistic. The wage scale being used is that now being paid employees of the Teamsters Union, and is not in keeping with the wage scale in the local areas where star routes operate. We have been informed that this is due to the fact that the Teamsters rates are the only published rates they have to follow.

All contractors are now paying the minimum wage of \$1.60 per hour and time and one-half for all time worked over 40 hours in any 7-day period, and most of them pay more than the minimum wage, in order to keep good drivers on the job. To the best of my knowledge the wages being paid are commensurate to wages being paid in the area.

We have contractors that have drivers quitting now because the wage they are receiving and will be receiving after July 1 are not equal to what drivers, moving identical rigs, are making. What I am trying to say may best be clarified by the following actual case.

In North Carolina, Paul Wright, who is the contractor on four star routes and two mail messenger contracts, has 17 men working for him. Only six of these men, on two of the star routes are covered by wage determinations—\$1.89 per hour. The other 11 men are not covered by wage determinations and make only \$1.60 per hour. It is not that he does not want to pay the increased wages, the Post Office Department does not want to allow this amount of increased compensation. It stems from the fact that the wage levels are set by the Labor Department. He has one man who has quit and moved over to Wake County to take the same job with another contractor for 92 cents per hour more—\$2.81—than Mr. Wright's highest wage determination.

Another contractor in Nashville, Tenn., has a wage determination rate on his star routes of \$2.60 per hour. Another contractor whose routes go down the same highways and using smaller rigs has wage determinations for his drivers of \$3.51 per hour.

There are other situations that are being brought into focus as we get into the application of Public Law 89-286 and I am sure that you will agree that we need a better method of administration and determination of the wages that we must live with under the Service Contract Act of 1965.

We feel that if we must have these wage determinations applied to our business, then you, the Congress of the United States should set them. We believe these determinations should be set on a regional and cubic footage basis.

Regional, in scope, for setting these wages because the men are constantly in touch with each other in the duties of their job. Perhaps use the 15 regions of the Post Office Department as wage level areas. Most driver contact is within a postal region. Application of these determinations should be on a same date, nationwide basis. If two of these drivers back up to a dock in two identical rigs, and one is drawing \$2.50 per hour and the other is making \$3.51, what is the contractor going to do to keep qualified men on the job when he is forced to pay only \$2.50 per hour?

And, as you know, the American family is very mobile. At his first opportunity, the man making only \$2.50 per hour is going to move to that area where he can make \$3.51 per hour.

Cubic footage in setting wage scale: If, for instance, a contractor has two contracts and one calls for a one-half or three-quarter ton pickup and the other route calls for a 5-axle, 20-ton tractor-trailer rig, and the pickup made a run from point A to point B, a distance of 45 miles, delivers the mail, picks up his return load and returns from point B to point A, this man, under the present definition of Public Law 89-286, would be qualified to draw \$3.15 per hour in most States, in fact, all but a very few of these United States.

Route No. 2 of this contractor is accomplished, as I said before, by a 5-axle, 20-ton rig, and the driver leaves point A with a 20-ton load, goes to point B, unloads 50 sacks of mail, picks up 40 sacks that go to points C and D, a total distance of 200 miles. At point D this driver unloads his mail, reloads mail for points C,

B, and A then proceeds to complete his route by delivering to all the stops on his route, both pickup and delivery. When this man backs his truck up to the dock at point A, he has done a good job, is on time and has qualified himself to draw all of \$2.61 per hour.—Wage determinations numbered 68-229 and 68-324.

I do not believe that any further explanation is necessary for you to see that not only is Public Law 89-286 causing demoralizing problems for the contractors but it is making formerly satisfied employees disgruntled and dissatisfied with their present employer and job because of the unrealistic wage determinations.

As I have tried to point out in this presentation, we need help in three areas of postal contracting.

(1) We need assistance for the small contractor who is clearing less than \$1 per hour; a bill similar to H.R. 2035. We do not believe it to be as inflationary as the OEO program.

(2) We need protection for the mail messenger who has no protection on the investment he has to make to maintain his contract.

(3) We need clarification on Public Law 89-286. A uniform application and a sensible rate of pay. We should also be allowed 60-hour workweeks without penalty of overtime if we are going to have to pay the same wages as common carriers.

We also need to have the Post Office Department add sufficient personnel to process our claims for pay for increased service demands or move some of their present personnel over to the director, transportation division offices in the 15 regional offices. Our contractors in many cases have had to go to the bank and borrow money to cover increased operational costs due to changes in conditions, before the director, transportation division offices have time to handle the claim forms and get the settlements out of their office in less than 3 months. Some have been taking as much as 12 months.

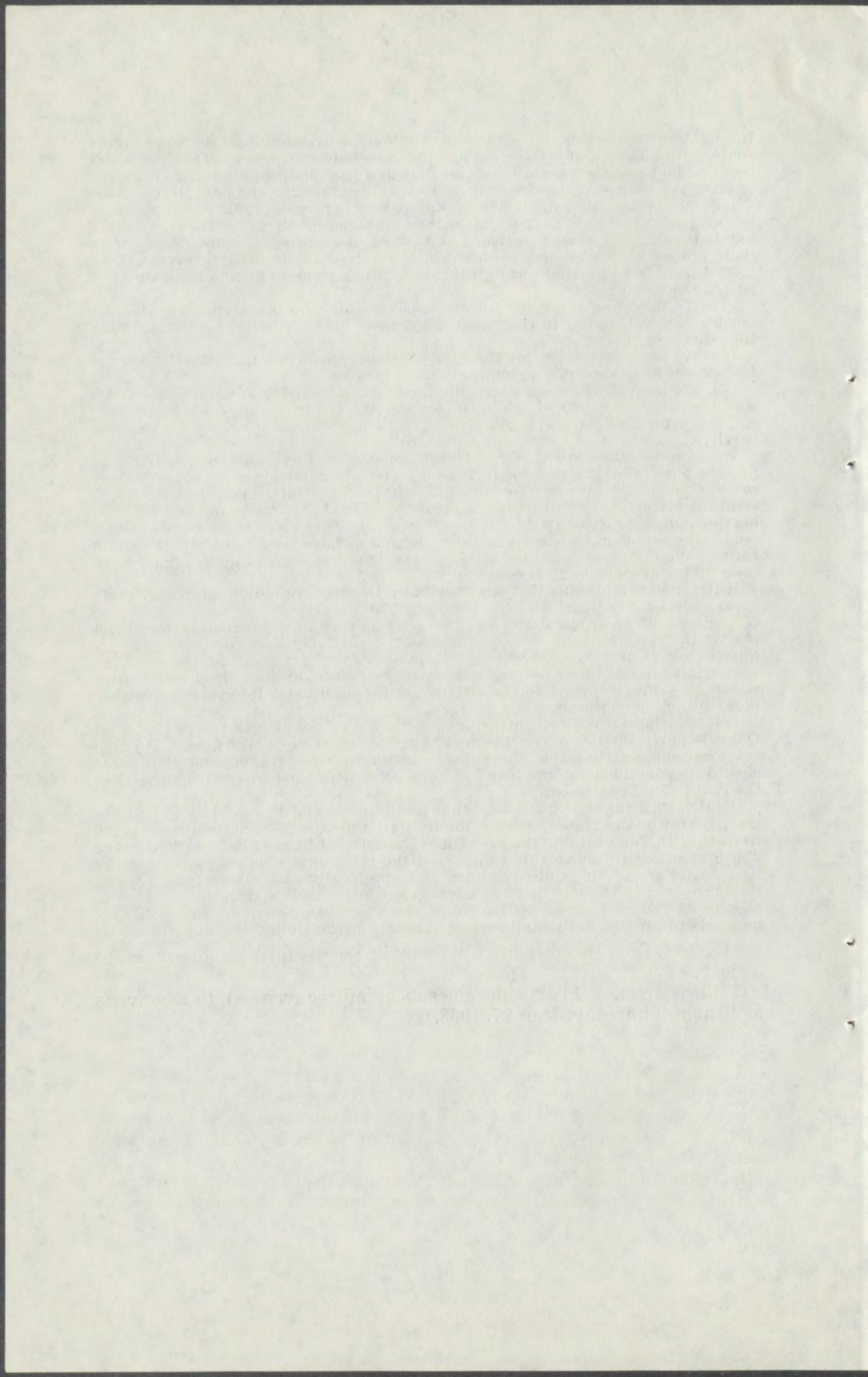
It is our understanding that the Post Office Department handles approximately 4,500 claims for pay adjustments per year. This represents the workload for the 15 regional offices or about 300 cases per year in each of the regions. We contend that if the region would process only one case each day they could keep the requests current, instead of stockpiling same for a rainy day to look them over. The Department holds these requests many days before looking them over, after which they are returned to the contractor for additional information, further delaying action on the request.

The association assists contractors in every way possible in completing Post Office Department Form 5478 in order to get a satisfactory adjustment, but contractors contend that the procedure is much too complicated and that same should be simplified for the benefit of the contractor, and to speed handling by the Post Office Department.

Gentlemen, I thank you for your time and interest and I would like to indicate now, that we, the National Star Route Mail Carriers Association, would like to work with Congress and the Post Office Department in reaching solutions to the above mentioned problems as well as all the other problems that exist for the postal carriers of the United States, and specifically and respectfully request the members of the committee consider a more reasonable application of the provisions of Public Law 89-296 to allow the Postmaster General the flexibility he needs to provide daily mail service throughout the United States.

Mr. NIX. The subcommittee will be in recess until tomorrow at 10 o'clock.

(Whereupon, at 11:03 a.m., the subcommittee recessed, to reconvene at 10 a.m., Thursday, June 27, 1968.)



## PERSONNEL PROMOTION SYSTEM OF THE POST OFFICE DEPARTMENT

THURSDAY, JUNE 27, 1968

HOUSE OF REPRESENTATIVES,  
SUBCOMMITTEE ON POSTAL OPERATIONS OF THE  
POST OFFICE AND CIVIL SERVICE COMMITTEE,  
*Washington, D.C.*

The subcommittee met, pursuant to recess, at 10 a.m. in room 210, Cannon House Office Building, Hon. Robert N. C. Nix (subcommittee chairman) presiding.

Mr. NIX. The subcommittee will come to order.

Today will be devoted to testimony by the Post Office Department in relation to questions raised during these hearings by employee organizations.

Our chief witness will be Hon. Richard Murphy, Assistant Postmaster General for the Bureau of Personnel. Mr. Murphy is a young man with a distinguished record with the Post Office Department. He has done an outstanding job and was a leader in the U.S. Government in eliminating discrimination within Government. His job is a difficult one. There are over 70,000 persons working for the Post Office Department, and it is the largest civilian employer in Government and one of the largest organizations in the United States. Mr. Murphy knows that there is only one guaranteed rule for failure and that is to try and please everyone. He hasn't. I predict a great future for Mr. Murphy both in and out of Government.

The Post Office Department is a vital institution. Even greater progress has to be made in the field of discrimination. The snarl resulting from the inadequacy of Executive Order 10988 at this present time has to be—and will be—worked out. Future demands on the postal service have to be met and new adjustments made.

For all these reasons, I am going to ask that the subcommittee staff prepare studies on the entire postal operations picture, including a study of employee morale, relationships with the business community, transportation problems, the mailing list operations of private concerns, paperwork problems within the post office, nonmailable items and criminal jurisdiction, and a general history of the Post Office Department since the Second World War. These studies will be available to committee members at the start of the next session of Congress. I hope that we can count on the cooperation of the Post Office Department in this between-session activity.

The subcommittee has scheduled hearings in July on gun control, mailing lists, and several administration requests for legislation. This,

however, will be our last session on morale problems in a set of hearings that began in March of 1967. The cooperation we have received from labor and management during these sessions has been noteworthy and I want to say that I have enjoyed working with all of you.

I wish to express my deep appreciation for the contributions that have been made by everyone to these hearings. It is my great pleasure to welcome again one whom I am pleased to call a very good friend and a most outstanding public servant, Mr. Murphy.

**TESTIMONY OF HON. RICHARD J. MURPHY, ASSISTANT POSTMASTER GENERAL, POST OFFICE DEPARTMENT, ACCOMPANIED BY HENRY L. DIXON, SPECIAL ASSISTANT TO THE ASSISTANT POSTMASTER GENERAL, BUREAU OF OPERATIONS; TONY INGRASSIA, DIRECTOR, LABOR RELATIONS DIVISION, BUREAU OF PERSONNEL; ADAM G. WENCHEL, ASSISTANT GENERAL COUNSEL FOR LEGISLATION; AND HERBERT BLOCK, DIRECTOR, PERSONNEL PROGRAMS AND RESEARCH**

Mr. MURPHY. Mr. Chairman, I certainly want to thank you for your very kind and exceedingly generous remarks. I must say that my colleagues in the Department and myself have been tremendously impressed with the scope of operations of this subcommittee and the depth of their studies under your distinguished chairmanship.

I want to say how pleased I am to have the opportunity of coming here today, as I have been pleased on past occasions, to appear before you both in your home city of Philadelphia and here in Washington, D.C., to discuss issues which are of vital concern to postal employees everywhere and to all Members of the Congress.

I want to commend you on behalf of Postmaster General Watson, first of all, for the role which you helped to play during the past year in an important announcement which he made just about a week ago regarding presupervisory training programs in the Post Office Department, which you have long advocated, and also the extremely helpful suggestions which we received from you via your personal participation in our first national equal employment conference, which also bore substantial fruit in an important announcement of Postmaster General Watson about a week ago.

Based on the recommendations of that conference, a new program on equal employment opportunity in the Department was announced by the General at the National Press Club.

I commend you, sir, for your diligence, your hard work, the hard work of this committee, and for your tremendous courtesy which has always been demonstrated to management and labor as witnesses before your committee.

I am pleased this morning to be accompanied by Mr. Adam Wenchel, Associate General Counsel for the Post Office Department; Dr. Herbert Block, Director of the Planning and Research Division of the Bureau of Personnel; Mr. Tony Ingrassia, the Director of Labor Relations for the Post Office Department; and Mr. Henry Dixon, Special Assistant to the Assistant Postmaster General for the Bureau of Operations.

With your permission, I would like to read a prepared statement before answering questions.

Mr. NIX. Proceed.

Mr. MURPHY. Thank you, sir.

Mr. Chairman, I am most pleased that your committee has afforded me the opportunity to testify at this hearing and to comment upon several of the statements which have been made by representatives of the employee organizations.

Morale, of course, means many things to many people. The causes, the characteristics and the effects of morale, high or low, are the subjects of continuing research by social scientists. There is, as of this moment, of course, no exact scientific measurement of morale and each individual has his own assessment. The problem is particularly difficult in the postal service since we have over 700,000 individuals. I doubt seriously that anywhere in the postal service we will find two individuals with the same reaction to morale producing or reducing factors. Moreover, there are over 32,000 post offices in the United States. Naturally, the quality and degree of supervision and the strictures of organization vary from post office to post office. Consequently, the task of isolating those conditions of employment which affect morale become ever more complex.

I cannot believe that the morale of letter carriers in New York City is always at the same level as the morale of letter carriers in Wichita or that of the carriers in Seattle, the same as that of the carriers in Atlanta. So when we talk of morale in the Post Office Department and of management's efforts to enhance it, please remember that we are talking about the reconciliation of 700,000 morales as affected by local, State, and regional influences. No two are necessarily alike. No two are completely different in their response to management and even to the efforts of their own employee organizations.

We must also remember that no matter what we do, or how frequently we do it, there has always been, and there will always continue to be complaints, gripes, and a certain amount of discontent among our workers concerning the policies of, and working conditions within the post offices. After all, that is why we have employee unions to present these dissatisfactions to Congress, to the Department, and the general public. That is why they are in business. And a certain amount of discontent is a highly desirable thing for unless there were unhappiness with things as they are, there would never be social change or social progress. Discontent, properly channeled, is the enemy of complacency and the handmaiden of progress. And in that sense, we in the Post Office Department welcome affirmative discontent. But we must be careful not to lose our balance or our perspective in affirming our discontent.

Sometimes, in reviewing the comments made by certain employee organization leaders before this committee, some may get the impression that everything was wrong and hardly anything was right. Obviously this is very far from the actual situation and I think that it is as important to keep in mind progress which has been made in response to discontent on the part of both management and employees in the past years as well as to catalog the current list of existing evils as seen from different perspectives.

In summary, the Post Office efforts to further morale are expended in two ways:

First, we try to find and eliminate those aspects of postal life that create legitimate dissatisfaction.

Secondly, we try to find and improve those aspects of working life, both within the postal service and from without, that produce satisfaction.

In this endeavor we do not act alone. We act under many limitations and restrictions from many other agencies and we must have the cooperation and help of other agencies and of the Congress itself to correct many of these evils that lead to a lowered morale.

Since 1961, I have been fortunate to serve under four Postmasters General who fully endorsed and encouraged sound, progressive personnel management. Their commitment to this end is etched in a series of actions which they have initiated over the years to better the lot of our working people in the postal service. I think it is extremely important for this hearing that I give a very brief rundown of the highlights of some of these measures aimed at improving postal life during these last 7½ years.

#### IMPROVEMENTS IN PAY

Since 1961, postal employees have enjoyed the greatest increases in salary and other compensation benefits in postal history. Seven consecutive salary increases have occurred based on the comparability concept sponsored by the administration and adopted into law in 1962. These increases, including the July 1968 scheduled increase, have aggregated an average of 39 percent for postal workers as a whole in terms of salary and earnings for clerks and carriers increased over 43 percent when overtime, night differential, and other pay benefits are included. Moreover, full comparability for the middle and upper grades will be an absolute reality as of July 1969; something thought completely impossible by most experienced observers just a few years ago. Moreover, we recommended and Congress adopted pioneering approaches to longstanding problems such as a differential for Sunday duty, the elimination of compensatory time for most postal employees, salary protection on downgrading, a 5-day week for postmasters, severance pay, overtime for substitutes, relocation allowances, a revenue unit system for postmaster rankings, liberalized heavy-duty pay for rural letter carriers, and a better pay status for postmasters of fourth-class offices.

Of course, no one is ever completely satisfied on pay, but it was noteworthy to me that during these hearings very little has been said about it by the employee organizations. The fact of the matter is that under the leadership of President Johnson, who has recommended more Federal salary increases than any President in history, and the Congress, which has seen the need and responded accordingly, we have contributed very significantly to improved salaries and benefits for postal employees and, I hope, increased, somewhat, morale thereby.

#### IMPROVED WORKING CONDITIONS

##### *Safety*

During the past 7½ years, our safety program has been totally revitalized and transformed from an essentially reporting and monitoring activity to an active force for industrial and vehicular accident prevention. Fully 150 postal safety officers are now on duty at post offices throughout the United States and the overall accident rate has been reduced from 18.9 in 1961 to 16.7 in 1967 per million miles driven.

Our injury frequency rate was reduced from 19.2 in 1961 to 14.4 in 1966—latest available BEC data—injuries per million man-hours worked.

We have established joint labor-management safety committees both nationally and in installations with more than 100 employees, developed the largest safety training programs within postal history, made major efforts to reduce overweight mailsacks, developed safety standards for leased vehicles, initiated a totally new accident reporting analysis system, undertaken the largest fire survey and fire hazard correction program in postal history, introduced a system of area safety counsellors to service postal installations without full-time safety officers, provided for postal editions of the national safety council's magazine, the Industrial Supervisor, and taken major steps to improve the safety design of all postal office vehicles. We have developed with researchers an acceptable animal repellent for postal use.

#### *Health units*

We have increased the number of post office health units. The staff of medical officers and nurses has increased from 44 in 1961 to 67 today and we are in the process of establishing 22 more units so that employees and patrons in all of our very large installations will have ready access to a doctor or nurse should the need arise. Currently we have 36 medical officers and 162 nurses and are aiming for 41 medical doctors and 181 nurses.

#### *Uniforms*

The entire uniform program has been overhauled during the past 7½ years. We now have better design, better standardization, and better quality control of all uniforms administered through the U.S. Army Research Laboratory at Natick, Mass. We have created a Uniform Advisory Board made up of employee and industry representatives and authorized scores of new uniform items. Clerks, mail handlers, and maintenance employees have been given uniforms for the first time, and a new system of direct payment to vendors, designed to eliminate bad debt problems, is about to go into effect. Employees now receive more, better quality, and better looking uniforms than ever before in history.

#### *Tools*

In joint contract negotiations in 1964, agreement was reached that the Post Office Department would furnish each maintenance employee with good-quality tools which they would be required to use on the job and for which they would be accountable. This was a pioneering step forward since it is still a common practice in many areas for employees to furnish their own tools.

#### *Facilities*

The Post Office Department physical plant is, indeed, in sad state as regards modernization. Much of our space is in approximately 3,000 Federal buildings, most of which were built during the 1930's, and most of which are monumental rather than functional in design. The lack of adequate postal facilities is one of the most crying needs of the postal service, and we have repeatedly brought this matter to the attention of the Congress.

Since 1961, we have awarded 7,924 contracts for new buildings or major modifications, 90 percent of which specify air conditioning. Of the 28,000 leased and rented buildings occupied, 10,795 are now air conditioned and cover 40.4 million square feet of space. Remaining are 17,251 buildings having 36 million square feet. Of about 3,000 Federal buildings which provide about 50 percent of our space, in each instance where air conditioning is needed, the building has been air conditioned or funds have been authorized for air conditioning.

In fiscal year 1965, a massive 5-year building program to build 4,500 buildings at a cost of between \$800 and \$900 million was begun. Mail volume has more than doubled in the past 20 years, and the major impact of this tremendous growth fell on first-class offices which handled 93 percent of this mail in approximately the same space as existed in 1942. In addition, the rapid change in transportation methods, particularly from rail to highway, contributed to inadequacies in all types of offices. Postmaster General Watson has put the modernization and building of new facilities at the top of his list, and only yesterday announced a plan to build the largest post office in the history of the world—a \$100 million structure in New York City to be completed in 1974.

That is, incidentally, the third major postal facility to be initiated in New York City in the past 4 years, where they have not had a postal facility built in the last 30 years.

During the last 5 years, 4,432 awards have been made to provide 34.8 million square feet of modern postal space. In the next 5 years the projection is to almost double this figure by providing 67.2 million square feet in 5,500 new facilities at the rate of about 1,100 post offices a year, or three a day. Most of these buildings are air conditioned. They are well lighted and parking for employees as well as patrons will be provided in accordance with local zoning requirements. Further, we are giving particular attention to adequate facilities for employee swing-rooms, health units, cafeterias, toilets, and training facilities.

In addition to replacing obsolete facilities, the Department has greatly stepped up its efforts to maintain our postal facilities in a clean and orderly condition by issuing up-to-date maintenance handbooks, providing for "job huddle" techniques to obtain housekeeping cooperation from all employees, by establishing good housekeeping clinics at 104 locations to train employees in proper methods of cleaning, by conducting surprise reviews of housekeeping practices at a cross section of post offices, and by awarding good housekeeping citations to those post offices doing an outstanding maintenance and beautification job.

#### TRAINING

A few years ago training was the stepchild of the Department. No one knows how much training was actually given in 1961 because the figures were not kept, but all knowledgeable people are in agreement that it was infinitesimal compared to today and to the size of the job that needed to be done. Today, training is near the very top of the list of Postmaster General Watson's program for the postal service.

This year, the Department will spend \$28 million on training. We now know each and every course that is given in the postal service, where it is given, and how many people participate.

For 2 years, we have been working jointly with our employee unions on a joint labor-management training committee to formulate a comprehensive series of craft training and orientation programs which we are now about ready to begin in post offices throughout the Nation. This will be the largest single training effort ever undertaken by the Department for rank-and-file employees. Moreover, Mr. Watson announced just a few days ago a pioneering program for training 5,000 potential supervisors before their selection to firstline management positions. He also announced the distribution of a handbook, "How To Prepare Yourself for a Supervisory Examination" to over 400,000 persons who are eligible to take the next supervisory examination.

A management intern program has been initiated where the Department, for the first time, has recruited over 120 topnotch college graduates in a specialized training program of from 2 to 4 years' duration, designed to acquaint them with all aspects of the Department's operations. Plans have been approved by the Appropriations Committee to place an additional 150 of these young people in post offices during the coming year.

The capstone of our greatly expanded effort of training and the one of which we are very proud is the creation of the Postal Service Institute to train managerial and supervisory personnel and which is now in its sixth month of operation. When fully operative, the Institute will train up to 65,000 managerial personnel a year in selected locations throughout the Nation. So far, over 15,000 persons, including 800 here in Washington, have received some form of training under Institute auspices.

#### IMPROVEMENTS IN EMPLOYEE OPPORTUNITIES UNDER FEDERAL MERIT SYSTEMS

##### *Promotions*

On March 30, 1961, a merit promotion system was introduced for the first time into the postal service. Selection for supervisory jobs was established on the basis of test scores, credit for total postal service, and rankings by two immediate supervisors. Selection boards were set up, and postmasters were limited in their selection of supervisors to those recommended as best qualified by the selection boards, acting on the basis of supervisory eligible registers.

In 1968 the use of promotion supervisory boards was made mandatory at all levels for all offices having more than 25 employees. In cooperation with the Civil Service Commission we have conducted validation studies of our written supervisory examinations and have acted to eliminate any cultural bias. Today the Post Office Department has a written agreement with its employee organizations on eligibility for promotions, the first agency in the Federal Government to do so. Every possible step that could be taken has been taken to eliminate favoritism and discrimination while at the same time giving postmasters a necessary degree of discretion which they must have in order to run their offices.

##### *Qualification standards*

Prior to 1961, qualification standards were nonexistent. Currently, there are about 1,000 different job titles authorized in the postal field service. The overwhelming majority of all jobs now have qualification

standards and by the end of this year we hope to have the task completed for all jobs.

#### *Civil service status*

We have been in the forefront of those advocating the elimination of nonstatus personnel and the maximum conversion of temporary employees to full civil service status. We have pressed assiduously to reduce temporary employment to the rock-bottom minimum and have sought its elimination in first-class offices. We endorsed and urged Executive Order 11187 of 1964 and we testified in support of the bill which established a basis in law for conversion of "temps" to full civil service status on a continuing basis.

#### *Recruitment*

We have made major new departures in the area of recruitment including the elimination of restrictive resident requirements, the consolidation of civil service boards, and the activation of positive recruitment programs in minority group areas. Additionally, we have undertaken special hiring programs aimed at the disadvantaged and have utilized new techniques of testing and of scoring to speed up hiring procedures.

I would like to point out that we have also initiated a physically handicapped program in the Department which this year was presented with a special award from the President's Committee as being one of the best in the Government and has resulted in the hiring of 14,000 handicapped employees since the beginning of the program just a few years ago, 207 of whom are blind, plus 1,021 mentally retarded employees. Over 1,300 employees appointed had impaired hearing. Over 158 deaf-mutes are being employed, of whom we appointed just 18 yesterday in Detroit from the April examination.

We have experimented with new programs designed to increase the labor market for the Post Office Department, particularly in the area of part-time career workers and college students who are in need of financial assistance. Despite the difficulties of recruiting personnel in an era of extremely low unemployment and under the handicap of a national pay rate which, in some cities at the starting rate because of the step system, is about 10 percent below that offered by competitive employers; we have recruited literally hundreds of thousands of workers onto the Post Office Department rolls. People who never before have had the opportunity to become a career postal employee are now enjoying that status.

#### *Equal employment opportunity*

Since 1961, the Post Office Department has undertaken the most extensive equal employment opportunity program in its history and by far the most aggressive of any Federal agency. We have eliminated segregated postal facilities which existed in great number in 1961.

We have told unions having segregated units to integrate or lose recognition.

We have abolished separate registers, which were used to exclude Negroes.

We have refused to permit postal contract stations to be located in private businesses which discriminated in their public services, whether postal service or any other services they gave the general public.

We have created postmasters programs for progress in the 311 largest post offices.

We have created equal employment advisory committees and made EEO the direct responsibility of postmasters.

We have prohibited segregation in employee recreation activities.

We have revised promotion procedures and examinations and provided special sensitivity training to eliminate bias and discrimination in promotions.

Entrance examinations have been reevaluated with the same objectives in mind. We have spoken out before local legislative bodies on behalf of open housing and cooperated with civil groups to conduct courses to prepare minority personnel to pass entrance examinations.

In every major city throughout the United States the post office today employs more minority group personnel than exists within the population of the city, or within any other public employer in a city or by any large private employer in a city.

That our efforts have been rewarded is indicated by these statistics which show that, as of the end of last year, 21.7 percent of our work force is now composed of minority group employees consisting of over 132,000 Negroes, 14,785 Spanish-Americans, 3,766 Orientals, and 1,057 American Indians.

Moreover, we employ over 122,000 women with an increasing number being found in higher grades.

Not only are minority group people hired in large numbers, they hold many top positions including the postmasterships of the three largest post offices in the United States.

In 1961 there were 49 minority group persons in level 12 positions and higher in the Post Office Department. In 1967 there were 349 minority persons in equivalent level positions.

#### *Skills inventory*

In 1965, we undertook to inventory the skills available in the postal service and to design a system whereby persons with skills and learning could be brought to the attention of appointing officials. Data was returned on over 285,000 employees. During the years which the skills bank was first established runs have been requested by almost every bureau of the Department and employees selected for higher level responsibilities in the areas of personnel, accounting, transportation, and inspection.

#### LABOR RELATIONS

In 1961, although there were unions, there was no union recognition in the Post Office Department. There was no such thing as consultation with the unions prior to the issuance of new policies. There was no such thing as a negotiated contract or a written promotion agreement. There were no regular labor-management meetings at the national level and there were only occasional and sporadic exchanges of information at the discretion of management. Unions never dreamed they could achieve a dues checkoff system. There were no debates over whether an item was negotiable, nonnegotiable, or optionally negotiable, because it was very clear not one single item was negotiable about anything at any level—except perhaps with Congress—on issues of pay.

What a different story in 1968. Today the Post Office Department has concluded the negotiation of its fourth national contract extending

over some 175 pages, by far the most comprehensive in the entire Federal Government and one which will compare favorably with contracts in private industry.

With your permission, I would like to make available a copy of that contract here today.

Mr. NIX. Without objection, that will be received by the subcommittee.

Mr. MURPHY. Today, the Post Office Department has seven nationally exclusive recognized unions empowered to negotiate for their craft with the Department. There are four other organizations holding national formal recognition entitling them to national consultation rights. Moreover, there are over 24,000 exclusively recognized units at the local level, and 10,000 more enjoying formal recognition. Over 4,300 local negotiating contracts have been signed as of today, and an estimated 2,700 are in the process of final negotiation. Additionally, there are approximately 7,000 more locally signed statements between management and labor which serve in lieu of local contracts as supplements to the national agreement.

In all the rest of the Federal Government combined, there exists a total of only 881 contracts. Whereas there was no dues checkoff in 1961, today over 450,000 union members are having their dues checked off, remitting over \$12 million a year to postal employee unions and providing a stability to these unions undreamed of by anyone a few years ago. I don't know if that improved the morale of the rank-and-file employees, but I can assure you that the union leadership have never received such a shot of adrenalin. Moreover, today there exists consultation at the national level between the unions and management on an almost daily basis, with extensive regularly scheduled labor management meetings held on a monthly basis. Other organizations enjoy monthly consultative meetings on a regular basis.

Joint labor-management committees abound on almost every subject from schemes and safety to training and city delivery service. There has never been a time in the history of the postal service in which employees had such an input in management decisions or such an opportunity to exchange views with the highest echelons of the Department, including the Postmaster General personally. The Department has been a leader consistently in requiring its managers to negotiate with the employee organizations at every level. It has consistently adopted the most liberal attitude in government when it comes to deciding questions of negotiability, but we do refuse, and will continue to refuse, to order local postmasters to negotiate in areas where the Executive Order 10988 or the regulations of the Civil Service Commission state that such areas shall not be deemed to require negotiation. If, however, a postmaster in his judgment wishes to voluntarily surrender certain of his management rights in such areas in order to obtain something in return, or for general morale purposes, the Department will interpose no objection unless such an action will violate an existing law, regulation of other appropriate agency, the national contract itself, or existing postalwide regulations including the national contract.

I will make an unequivocal statement here that the consultation rights enjoyed by postal employee unions are absolutely without parallel in any other agency or any existing private industry of any mean-

ingful size anywhere in this country. Moreover, our contract provides, and has provided, for third-party intervention concerning individual grievances and appeals as well as for the settlement of impasses at the national level between management and labor. We also provide for the use of arbiters in the interpretation of the contract and have offered to take our differences with the unions over local contract interpretation to arbitration from the very beginning. The Post Office Department has never yet rejected the recommendation of an outside third party, either on an individual grievance case or on impassed items. The Post Office Department feels that there are many things that could and should be improved about our labor relations, but many of these would require changes in the existing Executive order. President Johnson has appointed a task force under Secretary Wirtz, which has now completed its work, to make recommendations along this line. I firmly hope that many of the suggestions that were made by us to the task force will be adopted, but I am absolutely convinced of the basic soundness of Executive Order 10988 and the policy which it has established in our Government.

#### APPEALS PROCEDURES

I was very encouraged to hear one of our exclusively recognized postal organizations state before this committee that we have "one of the finest grievance and adverse action procedures existing anywhere today in or out of government." I, too, believe that.

In 1961, there was no such thing as a negotiated grievance procedure or a Board of Appeals and Review. Today, there is a three-man Board which, since its creation in 1962, has contained among its membership women, Negroes, Mexican Americans, and employees drawn from the ranks of organized labor.

This is the highest appellate body within the Post Office Department.

There is a negotiated grievance procedure, a comprehensive equal opportunity complaint procedure, and a detailed adverse action procedure which goes to the extraordinary extent of providing that an employee shall remain on the rolls of the Post Office Department until his case has been reviewed at the first appellate level, should he so appeal.

In the last fiscal year, 936 grievance appeals were received at the regional level. The employees' appeal was sustained in 28.7 percent of the decisions. Of the 225 cases appealed to and decided by our Board of Appeals and Review, the employee won approximately 20 percent of the cases. In the area of adverse action appeals, last fiscal year 2,254 were decided at the regional level. In 25 percent of these, the cases were either modified or reversed. Of the 392 adverse action appeals decided by the Board in Washington, 16 percent were modified or reversed. In both of these areas, you can readily see that this is a far cry from any "rubber stamping" of lower management level decisions which some have said we engage in.

The matter of timelag and the processing of actions at the appellate level is of great concern to me. This is principally caused by an acute shortage of staff and inability, because of personnel complements, to hire additional staff as well as the discontinuance of details ordered by congressional mandate.

Occasionally, some of the delay is due to the failure of employee organizations to appear as scheduled to represent the appellant. We have been making maximum effort to add ad hoc hearing officers at the regional level, additional appeal examiners here in Washington, and to provide specialized training for those so appointed. As confidence in the Board has grown, the number of cases being appealed to the Civil Service Commission has diminished while our workload has increased. However, this seems now to have stabilized over the last 3 years. While some supervisors may complain about the procedural aspects of the appeals system, those procedures are carefully designed to protect the rights of all employees, including supervisors who also appeal. Our job is to assure that our management officials are fully knowledgeable of the procedural requirements and that they apply these procedures fairly and equitably in administering discipline.

I include herewith a table showing the appeals received in all categories by our Board over the last 6 years.

Mr. NIX. The table will be included in the record, without objection.

Mr. MURPHY. Thank you, Mr. Chairman.

(The table follows:)

APPEALS RECEIVED BY DEPARTMENT'S BOARD OF APPEALS AND REVIEW

Fiscal year	Post Office employment	Adverse actions	Grievances	Equal employment opportunity	Total
1963.....	587,161	247	162	138	597
1964.....	585,313	333	283	202	818
1965.....	595,512	449	162	204	815
1966.....	675,423	462	226	319	1,007
1967.....	716,603	489	246	308	1,043
1968 (May).....	710,619	562	254	332	1,148

Mr. MURPHY. I am proud of the record of our incentive awards program since 1961. Suggestions proposed by employees have risen from 58,510 in that year to almost 210,000 in fiscal year 1967, and fiscal 1968 will be even larger. Suggestions adopted have increased from 9,340 in fiscal 1961 to over 50,000 in fiscal 1967, with amounts of awards increasing correspondingly from \$109,000 in fiscal 1961 to more than \$767,000 in fiscal 1967.

Moreover, increasing recognition has been given to the superior performance of employees through cash awards. In fiscal 1961, 2,500 superior accomplishment awards, having a cash value of \$91,000, were given to employees. For the first 10 months of this year alone, more than 9,600 awards have been made for a cash value of over \$2 million. In 1961, there was no such thing as a quality step increase in an employee's pay. For the first 11 months of this fiscal year, the Department has awarded 4,171 quality step increases of which 3,335, or 80 percent, were to employees in level 6 or below.

#### COMMENTS ON SPECIFIC QUESTIONS RAISED DURING HEARING

So much for the general record of what has been done to try to improve employee morale since 1961, Mr. Chairman. With your permission, sir, I should like very briefly to mention just a few of the points that were made by various employee witnesses during the testimony.

(1) There were certain comments made regarding lack of training for right-hand-drive vehicles. Our field training report shows that for the first three quarters of fiscal 1968 there are about 14,000 employees who have received approximately 49,000 hours of instruction on right-hand-drive vehicles. This is part of a 16-hour training course. The 16 hours can be reduced if previous driver training, experience, or skill indicates that the driver can operate the vehicle safely. The Department continues to be responsive to the special training needs generated by mechanization. Employees assigned to operate letter sorter machines, parcel sorters, facer-cancelers, and other equipment, are provided specific and detailed instruction. For example, during the first three quarters of fiscal 1968, 4,000 employees received approximately 400,000 hours of training for the letter sorter operation. For the same three quarters, 6,000 other employees received approximately 33,000 hours of instruction on other elements of machanization.

(2) Allegation was made that there is discrimination against senior employees. Among 10 cities and five regions, I have collected information which I believe represents a true sample of our promotion experience by age group. Of 202 employees promoted from the supervisory examination registers, 27 percent were 49 years of age or older.

One of the complaints we get is that it takes so long for a person to be promoted within the Post Office Department. Because we are one of the few agencies that gives credit for total postal service, generally speaking it is the senior or middle-aged person that gets the preference.

(3) There was much critical comment regarding the career development program, especially from the supervisors. Since last fall, we have been trying to place the promotion policies of the Post Office Department on the same footing as any other agency of the Federal Government or any well-run business. We have been operating on a pilot basis in the Seattle region a plan for the promotion of firstline supervisors to higher level supervisory positions. This plan provides for selection of supervisors on a regionwide basis rather than limiting promotions to those supervisors solely within local post offices where vacancies occur. The design of the plan stresses voluntary participation, objectivity, and full communication with participants. To assure objectivity in the evaluation of candidates, a selection advisory board aids the postmaster by screening individuals and recommending five. The postmaster retains final authority to make selection from among those candidates. We are presently making an evaluation of our experience in the region before deciding whether or not the plan should be extended to other regions.

(4) There was a great deal of criticism regarding the hourly rate regular program which has been installed on a very limited basis, mainly in New England post offices. I would like to discredit any suggestion that our hourly rate regular program involves the hiring of part-time employees to the detriment of others within the postal service. Our regulations require that before an hourly rate job is established the local management must be sure that career substitutes will normally average 40 hours of work a week. Full-time regulars, of course, are guaranteed 40 hours. We instituted the hourly rate regular program to meet a very real need in many offices for clerks, carriers, and mail handlers to work on a regular schedule but for less than the full 40 hours a week. Our goal was to stabilize the work force and to reduce the high turnover.

These employees are regularly scheduled and meet regular performance requirements. They take the regular civil service examinations and receive career appointments. Our national labor agreement provides that all the provisions of the agreement are applicable to hourly rate regular employees except that they are considered in a separate category. Career regular employees are given an opportunity for reassignment to the 20-hour regular rate jobs before the job is filled from the civil service register. As of last month, the total number of hourly rate regular employees was 3,586. We have found the program successful in meeting peak hour workload requirements in some of our offices and look forward to its extension in other offices.

(5) The allegation has been made that the bidding system encourages favoritism. This claim is incomprehensible to me. The bidding system is an integral part of the national agreement. It reflects, on one hand, the desires of the unions to establish seniority as the basis for filling nonsupervisory craft vacancies. On the other hand, it represents postal management's relinquishment of a portion of its right to assign personnel in accordance with the needs of the service. The bidding system is strong evidence of management's desire to cooperate with postal workers and their organizations. The basic premise of the bidding system is that within certain crafts there are positions which are more desirable than others for such valid reasons as tour, location, route, and heaviness of workload. When a vacancy occurs, bids are solicited from all employees in that craft. Selection is made on the basis of seniority alone from all those candidates who met the minimum qualifications for the vacant position. These qualifications are established by the Civil Service Commission. They are not weighted in behalf of a specific individual's qualifications or experience. Since the senior qualified must be selected, there is no opportunity for a supervisor to exercise prejudice or discrimination. In nonsupervisory, technical, and administrative positions, the selection is made of the best qualified and seniority is not the deciding factor. Here, management exercises its right of selection to be sure that the position is filled by the employee that can do the best job.

In summary, we have agreed to the principle of "senior qualified" when the vacancy to be filled requires no more skill or experience than normally held by workers in the craft. We insist on the principle of "best qualified" when the position to be filled requires skills or experience not normally found among workers in the craft.

(6) A great deal of reference has been made during these hearings to alleged antiunion instruction in labor relations which was given by our management officials to our postmasters at the University of Oklahoma. In this regard, I believe it is interesting to consider the backgrounds of those persons who developed this training material and who did the actual teaching. Two of the university professors have been very active in conducting seminars for union officers. In fact, they taught the Fed clerk representatives before and after the Department conference. An attorney who taught the techniques of bargaining and the philosophy of dealing with labor organizations has, as his main clients, strong AFL-CIO unions.

Of the departmental, regional, and local officials involved, five have extensive backgrounds as union representatives in private industry and/or public employment. Another, not only represented unions, but

taught postal union officials at the university level. Others have been active in postal organizations prior to being appointed to their present management positions and the chief instructor, my former deputy, is now a high-ranking official of the sixth largest labor union in the AFL-CIO.

Insofar as our bargaining team is concerned, Mr. Ingrassia is a labor relations expert and a permanent member of that team, a former negotiator of the Newspaper Guild in Wisconsin. Mr. Dixon is a former member of postal organizations in the Post Office Department. Mr. Lapenta was a former vice president of the AFL-CIO of Delaware and head of COPE in Delaware. Postmaster Swartz, who was the postmaster representative of the team, is a former local officer of the Communications Workers of America in the State of Michigan. Therefore I really find it extremely difficult to believe some of the charges leveled against the people on the negotiating team and that they and the teaching staff at the University of Oklahoma are really antiunion.

#### CONCLUSION

Mr. Chairman, this has been a long statement and I am most grateful for your attention. I have attempted to present as brief a summary as possible of some of the principal actions taken by management to try to improve employee morale during the past 7½ years. I have also attempted to comment on some of the specific points raised during the hearings. I have said that any assessment of the morale situation should be balanced, and I want it clearly understood that I think there are many things in the postal service which are in need of improvement. These include our facilities, our senior supervisory promotional system, our job classification, the provision of more supervisory opportunities for rank and file employees such as literally hundreds of new level 5 and 6 jobs created in the Post Office Department during the last several years, changes in our labor relations program to give greater equity on both sides—we have testified extensively as to changes which we think are desirable in this program—improvement in our equal employment opportunity posture, especially at the senior supervisory level, as well as a continued expansion of our training programs and greater stability in the scheduling of our work force and their hours of employment.

This is long overdue. Mr. McMillan has been working assiduously on this and we are making progress, but we still have a way to go, in my estimation. I think scheduling is the No. 1 problem in the postal service.

Our suggestion program, while excellent, can be substantially improved. We should be giving more awards than we are now giving, in my judgment. Our employees are very much in need of much more mechanization in order to increase efficiency and to better help them do the job. Supervisors have to be made much more a part of management and I hope they desire to be made more a part of management, and case backlogs should be materially cut down.

But we must realize that, in all of these things, we must operate in the world of the possible and we must recognize that many of the things which are complained about or which impede our progress here, Congress itself is involved in. Lack of funds is responsible for a

great many of the things complained about. Lack of personnel is greatly responsible and the very novelty and extent of the tremendous number of innovations introduced in the past several years also produces some of its own problems of adjustment.

So, I say our progress has been good, even phenomenal, when judged by any past standard of performance in any comparable period of time, but there is still a good way to go. And with the assistance of "affirmative discontent" and the assistance and suggestions of our employee organizations—I might add with the assistance and cooperation of the Congress of the United States and particularly this committee—I am sure that the postal service, in the years ahead, will continue to make steady progress in the area of personnel administration.

Thank you very much, sir.

Mr. NIX. I want to thank you very much for a completely lucid and highly informative statement.

Mr. MURPHY. Thank you, sir.

Mr. NIX. Strangely enough, I had a series of questions that came into being as a result of the testimony that we received. I am in the position of a jury after having heard an extraordinary presentation by the attorney for the defense, and the jury is left with its final function of going out and reaching a decision and it does not have to ask the judge to give additional instructions on any point.

I think all of the questions have been met and the position of management has been clearly set forth on all of the issues that have been raised during all of the hearings. That being true, I forgo the right to ask any questions at all.

I want to say to you that I am deeply appreciative to all of you. You are always welcome. You have always made notable contributions and, more importantly to me, you have always met the issue head on. That is what I like. That is the way the record should be in order for the members of this committee, or any other committee for that matter, to intelligently deal with any issue that has arisen.

I thank you.

That will conclude our hearings.

Mr. MURPHY. Thank you very much, sir.

Mr. NIX. The subcommittee will be adjourned.

(Whereupon, at 11 a.m., the subcommittee adjourned.)

