

Y 4 . P 84/10 : 93-13

1022

93/4
P84/10
93-13

CONSULTATIVE RECOGNITION FOR POSTAL SUPERVISORS

GOVERNMENT

Storage

DOCUMENTS

CT 3 1973

THE KANSAS STATE UNIVERSITY

HEARING

BEFORE THE

SELECT COMMITTEE ON POSTAL FACILITIES,
AND LABOR MANAGEMENT

OF THE

COMMITTEE ON
POST OFFICE AND CIVIL SERVICE

HOUSE OF REPRESENTATIVES

NINETY-THIRD CONGRESS

FIRST SESSION

ON

H.R. 7202

A BILL TO ESTABLISH AN ARBITRATION BOARD TO SETTLE
DISPUTES BETWEEN SUPERVISORY ORGANIZATIONS
AND THE U.S. POSTAL SERVICE

JUNE 19, 1973

Serial No. 93-13

Printed for the use of the
Committee on Post Office and Civil Service



U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1973

99-500 O

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION



COMMITTEE ON POST OFFICE AND CIVIL SERVICE

THADDEUS J. DULSKI, New York, *Chairman*

DAVID N. HENDERSON, North Carolina, *Vice Chairman*

MORRIS K. UDALL, Arizona
DOMINICK V. DANIELS, New Jersey
ROBERT N. C. NIX, Pennsylvania
JAMES M. HANLEY, New York
CHARLES H. WILSON, California
JEROME R. WALDIE, California
RICHARD C. WHITE, Texas
WILLIAM D. FORD, Michigan
FRANK J. BRASCO, New York
WILLIAM (BILL) CLAY, Missouri
PATRICIA SCHROEDER, Colorado
JOHN JOSEPH MOAKLEY, Massachusetts
WILLIAM LEHMAN, Florida

H. R. GROSS, Iowa
EDWARD J. DERWINSKI, Illinois
ALBERT W. JOHNSON, Pennsylvania
LAWRENCE J. HOGAN, Maryland
JOHN H. ROUSSELOT, California
ELWOOD HILLIS, Indiana
WALTER E. POWELL, Ohio
RICHARD W. MALLARY, Vermont
ANDREW J. HINSHAW, California
L. A. (SKIP) BAFALIS, Florida

JOHN H. MARTINY, *Chief Counsel*

VICTOR C. SMIROLODO, *Staff Director and Counsel*

WILLIAM A. IRVINE, *Assistant Staff Director*

THEODORE J. KAZY, *Senior Staff Assistant*

ROBERT E. LOCKHART, *Assistant Counsel*

ROY C. MESKER, *Staff Assistant*

FRANCIS C. FORTUNE, *Coordinator*

RALPH J. DEVLIN, *Staff Assistant*

SUBCOMMITTEE ON POSTAL FACILITIES, MAIL, AND LABOR MANAGEMENT

CHARLES H. WILSON, California, *Chairman*

ROBERT N. C. NIX, Pennsylvania
JEROME R. WALDIE, California
WILLIAM (BILL) CLAY, Missouri
PATRICIA SCHROEDER, Colorado

ELWOOD HILLIS, Indiana
JOHN H. ROUSSELOT, California
WALTER E. POWELL, Ohio

Ex Officio Voting Members

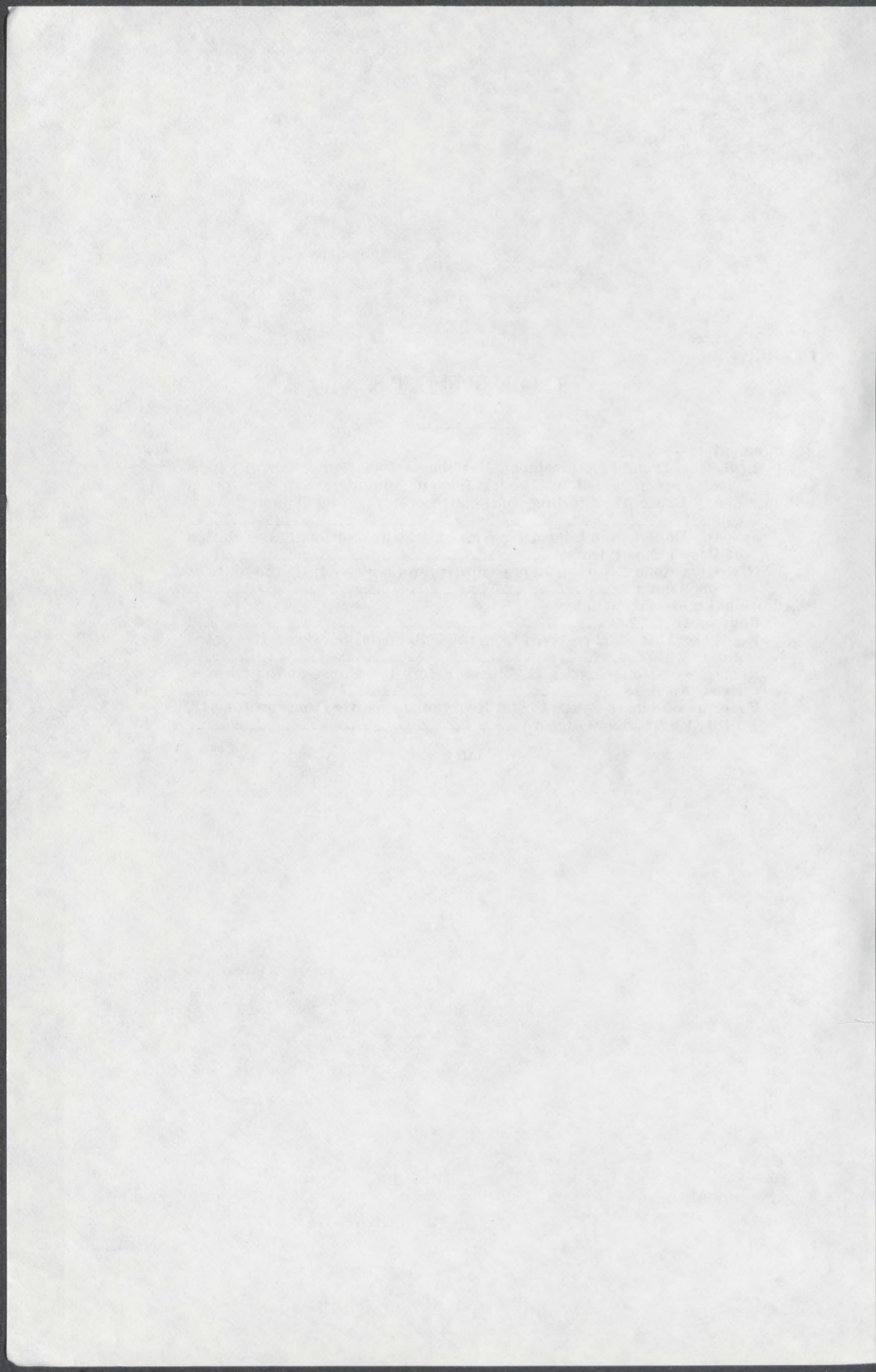
THADDEUS J. DULSKI, New York

H. R. GROSS, Iowa

GEORGE B. GOULD, *Staff Assistant*, Room 122, Cannon Building—Ext. 53718

CONTENTS

	<i>Page</i>
Statement of—	
Ledbetter, Donald N., president, National Association of Postal Supervisors, accompanied by Daniel Jaspan, administrative vice president; Bruce W. Sterling, national secretary; and Timothy May, counsel	16
Jaspan, Daniel, administrative vice president, National Association of Postal Supervisors	23
Nix, Hon. Robert N. C., a Representative in Congress from the State of Pennsylvania	30
Additional material included—	
Copy of H.R. 7202	3
Report on H.R. 7202 received from the U.S. Postal Service, letter dated June 18, 1973	7
Remarks of Hon. Charles H. Wilson before the House of Representatives, April 18, 1973	44
Excerpts of debate on the Postal Reorganization Act from the June 18, 1970 Congressional Record	45



CONSULTATIVE RECOGNITION FOR POSTAL SUPERVISORS

TUESDAY, JUNE 19, 1973

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON POSTAL FACILITIES,
MAIL, AND LABOR MANAGEMENT,
OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The committee met at 10 a.m., in room 345, Cannon House Office Building, Hon. Charles H. Wilson (chairman of the subcommittee) presiding.

Mr. WILSON. The subcommittee will come to order. I want to, of course, welcome all of you here. We had an opportunity to visit a short time ago, and we have a fine representative group here of the postal supervisors from all over the country.

Before we do start, I would like to introduce the members of the committee who are here. On my left from St. Louis, Mo., is Mr. Bill Clay; and next to Mr. Clay is the very lovely young lady who is with us from Colorado, from Denver, Mrs. Pat Schroeder. Who is here from Colorado?

There are a few people here from Colorado.

Next to Mrs. Schroeder is Mr. Moakley from Boston, Mass. The New England delegation is here, I'm sure. And next to Mr. Moakley is Mr. Jim Hanley of New York who chairs the very important Subcommittee on Postal Service.

Mr. Hanley has to leave and would like to say a few words.

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

I appreciate the nice introduction; and, ladies and gentlemen, I only regret that I cannot stay for the duration of your hearing this morning.

I again regret my absence from your breakfast this morning. I had another commitment, a longstanding one, which prevented my being with you earlier this morning.

Very simply put, I just want to say that I well recall the conditions that we understood and agreed upon prior to the Postal Reform Act insofar as supervisors are concerned. Unfortunately, you don't behold what has happened in the interim where these conditions have not been met with.

Therefore, it is a great pleasure to join with Chairman Charlie Wilson in this legislative overture which I am sure will meet with the approval of the House and hopefully the Senate, and then the conditions that you had anticipated will then be mandated.

So, speaking for myself, I assure you of my continued interest and

efforts and only wish that I could hang in to hear the testimony of your great team here.

Be assured that I will read it. With that, have a great day and I thank you, Chairman Wilson.

Mr. WILSON. We are especially happy, of course, to have the representatives of the postal supervisors organization here with us. The only testimony today will be from the National Association of Postal Supervisors. If necessary we will hold a subsequent meeting if other people are interested in testifying on this legislation.

The Postal Service has filed a letter of opposition, but they may want to come in personally to testify at a later date. At this point, without objection, I will insert the USPS letter on H.R. 7202, along with a copy of the bill.

[The material follows:]

93^D CONGRESS
1ST SESSION

H. R. 7202

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 1973

MR. CHARLES H. WILSON of California introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To establish an arbitration board to settle disputes between supervisory organizations and the United States Postal Service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That part II, chapter 10, section 1004 of the Postal Reorga-
4 nization Act is amended by the addition of the following
5 subsections (c) and (d):

6 “(c) If the Postal Service and a supervisory organiza-
7 tion representing a majority of supervisors, as such terms are
8 used in subsection (b) above, are unable to agree upon a
9 program for consultation or a plan for participating directly
10 in the planning and development of pay policies and sched-

1 ules, fringe benefit programs, and other programs relating to
2 supervisory employees, the dispute shall be referred to an
3 arbitration board in accordance with the provisions of sub-
4 section (d) below. Further, if said supervisory organization
5 is unable to reach agreement with the Postal Service with
6 respect to pay policies and schedules, fringe benefit programs,
7 and other programs relating to supervisory employees after
8 participating directly in the planning and development
9 thereof, the dispute shall be referred to an arbitration board
10 in accordance with the provisions of subsection (d) below:
11 *Provided*, That only those disputes concerning said policies
12 which affect all or a substantial portion of supervisory per-
13 sonnel on a long-term or permanent basis can be referred
14 to arbitration. In the event that the Postal Service and the
15 supervisory organization are unable to agree upon whether
16 or not a particular issue is eligible to be referred to arbitra-
17 tion, that issue shall first be referred to arbitration in accord-
18 ance with the provisions of subsection (d) below. The
19 supervisory organization recognized pursuant to subsection
20 (b) above, shall have the exclusive right to invoke the
21 arbitration provisions of subsection (d) on behalf of super-
22 visory employees.

23 “(d) (1) The arbitration board shall consist of three
24 members, one of whom shall be selected by the Postal Serv-
25 ice, one by the recognized organization of supervisory per-

1 sonnel, and the third by the two thus selected. If either of
2 the parties fails to select a member, or if the member chosen
3 by the parties fails to agree on the third person within five
4 days after their first meeting, the selection shall be made by
5 the Director of the Federal Mediation and Conciliation
6 Service.

7 “(2) The arbitration board shall give the parties a full
8 and fair hearing, including an opportunity to present evidence
9 in support of their claims, and an opportunity to present their
10 case in person, by counsel, or by other representative as they
11 may elect. Decisions of the arbitration board shall be con-
12 clusive and binding upon the parties. The arbitration board
13 shall render its decision within forty-five days after its
14 appointment.

15 “(3) Costs of the arbitration board shall be shared
16 equally by the Postal Service and the organization of super-
17 visory personnel.”

SUMMARY OF H.R. 7202

CONSULTIVE RECOGNITION FOR POSTAL SUPERVISORS

Sponsored by Congressman Charles H. Wilson

H.R. 7202 amends Section 1004 of Title 39, United States Code, by adding two new subsections (c) and (d).

Subsection (c) provides that if the Postal Service and a supervisory organization representing a majority of supervisors are unable to agree upon a program for consultation relating to supervisory employees, the dispute shall be referred to an arbitration board.

Subsection (d) provides that the dispute referred to in subsection (c) shall be referred to an arbitration board consisting of three members, one of whom shall be selected by the Postal Service, one by the recognized organization of supervisory personnel, and the third by the two thus selected. If either of the parties fails to select a member, or if the members chosen by the parties fail to agree on the third person within five days after their first meeting, the selection shall be made by the Director of the Federal Mediation and Conciliation Service.

Decisions of the arbitration board shall be conclusive and binding upon the parties. The arbitration board shall render its decision within forty-five days after the dispute is presented.

The cost of the arbitration board shall be shared equally by the Postal Service and the organization of the supervisory personnel.



LAW DEPARTMENT

Washington, DC 20260

June 18, 1973

Dear Mr. Chairman:

This is in response to your request for the views of the Postal Service on H. R. 7202, which would add two new subsections to section 1004 of Title 39, the law presently covering the Postal Service's relationship with managerial and supervisory organizations.

Currently, section 1004(b) directs the Postal Service to provide a program for consultation with recognized organizations of supervisory and managerial personnel who are not subject to collective bargaining agreements. It also entitles the organization representing a majority of postal supervisors to participate directly in the planning and development of pay policies and schedules, fringe benefits, and other programs relating to its members. In fulfilling its obligations under section 1004(b), the Postal Service must provide information on proposed programs to the organization, and provide opportunities for discussion, with a concomitant exchange of ideas. The organization must have a reasonable opportunity to analyze, understand, and criticize the features of proposed programs, and the Postal Service must consider any changes recommended by the organization.

H. R. 7202 would permit arbitration of a number of different types of disputes between the Postal Service and the organization representing a majority of supervisors. The Postal Service and the organization would go to arbitration if they could not agree upon a program for consultation or a plan for participating directly in the planning and development of programs relating to supervisors. They would also proceed to arbitration if the organization did not agree with the final form of a

program after participating directly in the planning and development thereof. They would arbitrate the question of whether a particular subject should be referred to arbitration. The supervisors' organization would have the exclusive right to invoke the arbitration provisions on behalf of supervisory personnel.

H.R. 7202 provides for a three-man arbitration board, with one member selected by the Postal Service, one member selected by the supervisory organization, and the third member selected by the other two. In the event either party fails to select a member, or the two selected members fail to agree on a third, the Director of the Federal Mediation and Conciliation Service would fill such vacancies. After giving both parties a full and fair hearing, the arbitration board would issue a conclusive and binding decision.

The Postal Service does not favor or support H.R. 7202 because it enunciates a principle of managerial collective representation which barely falls short of full collective bargaining. Such a concept flies in the face of existing practice in the private sector and would establish a favored status for one part of the Service's management. This is not conducive to good management or a credible labor-management relations program.

In the private sector of the economy, the situation is encompassed by section 14(a) of the Labor-Management Relations Act of 1947, 29 U.S.C. §164(a), which states:

Nothing herein shall prohibit an individual employed as a supervisor from becoming or remaining a member of a labor organization, but no employer subject to this Act shall be compelled to deem individuals defined herein as supervisors as employees for the purpose of any law, either national or local, relating to collective bargaining.

The legislative history of this provision indicates that Congress passed it as remedial legislation to remove supervisory employees from the compulsory bargaining provisions of the National Labor Relations Act of 1935. As explained in House Report No. 245, 80th Congress, 1st Session (1947) at page 13, Congress passed the N. L. R. A. out of concern for the welfare of "workers" and "wage earners", and not of the

boss. "It was to protect workers and their unions against foremen, not to unionize foremen, that Congress passed the act." However, when the N. L. R. B., after several shifts in position, regularly began to grant certification to bargaining units of supervisory employees, Congress realized the necessity for changes in the law. The House Committee on Education and Labor explained the need for remedial legislation in terms of the fear that collective bargaining by supervisors would destroy their effectiveness in dealing with the rank-and-file. The Committee stated:

The evidence before the committee shows clearly that unionizing supervisors under the Labor Act is inconsistent with the purpose of the act to increase output of goods that move in the stream of commerce, and thus to increase its flow. It is inconsistent with the policy of Congress to assure to workers freedom from domination or control by their supervisors in their organizing and bargaining activities. It is inconsistent with our policy to protect the rights of employers; they, as well as workers, are entitled to loyal representatives in the plants, but when the foremen unionize, even in a union that claims to be "independent" of the union of the rank and file, they are subject to influence and control by the rank and file union, and, instead of their bossing the rank and file, the rank and file bosses them. . . .

If management is to be free to manage American industry as in the past and to produce the goals on which depends our strength in war and our standard of living always, then Congress must exclude foremen from the operation of the Labor Act, not only when they organize into unions of the rank and file and into unions affiliated with those of the rank and file, but also when they organize into unions that claim to be independent of the unions of the rank and file.

H. R. Rep. No. 245, 80th Cong., 1st Sess. 14-15 (1947).

The Committee further pointed out, at page 16, that just as labor needed to have its spokesmen, there must be "in management and loyal to it persons not subject to influence or control of unions, not only to assign people to their work, to see that they keep at their

work and do it well, to correct them when they are at fault, and to settle their complaints and grievances, but to determine how much work employees should do, what pay they should receive for it, and to carry on the whole of labor relations." These statements were echoed by the Senate Committee on Labor and Public Welfare in its report on the legislation, Senate Report No. 105, 80th Congress, 1st Session.

Similarly, in Government labor relations, the practice has been to treat supervisory personnel as a part of management, with no collective bargaining rights. Executive Order 11491, filed October 29, 1969, establishes special intra-management consultation rights for supervisors in section 7(e). It states:

An agency shall establish a system for intra-management communication and consultation with its supervisors or associations of supervisors. These communications and consultations shall have as their purposes the improvement of agency operations, the improvement of working conditions of supervisors, the exchange of information, the improvement of managerial effectiveness, and the establishment of policies that best serve the public interest in accomplishing the mission of the agency.

Moreover, Section 24 of the Order provided that except for agreements previously in force, by December 31, 1970, all supervisors should be excluded from units based on formal and exclusive recognition and from coverage by negotiated agreements. Thus, the recent trend in Government employee relations has been to incorporate supervisory personnel into the decision-making process as part of management.

In the Postal Reorganization Act, the Congress adhered to the view of supervisory employees already firmly established in both the private and public sectors of the economy. The Postal Reorganization Act does not classify postal supervisors as another segment of the rank-and-file. On the contrary, the Act commands that postal supervisors are to be a part of management, and accords them treatment in keeping with that status. Section 1004(a) of title 39 not only refers repeatedly to "supervisory and other managerial personnel", but commands the Postal Service to provide compensation, working conditions, and career opportunities that will attract and retain qualified supervisors. In recognition

of the vital role of supervisors in primary level management, the Act instructs the Postal Service to promote their leadership status with respect to rank-and-file employees, and to maintain adequate and reasonable differentials in rates of pay between ordinary employees and supervisory personnel.

The Postal Service agrees with the Congressional decision that postal supervisors are an integral part of management and not another part of the line work force. We firmly believe that this approach is essential to effective postal operations. Postal supervisors handle the all-important job of scheduling mail operations, making sure that the different segments of the line work force are doing the proper jobs at the proper time. Whether the mail moves in the most efficient manner, or whether it moves at all, hinges on the training, the skill, and the leadership ability of postal supervisors. The effectiveness of these indispensable personnel would be seriously compromised if the workers under their direction did not consistently identify them as managers rather than as fellow members of the rank-and-file. Even more important, the supervisors themselves must identify with management. Indeed, they must recognize that they have managerial responsibilities which are similar to the responsibilities of the most senior Postal Service officials, though perhaps different in degree. Because supervisors are a part of management, they should be and are accorded management-level pay. It would be inconsistent with their management status to permit supervisors to have what would amount to collective bargaining rights and compulsory interest arbitration; these are concepts more properly associated with rank-and-file employees.

It is even more important today than it was when the Postal Reorganization legislation was enacted several years ago that supervisors be treated as managers in all respects. In the intervening period, the Postal Service has gone forward with a program of operational decentralization designed to give line managers the authority they need to fulfill their mission, and to hold them accountable for their performance. A dramatic example of the meaning of this process, in practical terms, is the current program of Management Conferences of Improving Service. Under this program, just this past week District Managers arranged for, and held, simultaneous conferences in District cities throughout the nation. Participants in each conference group included a minimum of one-fifth of the supervisors in the district. These supervisors were chosen on a random basis, except that a representative cross section of all supervisors was required. The Postmaster General attended one of the

district meetings, and each Regional Postmaster General attended one of the district meetings in his region. During the first day of the conferences, supervisor work groups of 8 to 12 people specified problems and recommendations related to improving service. Questions concerning regional and national policy were forwarded to Regional Postmasters General and, where necessary, to the Postmaster General. On the morning of the second day of the conferences, District Managers at each meeting responded to the recommendations. That afternoon, the Postmaster General responded directly to supervisor recommendations on national matters via live audio hookup to all district conference participants and to additional supervisors and postmasters in certain designated post offices.

Our current plans call for similar Sectional Center Conferences and workshops between now and August 1, 1973. These Conferences will involve four-fifths of the supervisors and all postmasters not involved with city delivery.

The foregoing graphically illustrates the manner in which, and the extent to which, the Postal Service is seeking to involve all supervisors in managerial decision-making, even as to matters of national policy. The proposed bill, in our opinion, would undercut the Postal Service's objectives in this regard. Instead of a cohesive and unified management structure working single-mindedly towards the aim of improving service to the public and improving the efficiency of postal operations, the bill would tend to create a bifurcated management with divided and conflicting loyalties.

Moreover, in a general sense, H.R. 7202 would undermine the best principles of labor-management relations in public and private employment by, in effect, granting collective-bargaining rights to postal supervisors. Although the bill speaks in terms of arbitration, it would essentially make the supervisors' organization into the exclusive bargaining union of all postal supervisors. Under this bill, the supervisors' organization would not only retain its present right to participate directly in the planning and development of programs relating to supervisory personnel, including rates of pay, it would also be able to force binding arbitration on points of disagreement between itself and top management. This is a blueprint for an exclusive bargaining stance of which the postal craft unions might well be envious. The supervisors' organization could participate at the management level in formulating employment programs affecting its members, and then

it could switch hats, so to speak, and engage in bargaining with the Postal Service over whether or not those programs should be adopted.

Ultimately, as pointed out by past national experience with collective bargaining by units of supervisors, the provisions of H.R. 7202 would destroy the effectiveness of postal supervisors in dealing with the personnel under their direction. With the front line of management thus substantially undermined, the conduct of day-to-day operations could become chaotic.

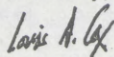
Private business experience indicates that all the echelons of management must function as a unit to formulate and implement effective policy decisions. H.R. 7202, however, would give the supervisors' organization opportunities to delay or even destroy programs and policies with which it did not agree. For example, the organization could conceivably force as many as three consecutive rounds of arbitration on a single item of postal policy -- one round to establish a program for consultation, another to decide whether an issue could be arbitrated, and a final round to settle the issue itself. The supervisors' organization could utilize successive rounds of arbitration to delay the implementation of even the most basic management decisions, to a degree that it would no longer be worthwhile to put them into effect.

As a summary of our position on this bill, I would like to quote from a statement made by one of your colleagues before the Committee of the whole House on June 18, 1970, when the House had before it H.R. 17070, the bill which later became the Postal Reorganization Act. As reported from Committee, the bill contained a provision for arbitration of disputes between the supervisors' organization and the Postal Service. That arbitration provision was not nearly so strong as the one contained in H.R. 7202. It limited arbitration to matters other than rates of pay, and permitted the Postmaster General to refuse to implement decisions of the arbitration board that would be "contrary to the efficiency and the good operation of the Postal Service." However, the House struck even that provision from the bill and replaced it with language similar to that contained in the present law. The reasons for the action were stated as follows:

Mr. Chairman, this amendment corrects a very serious mistake in the bill as reported out of committee. Subsections 208(b) through (e) of the bill come very close to requiring collective bargaining, in effect, between postal supervisors on the one hand and top management of the postal service on the other. Such a requirement flies in the face of almost all labor relations experience and judgment in the non-Government sector. . . . Worst of all, it contradicts and might even foredoom to failure what is perhaps the most important single purpose of this historic postal reform legislation -- that is, to provide for truly effective management in the postal service. If the postal service is to be managed well, it must be understood by all concerned that supervisors are a highly important -- in some ways the most important -- part of effective management. And the success of the new organization turns in no small part on their being recognized as such. It would be seriously, if not fatally damaging to this concept to require the postal service to negotiate what would amount to a collective bargaining agreement with a supervisors' organization because the negotiation process would tend to polarize the interests of the supervisors and those of higher echelons, instead of bringing them together. (116 Congressional Record 20440-20441).

That statement is as valid today as it was in 1970. We opposed the enactment of the arbitration provision in 1970, and we are even more strongly opposed to the more far reaching provisions of H.R. 7202.

Sincerely,



Louis A. Cox
General Counsel

Honorable Thaddeus J. Dulski
Chairman, Committee on Post
Office and Civil Service
House of Representatives
Washington, D.C. 20515

Mr. WILSON. It appears to be the policy of the U.S. Postal Service to interpret the law in a very self-serving manner causing me on a number of occasions to call on them to respect the spirit of the law as well as the letter of the law. An example of the Service's inconsistent interpretation of the law is my subcommittee's recent hearing on the Occupational Safety and Health Act of 1970 and its application to the U.S. Postal Service. Testimony brought out the fact that the USPS chose to interpret the application of the act to suit their own desires. When it is convenient, they claim they are in the private sector and when to their advantage, they claim they are a Federal agency.

A second example is the U.S. Postal Service's dealings with Congress in which they have been evasive and have tried to conceal facts regarding such matters as the facilities building program, construction awards, and the letting of contracts such as the now infamous Westinghouse personnel evaluation.

The members of the Post Office and Civil Service Committee anticipated to a certain extent an indifferent attitude toward Congress rising from the new independence of the postal corporation. I was personally concerned, a concern that proved prophetic, that the postal managers would not be accountable to anyone.

Because of this concern, we wrote some protective measures into the Postal Reorganization Act. One of these areas dealt with our realization that there was a need to protect the National Association of Postal Supervisors which represents more than 90 percent of the supervisors in the Service. Therefore, Congress included in Public Law 91-375, the Postal Reorganization Act, a provision that gave the supervisors organization consultative rights on planning and development of pay policies and schedules, fringe benefit programs, and other programs relating to supervisory and other managerial employees.

Unfortunately, the law did not provide any recourse if the U.S. Postal Service did not comply with this provision and the U.S. Postal Service has ignored the law. The USPS idea of consultation is to make a decision and then inform the National Association of Postal Supervisors of the results of the decision.

Because of this event, I decided that there must be a stronger provision in the law. And, after consulting with your national officer, I introduced my bill, H.R. 7202, that would amend the postal law to permit the association of postal supervisors to seek arbitration by a three-man arbitration board in case of disputes concerning policies which affect all or a substantial portion of supervisory personnel on a long term or permanent basis. There is no intent to bring any trivial matters before the arbitration board. Without such protection, the postal supervisors are at the complete mercy of the top management of the U.S. Postal Service and the provisions of the law approved by the 91st Congress on August 12, 1970, as Public Law 91-375, will continue to be flouted by the U.S. Postal Service.

Before introducing the representatives of the National Association of Postal Supervisors who will present testimony this morning, I would like to introduce Mr. Bob Nix of Philadelphia, who has just come in, a very distinguished senior member of the Post Office Civil Service Committee, Mr. Nix.

A very good friend of Indiana, Mr. Hillis, is with us; and you have met him before.

There may be other Members who have been with the committee—

Mr. MOAKLEY. Mr. Chairman?

Mr. WILSON. Mr. Moakley.

Mr. MOAKLEY. Mr. Chairman, I'd just like to say publicly before the committee and the supervisor attendants that I have read the bill and am completely in accord with the vote for H.R. 7202.

I have to attend a committee on export-import legislation this morning and I won't be able to stay, but I do go on record as favoring the bill.

Mr. WILSON. Thank you.

Mr. Don Ledbetter, president; Mr. Dan Jaspan, administrative vice president; and Mr. Bruce Sterling, national secretary of the National Association of Postal Supervisors.

Mr. Ledbetter, we're very happy to recognize you at this time. I believe you have a statement.

Mr. LEDBETTER. Thank you, Mr. Chairman.

Mr. WILSON. Before you start, I'd like to introduce another member who just arrived, a very distinguished Member from California, Mr. Rousselot.

Mr. Rousselot is very selective about the type of labor legislation he supports.

I think that he will give this legislation before us today very serious consideration.

Mr. ROUSSELOT. Charlie, I'm always impressed by anything you do.

Mr. WILSON. Mr. Ledbetter?

STATEMENT OF DONALD N. LEDBETTER, PRESIDENT, NATIONAL ASSOCIATION OF POSTAL SUPERVISORS; ACCOMPANIED BY DANIEL JASPAN, ADMINISTRATIVE VICE PRESIDENT; BRUCE W. STERLING, NATIONAL SECRETARY; AND TIMOTHY MAY, COUNSEL

Mr. LEDBETTER. Thank you, Mr. Chairman.

Mr. Chairman and members of the House Post Office and Civil Service Subcommittee on Postal Facilities, Mail, and Labor Management, my name is Donald N. Ledbetter. I am the president of the National Association of Postal Supervisors, composed of more than 32,500 of the approximately 34,000 supervisors in the postal field service, 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, air mail facilities, and all other mail handling installations in the field service. I am accompanied by administrative vice president Daniel Jaspan, national secretary Bruce W. Sterling and our counsel, Timothy May.

I am here today to speak in support of H.R. 7202 introduced by you, Mr. Chairman, and identical bills which would provide for binding arbitration of certain personnel policy disputes between the association, as the recognized representative of supervisory personnel of the Postal Service, and the U.S. Postal Service. In order to understand why the association now considers the enactment of this legislation to be required, it is necessary first to examine briefly the existing provisions of law covering the relationship between the Postal Service and the National Association of Postal Supervisors.

Section 1002 of the Postal Reorganization Act requires that the Postal Service "provide a program for consultation with supervisory organizations." It also entitles an organization which represents a majority of supervisors which, of course, we do, to "participate directly in the planning and development of pay policies and schedules, fringe benefit programs and other programs relating to supervisory and other managerial employees." This statutory language is a clear indication by the Congress that it viewed the postal supervisors as a group of employees in a partnership role with the Postal Service, but with interests as employees which were nevertheless clearly distinct from management. Therefore, a means for the unified presentation of supervisors' interests was required.

Congress chose to accomplish this neither by affording to the supervisors "collective bargaining" status, given to the craft unions, nor by simply affording the "consultation" rights which had been given to the supervisors prior to the enactment of the Postal Reorganization Act by Executive Order 11491. It chose, instead, to require that the supervisors be entitled actually to participate in the planning and development of personnel policies affecting them.

The original House version of the act used the phrase "consult directly." This was changed to "participate directly" by the Senate and the Senate language was ultimately adopted by the Congress. The Senate report explaining its choice of the term "participate" states as follows:

The Committee recommends that organizations of employees above the rank-and-file level be given a right to participate directly in the planning and development of pay policies and schedules, fringe benefit programs, and other programs applicable to their members.

The committee has weighed very carefully the difference between "participation" and "consultation" in the development of employment programs for supervisory and administrative employees. For employees who are truly part of management of the Government, the argument that consultation is all that is either necessary or desirable may have some validity; but employees in the lower levels of supervision or administration in the postal service are not sufficiently separated from the nature of employment of those whom they supervise to justify withholding from them some degree of active representation in the development of employment programs which affect and, in fact, control their livelihood. The supervisor on the workroom floor is an integral part of the postal delivery system. To deprive him of active voice through his chosen representatives in the development of programs affecting him would be unfair to him and not in the best interest of the Postal Service. We do define "participation" as meaning precisely that—to have a share in planning and developing the programs.

If the Postal Service had carried out the clear mandate of the Congress and permitted the supervisors to "participate directly in the planning and development" of personnel programs affecting them, it would not be necessary for us to request additional legislation. Unfortunately, however, the Postal Service has chosen to virtually ignore the requirements of the statutory provision. Instead of being in a position, which Congress intended, whereby supervisors would have greater and more precise rights than the consultation afforded under Executive Order 11491 prior to the establishment of an independent Postal Service, the rights of supervisors have been restricted. The Postal Service has apparently determined that the language of section 1004, requiring direct participation in the planning and development of personnel policies requires nothing more than informing supervisors of the decisions which have been made, and permitting comments thereon.

This is not simply an abstract problem. There are numerous instances in which NAPS has been denied its statutory right to participate directly in the planning and development of personnel policies, as will be detailed later in the testimony of Vice President Jaspán.

The most flagrant example of the Postal Service's disregard of the statutory mandate has been the inception and carrying out of the job evaluation program which has reclassified virtually all supervisory positions. This program has already been the subject of investigation by the Subcommittee on Investigations of the Committee on Post Office and Civil Service. In 1971, the subcommittee undertook an investigation of the contract between Westinghouse Electric Corp. and the U.S. Postal Service to carry out the job evaluation program. The subcommittee issued a report on the matter in October of 1971 which was severely critical of the letting of the contract and the qualifications of Westinghouse. The Department of Justice advised recently that the letting of the contract is still under investigation by the Federal Bureau of Investigation.

Mr. Chairman, if I can depart, I think they've been pretty busy with some other sort of investigation in recent months. That's probably the reason they haven't finished investigating the Westinghouse contract.

The important finding of the subcommittee for the purpose of our testimony today, however, is that it determined that in February of 1970, "a plan was developed for a job evaluation study." Two, further, the report and the appendices thereto establish that the Postal Service was prepared to proceed with the job evaluation program by the end of December 1970. Three, nevertheless, the National Association of Postal Supervisors was not advised of the program by the Postal Service until March 4, 1971. This advice was given at a brief meeting in which a very general statement about the nature of the job evaluation program was made. Thus, the important initial planning and development stages of the job evaluation program were completed prior to the National Association of Postal Supervisors even being told that the program was going to be carried out. This is a clear violation of what Congress intended by including in the statute the requirement that the supervisors be allowed to participate directly in the planning and development of personnel programs.

In the subsequent period to March 1971, the National Association of Postal Supervisors made efforts to participate in the job evaluation program in accordance with the congressional mandate. Unfortunately, these efforts met with no success. As a result, the association was compelled to initiate legal action in March of this year to attempt to prevent the program from being implemented. A suit was filed in the U.S. District Court for the District of Columbia seeking to achieve that result.

Unfortunately, the judge in the district court dismissed that suit and made a finding of law that the Postal Service had complied with the statutory mandate. We disagree with the district court's conclusions and the case has been appealed to the U.S. Court of Appeals. We believe that the district court has misinterpreted the law and that, upon review, it will be overturned by the court of appeals.

Nevertheless, by virtue of the fact that the court could make the findings of fact that it made and conclude that, as a matter of law,

the Postal Service had complied with the congressional mandate, it is manifestly clear that the law needs to be amended to clarify the role of the National Association of Postal Supervisors.

The facts surrounding the lawsuit and the nature of our disagreement with the district court's ruling are complicated and I do not believe that it would be useful to attempt to review them in detail here. I would, however, be pleased to submit to the subcommittee the briefs and affidavits which have been filed on behalf of the National Association of Postal Supervisors in that case which give considerable detail as to why we believe that the Postal Service has failed to comply with the statutory mandate.

Briefly, the district court found the preliminary planning for the JEP was begun in 1970; that a meeting was held in March of 1971 between Postal Service officials and the National Association of Postal Supervisors in which Postal Service officials outlined the goals and methods of the JEP; that no further meetings were held between the Postal Service and the NAPS until June of 1972; that four meetings were held in June of 1972 approximately one-half of the time of which was devoted to discussions of the JEP; and that certain meetings were held between the Postal Service and the National Association of Postal Supervisors between June 1972 and March 1973 when the program was implemented, with the approval by the Pay Board.

We have certain disagreements with the findings of fact of the court. More importantly, however, we disagree with the conclusions of law of the court with respect to this matter, for, despite the findings of fact outlined briefly above, the court found as a matter of law that:

The requirement of Section 1004(b) as to participation in any program relating to supervisory and other managerial employees is satisfied by the Postal Service when it supplies information on the program, and provides an opportunity for discussion, with a concomitant exchange of ideas. It is not necessary that the organizations covered by Section 1004(b) be involved in planning and development at the inception of each such program, so long as they are afforded reasonable opportunities to analyze, understand and criticize its features and have their recommendations regarding any desired changes given consideration.

The court found that the facts, as found by the court, satisfied this definition of the law. We disagree both with the definition of the law and with the finding that the facts, as found by the court, serve to satisfy such definition. In our view the court has done nothing less than to simply destroy the significance of the congressional action in attempting to assure supervisors the right to participate directly in the planning and development of personnel policies affecting supervisory employees. The court has converted statutory language which requires that the supervisors be allowed to participate directly to a requirement that the Postal Service do nothing more than offer to the supervisors an opportunity to consult with the Postal Service before the final implementation of a program. This is not what Congress intended and as long as the Postal Service is permitted to operate pursuant to this court definition, the Congressional purpose to insure postal supervisors the right to participate in the development and planning of programs will not be effectuated. We believe that by the enactment of H.R. 7202, the Congress could go a long way toward insuring that the Postal Service would live up to the language requiring direct participation.

I think it appropriate to initiate my discussion of the legislation in question by noting first what it does not do before discussing what it will do. This legislation would not give to the National Association of Postal Supervisors full collective bargaining rights. Although the association continues to have reservations with respect to the position of the Postal Service and the Congress that it is not appropriate for people in managerial and supervisory levels to be given collective bargaining status, we are willing to compromise these opposing points of view. We believe that the Congress itself recognized the difference between craft union and management and supervisory employees of the Postal Service by its enactment of legislation which required that the authorized representatives of such supervisory employees be allowed to participate directly in the planning and development of personnel policies. We believe that the language chosen by the Congress was an attempt, and a reasonable attempt, to deal with two competing contentions as applied to postal supervisors.

On the one hand, there is the acknowledgement that postal supervisors do have a management role to play within the Postal Service and in that role they do have a status which is different than that of the craft union employees. On the other hand, there is the realistic recognition that the 34,000 supervisory employees do need to have the right to organize and choose representatives to represent them to insure that their rights as employees in the Postal Service are adequately protected. Therefore, instead of establishing either the right to collective bargaining or giving a mere right of consultation, which Congress recognized would not be an effective means of insuring that their rights as employees were given recognition by the Postal Service, the Congress instead chose to require the Postal Service to permit the duly authorized representatives of supervisory employees to participate directly in the planning and development of personnel policies. Thus, Congress recognized both the management role of supervisors and their need to have their rights as employees protected.

H.R. 7202 would not alter this relationship. It would simply provide a means of resolving disputes concerning major personnel policy issues. We emphasize that the bill would provide for arbitration only of those disputes concerning policies which affect all or a substantial portion of supervisory personnel on a long term or permanent basis. Although under the current statute the association is, of course, entitled to participate directly in the planning and development of all policies regardless of whether or not they affect all or a substantial portion of supervisory personnel and regardless of whether or not such policies purport to make long term or permanent changes in the personnel situation, we do not feel that it would be necessary for the association to be able to require arbitration of all such disputes.

The association is purposely supporting legislation which is limited in scope. Enactment of the legislation would carry with it no threat of having each and every personnel decision of the Postal Service made subject to arbitration. Rather, arbitration would only result if, after a major program had been made the subject of a consultation program by the Postal Service involving direct participation in the development and planning thereof by the association, it is impossible to arrive at a satisfactory solution.

As I have previously stated, enactment of this legislation is necessary regardless of the outcome of the current lawsuit between the association and the Postal Service. The association is strongly of the view that the job evaluation program was ill conceived and improperly carried out. Nevertheless, in its challenge to JEP the association was limited to attacking the program on the basis that NAPS had not been permitted the direct participation in the development and planning thereof required by the Postal Reorganization Act.

Had such participation been afforded by the Postal Service, there would have been no basis under current law for challenging the results, even if the association felt that the results were not proper.

Although, it is our firm belief that had the Postal Service afforded the Association the direct participation required by statute, the end results would have been improved, it is still possible that the end results of the program could have been unsatisfactory to the members of the association. Additionally, it is our firm conviction that requiring arbitration would serve to motivate the Postal Service to afford the direct participation in planning and development of personnel policies which is already required by statute. The knowledge that an arbitration of disputes concerning major personnel decisions would be possible, would, we believe, tend to insure full and adequate consideration of the ideas and suggestions of the association by the Postal Service.

Thus, the end result of the legislation would be to materially reduce the possibility of serious conflicts with respect to personnel decisions. For instance, with respect to the job evaluation program, as will be made evident in the testimony of Vice President Jaspán, we have no question but that an arbitration board would find many results of the job evaluation program to be unsupportable. If the Postal Service had been in a position of recognizing that it might have to defend its decisions before an impartial board of arbitrators we believe that many of the absurd aspects and inequities of JEP would have been eliminated.

We would also like to emphasize that this bill is not without precedent. The Postal Reorganization Act reported out of the Committee on Post Office and Civil Service to the floor of the House in the spring of 1970, contained provisions which would have established a three-member arbitration panel to which disputes would have been referred in the event that organizations such as ours had been unable to reach agreement with the Postal Service with respect to particular decisions. Although these provisions were eliminated on the floor of the House, and were not contained in the final act, there was, nevertheless, strong support for such provisions from the House committee.

Subsequent events have amply demonstrated that the elimination of arbitration provisions was not wise, for in eliminating the arbitration provisions, the Congress, unfortunately, also eliminated the incentive to the Postal Service to carry out the statutory provisions requiring that the association be allowed to participate directly in the planning and development of personnel policies. We think the situation should be rectified, and we believe that H.R. 7202 will accomplish that purpose.

In conclusion, Mr. Chairman, I would like to emphasize that the supervisory force of the Postal Service, constituting approximately 34,000 postal employees, is at the very heart of insuring that the Postal Service carries out its mandate, as expressed in the Postal Reorganization Act, to "bind the Nation together." For this purpose, the act requires the Postal Service to "provide compensation, working conditions and career opportunities that will assure the attraction and retention of qualified and capable supervisory * * * personnel," and the maintenance of a program for such personnel that "reflects the essential importance of a well-trained and well-motivated force to improve the effectiveness of Postal operations * * *." The act further specifically recognizes that the role of such personnel is "particularly vital to the process of converting general Postal policies into successful postal operations." Thus, the Postal Reorganization Act itself expresses more eloquently than we could the key role to be played by postal supervisors.

Unfortunately, however, we regret to have to report to you that the morale of supervisors has never been lower. There is no question that the policies of the Postal Service toward supervisors since it became an independent agency have been such as to destroy the morale and full potential service of these persons who are most vitally needed. We believe that this state of affairs will be changed only at such time as the Congress enacts a proper incentive for the Postal Service to effectuate the requirements of the Postal Reorganization Act that supervisors be allowed to participate directly in the planning and development of personnel policies which affect them.

Finally, I note, ironically, that during the consideration of the Postal Reorganization Act, Postal Service officials effectively prevailed upon Congress to eliminate the provision affording arbitration for postal supervisors, based, in large part, upon statements that "management always takes care of its own."

Those arguments succeeded in convincing Congress that in fact the Postal Service would treat its management officials and its supervisors in which Congress anticipated and certainly not a way in which the Service management has "taken care of" supervisors, but not in a way in which Congress anticipated and certainly not a way in which the National Association of Postal Supervisors anticipated. We ask, therefore, that Congress now rectify this situation by the enactment of arbitration provisions.

Mr. Chairman, and members of the subcommittee, we appreciate this opportunity to appear before your subcommittee to present our testimony this morning, and we appreciate the interest and sympathy which you and the other members of the committee have expressed in our problems.

We ask you now to hear the testimony of our administrative vice president, Daniel Jaspan, who will highlight some of the horrible examples which have resulted from the Postal Service's failure to allow NAPS to participate directly in the planning and development of the job evaluation program.

Mr. WILSON. Thank you, Mr. Ledbetter.

Mr. Jaspan, if you will proceed then, then we will have questions.

STATEMENT OF DANIEL JASPAN, ADMINISTRATIVE VICE PRESIDENT, NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

Mr. JASPAN. Mr. Chairman and members of the committee, for the record, my name is Daniel Jaspán. I am the administrative vice president of the National Association of Postal Supervisors.

Before proceeding with my testimony, Mr. Chairman, I would like to thank particularly some members of the committee and subcommittee who have introduced companion bills to your bill, H.R. 7202. Mr. Hanley, who has already left, has introduced one of the bills and I see present at the table Mrs. Schroeder, who introduced a companion bill; Mr. William Ford, Mr. Waldie, and Mr. Hillis, all of whom have introduced the identical bill and we certainly appreciate their interest in our problems.

President Ledbetter's testimony emphasized the fact that the U.S. Postal Service practically ignored section 1004 of Public Law 91-375, the Postal Reorganization Act of 1970. My testimony will emphasize not only the bypassing of this section by the U.S. Postal Service, but also another very important part of that law.

Section 1005 (3) (f) states very clearly that :

Compensation, benefits, and other terms and conditions of employment in effect immediately prior to the effective date of this section, whether provided by statute or by rules and regulations of the former Post Office Department or the Executive Branch of the Government of the United States, shall continue to apply to officers and employees of the Postal Service until changed by the Postal Service in accordance with this chapter and Chapter 12 of this title.

The words "this chapter" in the section just quoted includes section 1004 which provides not only for a program of consultation, but direct participation in the planning and development of pay policies and schedules, fringe benefit programs, et cetera. This certainly precludes any drastic changes in salary and other benefits effective when the Postal Reorganization Act became law. Now, let's look at the record and see what actually has happened.

ELIMINATION OF STEP INCREASES

The U.S. Postal Service officials called the resident officers of NAPS to headquarters and announced unilaterally, without any prior consultation, that there would be a change in salary schedules. The change proposed and put into effect was a drastic revision of the former salary schedule.

Supervisors in levels 13 and higher were placed in the postal executive schedule (PES) and step increases were eliminated. The only way a supervisor in level 13 or higher could hope to have his salary increased was by consistent performance "at a high level of effectiveness" and the budget for such increases has been reduced so that it is practically impossible to receive annual increases.

This action was taken despite the fact that supervisors and other employees under the general schedule continue to receive automatic step increases for satisfactory performance up to and including the highest grade.

This unilateral action certainly ignored the provision of the law for the continuous application of "compensation, benefits, and other terms and conditions of employment in effect immediately prior to the effective date of this action."

This year, again unilaterally, USPS officials extended downward the inclusion of supervisors in lower levels under the PES salary schedule. With the implementation of the job evaluation program, unilateral action was taken to place under the PES schedule all supervisors who do not supervise craft employees directly. This basically means that all supervisors except those in the lowest salary levels, such as foreman of mails, are denied the step increases which they have received under the law since 1955. Again, let me emphasize that this does not apply to any Federal employees except those in the U.S. Postal Service.

Since the employees under the Classification Act still are entitled to automatic step increases—and we believe rightfully so—we are firmly convinced that this unilateral action by the USPS in depriving postal supervisors of benefits they had received prior to July 1, 1971, is contrary to the law enacted by the Congress.

HIGHER LEVEL PAY

Another benefit accorded postal supervisors since 1955—section 204b of Public Law 84-68—under which supervisors detailed temporarily to higher level duties were granted higher level pay has been drastically amended—again unilaterally.

The law originally provided a 30-day qualifying period before higher level pay could be granted postal employees. This was later amended by Congress so that the qualifying period was no longer required. This provision applied to all postal employees, supervisory and craft employees alike.

The Postal Service has continued to pay craft employees at the higher rate of pay from the first day of performance at the higher level position. The USPS has ruled unilaterally that a supervisor must perform the higher level duties for 10 days before receiving the higher level pay. This means not only one 10-day qualifying period, but such a qualifying period each time the supervisor is detailed to a higher level position. The inconsistency of this action is well demonstrated by the fact that a craft employee detailed to a supervisory position without any previous experience as a supervisor receives immediate higher level pay while a long-time supervisor must qualify each time.

This unilateral action by the USPS certainly is not in compliance with provisions of the law.

OVERTIME

Under laws enacted by Congress, there was provision for overtime pay for all hours in excess of 8 daily and 40 per week for postal employees through the former level 11, with the Postmaster General having the option of paying overtime or granting compensatory time through former level PFS-15.

With the implementation of JEP, the Postal Service again has taken unilateral action in cutting off overtime payments at the new level 18, despite the fact that many former PFS-11 supervisors were placed in higher levels than the grade 18 cutoff. They have also uni-

laterally set the grade for the Postmaster General's option to grant overtime payment or compensatory time at the new grade 23, despite the fact that some of the former level 15 supervisors have been placed above the new grade 23.

This also voids an act of Congress.

JOB EVALUATION PROGRAM

As emphasized in President Ledbetter's testimony, there was no real consultation between the National Association of Postal Supervisors and the U.S. Postal Service regarding the job evaluation program, based on the Westinghouse survey. With proper consultation, it is our opinion that this program, which downgraded about 50 percent of the postal supervisory positions, would not have been inflicted on postal supervisors. Again, we must bear in mind that no such downgrading occurred to employees under the General Schedule. In fact, they have been receiving regular annual increases in salary plus their step increases.

In order to expedite this hearing, just some typical evaluations made by the evaluation team will be presented to illustrate some of the "horrible examples" referred to in President Ledbetter's testimony.

ITEM: EVALUATIONS OF STATIONS

In a typical city with classified stations of various sizes, the station superintendent with approximately 150 employees has his annual station evaluated in the same level as a station with only 18 employees. Obviously, there are wide variations in the duties and responsibilities of the larger station which services a much larger area than the smaller one. In addition to having many clerks and carriers, there is the responsibility to the much greater number of customers served.

The explanation given by the Postal Service evaluators is that they perform the same "functions." Apparently, no weight is given to the real differences in responsibility and accountability. Under the former compensation system, established by Public Law 68 in 1955, these two superintendents could not possibly have been in the same level.

ITEM: POSTMASTER AND ASSISTANT POSTMASTER

Even though we feel that the assistant postmaster should be well paid and not more than one level below the postmaster, in many offices the postmaster and assistant postmaster have both been placed in grade 18 as an example. We are sure that you members of the subcommittee will agree with us that there should be a differential in pay between the "top man" and the one with lesser responsibility.

Again, when we pointed this out to the Postal Service top evaluator, he said that this was not necessarily an incorrect evaluation since they both may have the same "functions." There is no weight given to the degree of responsibility and accountability.

ITEM: ASSISTANT STATION SUPERINTENDENTS

The assistant station superintendent was evaluated one level below the superintendent under the provisions of Public Law 68. In our

opinion, he was ranked properly since his duties and responsibilities generally are slightly less than the superintendent. Ordinarily, he is directly in charge of mail delivery in the office.

Under JEP, the assistant superintendent of stations has had a change of title and a considerable downgrading.

ITEM: THE MOST HORRIBLE EXAMPLE

There are many glaring inequities in the job evaluation program, but one of the worst is as follows:

A postal supervisor with considerable responsibility has eight supervisors under his jurisdiction and considerable responsibility for running a detached mailing unit. He was formerly level 13 and was downgraded to a new level 17. Incidentally, this level 17 is much less in salary than the old level 13. I just want to point that out because it looks as if that was a promotion to level 17 but the levels have been changed and this is a considerable downgrading. I believe it is a couple thousand dollars. The reason for this is that under the job evaluation program, instead of the former 19 levels, there are now 42 levels, so each level was given a different assignment which looks like a promotion but it is, in many cases, a downgrading.

Now, three of the supervisors under his jurisdiction had their salaries increased to three levels above his and five others under his jurisdiction were placed in the same level as he was. How anyone could make any sense out of such conversion is well beyond my comprehension.

From our mail, we could point out many more glaring inequities, but in the interest of time we will refrain from doing so. We even have records of cases where the assistant postmaster has been placed in a higher level than the postmaster, for example.

As the members of the Post Office and Civil Service Committee who were here in 1970 know, our association opposed the enactment of the bill which was to become the Postal Reorganization Act. We believed then and we still believe that we had good reason for our actions. However, after the law was enacted, our association correctly decided to comply with the law and work within its framework. However, such action cannot be one sided.

The adverse effects of the actions by the U.S. Postal Service are well reflected by the fact that, when the cost-of-living allowance was granted for those who retired approximately a year ago, more than 3,400 supervisors retired out of a total of approximately 18,000 postal employees. This means that almost 20 percent of those who retired last year were postal supervisors even though postal supervisors comprise less than 5 percent of the total postal population. From all indications, there will be a similar exodus of postal supervisors by June 30 of this year unless action is taken to improve the possibility of a better future.

The U.S. Postal Service cannot afford to lose these knowledgeable and dedicated employees who would like to see a better Postal Service.

Thank you for the opportunity of making this presentation. We hope that the subcommittee, the full committee and the Congress will act favorably on this most important legislation.

Mr. WILSON. Thank you very much, Mr. Jasan.

As I have indicated in other meetings where we have had the Postal Service testifying, the breakdown of the Postal Service in my opinion resulted directly from the forced retirement of postal supervisors. It is the bringing in of the people from the outside who have not had proper experience to assume the role that should have been assumed by the members of your organization that have caused this breakdown in my very sincere opinion.

Now, before I ask several questions that I have, I am going to reverse the procedure today. Generally, Mrs. Schroeder never gets to ask a question and we are going to start with her today.

Mrs. SCHROEDER. Thank you, Mr. Chairman.

I especially appreciate your testimony, and I am delighted that you appeared in front of us. I am going to have to take leave because the chairman and I are both on the Armed Services Committee and we start marking up the bill today so I have got to find time for both jobs.

I concur with what you say. One of the things that concerns me—and I want to try and not so much mean this not so much as a question but as something you might do—as you probably saw, in the U.S. News and World Report this week there is a statement by the Postmaster General about how the public is going to have a 10-cent stamp and no more collection boxes and worse and worse service. As I read it he is implying that this is because those people who work for the Post Office want more money and are bleeding it dry. I think you ought to get time to answer him as you have in the testimony here today, because he is telling his side and I think it is a very unfair, distorted side from what I have heard on the committee. I think you should try to get time to answer him and present your side so the American people really do know what happened to the Postal Service.

That, as I say, is merely a comment and a suggestion. I welcome you all and I hope you have a good stay and thank you very much.

Mr. WILSON. Mr. Rousselot, do you have any questions?

Mr. ROUSSELOT. Gentlemen, I was most interested when you did testify as you have indicated today that for good and sound reasons you basically opposed the Postal Reorganization Act. I am glad that we can both say today and all of us that we think we were right, especially as it removed from the Congress an adequate participation in making sure that the Postal Service remained effective and I do know on the basis of conversation with many of the supervisors in my own district that many of the problems that have occurred as a result of the Reorganization Act have not been the fault of the supervisors and/or even the postal workers. They have a frustrating position of getting all the flack from all the postal patrons and not being able to do much about it.

So let me say there are a great number of us in the Congress that are well aware of that problem that you face, that we do want to bring about some of the changes to correct that inequity, and that we want to assure you that we are not either unsympathetic or unaware of the tremendous burden that you have carried in trying to make things right and trying to correct things as a result of decisions that have been made from the top that you have not been able to do much about; and I do appreciate, Mr. Jaspán, your statement that even though you were opposed—your group was opposed to the Postal

Reorganization Act—I wish you could have persuaded more of my colleagues of that at the time—some of them are telling you today how they are for you—because Mr. Gross and I felt very strongly about that at the time and we felt we were being rushed into a high-wire act that nobody could really perform on.

We have seen a lot of that. I am interested in the statement that you made, Mr. Ledbetter, that there is no question that the policies of the Postal Service toward supervisors since it became an independent agency have been such as to destroy the morale and full potential service of these persons who are vitally needed.

Do you think that that also applies to postal workers in general?

Mr. LEDBETTER. There has been poor morale on the part of postal employees at all levels, Mr. Rousselot, about some of the things that we have had to live with in the last 2 years under the postal reorganization. It would apply not only to people in the field service as we are, but if you want to find out about morale in the Postal Service you go right down to 12th and Pennsylvania, the morale in the regional offices and the headquarters, the inspection service—it has been terrible and these people tell us this.

Mr. ROUSSELOT. I have felt this not only in my district but the whole Los Angeles area. In other words, it does apply—this statement—not only to the supervisors' group who obviously have a managerial responsibility, but also to the postal workers in general, and not just the ones who have the normal complaints but generally have tried to perform a service and have the Postal Service be a good service.

Mr. LEDBETTER. This is certainly our feeling, Mr. Rousselot, and we are in very close touch.

Mr. ROUSSELOT. So we can assume this statement that you have made applies not only to your group but to the postal workers in general. Is that correct?

Mr. LEDBETTER. It certainly does.

Mr. ROUSSELOT. I realize this hearing is specifically addressed to this legislation, but would you be willing to list for us other areas of problems that have occurred as a result of the Postal Reorganization Act, problems of management supervisory activity that you carry on and from the service in general? We might as well have from you, those of you who are on the firing line and have to live with it on a day-to-day basis, all the problems that you feel have occurred as a result of the Postal Reorganization Act as you see them.

Mr. LEDBETTER. I will be glad to and I will be glad to cite one right now, and that is the lack of continuity in the top management levels of the Postal Service. This was one of the big promises when postal reform was being considered, and there has been a greater turnover in the last 2 years than there was during either of the previous administrations.

Mr. ROUSSELOT. Now, you do understand, as you have stated, Mr. Ledbetter, in your own testimony here, that there does seem to be—as you pointed out on page 6 of your testimony—a real conflict as you understand it between the law in section 1004 and what the court has said.

Now, do you believe, even if we passed this law, that that conflict between you and the court, as it is stated—and I realize it is being appealed—but let's assume that the conflict remains. In other words, the court position is maintained all through the system. Will this law

really address itself not to the conflict to really change anything, because this law as I read it does not really resolve this conflict between the court and yourself—

Mr. LEDBETTER. Well, we think it will, Mr. Rousselot. The issue right now in the courts would never have gone to the courts if we had had this law that we are trying to get enacted. It would have gone to an arbitration panel and it would have been resolved in arbitration and that would have been it. If the arbitration board had ruled against us we would have had no basis to go to court. We were willing to take that chance because we think that any three-person arbitration board would not have allowed to happen what has happened under the job evaluation program.

Mr. ROUSSELOT. Now, you are aware I am sure that in the conference report that came back to the House, the statement on the part of the managers said "Nothing contained in the House bill or the Senate amendment provided for, and nothing in the conference substitute permits, or is intended to permit the establishment of a collective bargaining system for any personnel who are not within a collective bargaining unit."

Now, do I understand—that was the intent of Congress as we understood it at that time on the part of the managers and associated to the House, and it also further went "Neither the provisions relating to supervisory and other managerial organizations nor any other provision in the conference substitute establish any such collective bargaining system or grants any such organization or personnel the right to dictate policy or veto any decision reached by the Postal Service."

Now, do you feel that this legislation will in fact run in conflict with that statement that I have just given you?

Mr. LEDBETTER. No, I don't think it will, Mr. Rousselot.

Mr. ROUSSELOT. Would you tell us why?

Mr. LEDBETTER. What we are asking for is not full collective bargaining rights or the right to negotiate a contract. That is not provided for in any part of the bill. This bill would only require arbitration of disputes about personnel policies and programs which we are participating in which that law does provide for us to do.

Mr. ROUSSELOT. So in your judgment, this would not really place you in the formal position of a collective bargaining unit.

Mr. LEDBETTER. No, despite the fact that we think we should be. We recognize Congress' wisdom in that. There was great opposition to it among some of the very closest friends that we have in Congress.

Mr. ROUSSELOT. Well, you talk about the wisdom of Congress. I still believe that you and I are right in our original position on this legislation and as it came up 2 years ago, and I do think, though, you are to be complimented, even though the decision went against both of us, that you are to be complimented for your effort to try to comply with the law even though you felt from a managerial standpoint at your level it would have done damage to the service, which it certainly has.

Mr. LEDBETTER. Mr. Rousselot, despite the opposition of our association, there is no segment of the Postal Service that tried any more diligently to make it work than the postal supervisors.

Mr. ROUSSELOT. I think that is what I am trying to say and we appreciate you and commend you for your effort. I know it's not been easy. It's been extremely difficult to comply with some of those orders and we all are aware of that. I thank you gentlemen for your testimony.

Mr. WILSON. Thank you, Mr. Rousselot.

Mr. Nix had to leave for a very important markup session at the Foreign Affairs Committee. He asked me for the permission of the subcommittee to include a statement from him in support of H.R. 7202 at this time. So, without objection, Mr. Nix's statement will be included in the record.

[The statement follows:]

STATEMENT BY HON. ROBERT N. C. NIX, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF PENNSYLVANIA

Mr. Chairman, with the Chairman's permission, I would like to submit a short statement at this time in support of your bill, H.R. 7202 which would permit the Association of Postal Supervisors to seek arbitration by a 3-man board of arbitration in policy disputes with the Postal Service.

One of the doctrines flown from the mast of the new Postal Service was that which held postal supervisors to be so much a part of the management team that they had no independent interests apart from that of the Postmaster General and the massive number of senior and junior business executives who moved into the Postal Service with him.

This on its face defies logic. Postal experience, the facts of the situation, add to the absurdity. Postal Supervisors are a large group. They have unique problems, the history of the Post Office Department demonstrates this.

The only reason for ignoring postal experience was the fact that the new management team knew nothing about the Postal Service and had no desire to learn, since their postal plans were based on their experience in the private industry.

Congressman Charles Wilson's bill recognizes postal history and uses common sense to provide a solution for policy disputes between postal management and postal supervisors. That solution is arbitration, a labor management tool used throughout every industry in the United States. The only hope for sensible solutions to serious problems is to call in objective outsiders to make judgments. Under this bill, three arbitrators, one of whom is selected by the Postal Service, one by the recognized organization of supervisors, and the third by the first two arbitrators, will settle such disputes.

Mr. Chairman, I support your bill and your hearings and our friends, Don Ledbetter, Dan Jaspán, and Bruce Sterling and the membership of the National Association of Postal Supervisors.

Mr. WILSON. Mr. Clay will be back shortly so we will hear from him then.

In the meantime, I have some questions I will ask. It has come to my attention that this is not a precedent-setting piece of legislation but we have to check this out and our staff will do this. It is my understanding that the State Department supervisors have a system similar to what the postal supervisors want. We intend to check into this and find out how it operates and what the basis for it is and it may very well be that this is not as new and revolutionary as some of us may have thought originally.

I have been told officially that the U.S. Postal Service does not favor or support H.R. 7202.

Mr. LEDBETTER. That is the understatement of the day, Mr. Chairman.

Mr. WILSON. Basically, they have four reasons for opposing the legislation. I would like to present each of the four reasons and request that you comment on them.

No. 1, the Postal Service claims that H.R. 7202 establishes a procedure of managerial collective representation which is just short of full collective bargaining. We have already had some discussion on this. They feel that this concept applies basically to the existing practices in the private sector. Do you have any comment on that?

Mr. LEDBETTER. I can't cite any specific instances of where this type of arbitration does exist in the private sector for management employees, but as you have just mentioned, there is a precedent for it within the U.S. Government which certainly does not mean that we are the first ones who have asked for it.

Mr. WILSON. If your counsel or any other representative at the table would like to comment, or else you could send us a written response later if you care to, to any of these questions that you need to research.

Mr. JASPAN. Mr. Chairman, I would like to say in response to that question, the U.S. Postal Service quotes the private sector when it is to their advantage and the Government when it is to their advantage. They always use the one that favors their stand on anything.

Mr. WILSON. I commented on that earlier.

Secondly, H.R. 7202 reports binding arbitration on the points of disagreement between postal supervisors who are in reality an integral part of management and top management. Do you have any comments on that?

Mr. LEDBETTER. Well, it is true that we are part of management, but we are pretty low on the totem pole, Mr. Chairman. There are about five levels of management in the Postal Service, starting here in Washington headquarters. When you get to the lowest level of supervision in the Post Office out in the field, that is where we are. There is a great chasm inbetween.

I can't understand why the Postal Service would be unwilling to allow a three-person arbitration board to settle a disagreement if they are so sure that they are right every time. We are willing to take that chance, whether we are right or wrong.

Mr. WILSON. Third, it is the feeling of the Postal Service that H.R. 7202 would destroy the effectiveness of the postal supervisors in dealing with personnel under their direction.

Mr. LEDBETTER. We don't see any conflict of interest there at all.

Mr. WILSON. Fourth, H.R. 7202 gives the supervisors' organization bargaining opportunities to delay or destroy programs and policies with which it does not agree.

Mr. LEDBETTER. Mr. Chairman, this is not true. When the Postmaster General recently said that our organization has traditionally opposed some of the programs in the Postal Service, I pointed out three or four programs in the last decade that we opposed that his administration threw out as soon as they came in because they opposed them, too. In many cases, the position that our people take is the one that is eventually proven to be right. And the reason for that, I believe, is because this is our livelihood. This is our career and we are here to stay; we don't come and go like the people at the top do.

Mr. WILSON. I am going to invite Mr. Clay to make a statement or ask any questions he would like to at this time.

Mr. CLAY. Thank you, Mr. Chairman.

I have a question of Mr. Jaspán. In your prepared text this morning on page 3 you say that under laws enacted by Congress, there was provision for overtime pay for all hours in excess of 8 daily and 40 per week for postal employees through the former level 11, and then you go on to say that the Postal Service again has taken unilateral action in cutting off overtime payments at the new level 18, despite the fact that many former PFS-11 supervisors were placed in higher levels than the grade 18 cutoff.

In the March edition, I think it was, of Postal Supervisors, you made some rather serious charges against the Postal Service when you said that they were illegally not paying overtime for supervisors, and I think you made the charge that there were certain threats made against supervisors that force them to work overtime without pay.

Would you be willing to elaborate on that for this committee?

Mr. JASPAN. I would be very happy to, Mr. Clay. In the first place, the law provides, as I said, for overtime pay through the old level 11, which has been revised. In many places throughout the country supervisors have been told—not in writing—they never get this in writing—but they have been told by district managers and other officials that if they wanted to be promoted at any time in the future they had better work more than 8 hours a day but only show 8 hours on their timecards. There have been many threats that they would not get a promotion; that they would have problems in the future unless they were willing to do this.

Now, I would like to point out, Mr. Clay, that practically every supervisor is willing to work more than 8 hours a day when necessary and many times they will finish up their job without paying any attention to the clock or overtime. But they are expected to perform consistently more than 8 hours per day and just turn in a timecard for 8 hours. Many supervisors take their work home with them because they cannot do it within the 8, 10 or even 12 hours some of them put in.

But due to the threats they are afraid in many cases to complain to anybody because as you know there are very few opportunities for promotion in the supervisory ranks. There aren't many supervisors, only 35,000 or 36,000 positions out of 600,000. So they do not want to take a chance of having any promotional opportunity cutoff and they do work illegally more than 8 hours a day.

Mr. CLAY. I think you made a statement in that article in March that if they are hurt after they worked illegally past the 8-hour period, that they are not liable for any kinds of protection or payment from the Government. Is that true?

Mr. JASPAN. That is correct. If they are not on the clock they cannot collect if they are injured on duty. It is their own fault, their own responsibility. As soon as they get off the clock that protection stops.

Mr. CLAY. Mr. Chairman, I have one other question and it has nothing to do with the bill this morning, but I introduced a bill last week that would make it possible for the Federal Government to withhold city earnings taxes in areas where the taxes are required by law. I would like to know what your personal position would be in regard to that piece of legislation.

Mr. JASPAN. My personal position has been in favor of such legislation. We have supported such legislation in the past. As you probably know, Mr. Clay, the Civil Service Commission has a pilot operation in three cities trying it out on a voluntary basis. I believe that most of our members would prefer having payments withheld for city income tax payments. It is much easier that way than paying it either quarterly or annually and I know, for example, in my own home town of Philadelphia the supervisors have been trying to have the postmaster permit them to have such payments withheld, and I believe that is true throughout the country. They would rather do it that way.

Mr. CLAY. I think we might be able to get it in this term of Congress. Prior to now, all the bills have been referred to the Ways and Means Committee. I drafted a bill in such a way that it was referred to this committee and I am sure that there is a lot of support for that bill on this committee.

Mr. JASPAN. I haven't heard of any opposition, Mr. Clay.

Mr. ROUSSELOT. Would the gentleman yield?

Mr. CLAY. Yes.

Mr. ROUSSELOT. I thank the gentleman for yielding. On the point that you made about this effort to get postal supervisors to work beyond the normal 8 hours and if they did not that they would be subject to some kind of discipline of nonpromotion and related kinds of discipline, do you have specific proofs of this kind of thing that you would be willing to submit? I realize the potential problem of eventually feeling, well, he is an outcast, not part of the establishment, but since I am normally in that position myself, I would be delighted to see any of that kind of thing that you could submit, or if an individual is willing to say this happened to me and how it happened and the circumstances and then what the results were—because if that kind of thing is going on I think we want to put a stop to it right now and I don't think it is right and I think that most of us on this committee would want to back you up in any effort to—if it is widespread—is it your opinion that it is a widespread practice?

Mr. JASPAN. Yes.

Mr. LEDBETTER. It is not widespread as far as them putting it in writing or making—

Mr. ROUSSELOT. I realize that is never done in writing.

Mr. LEDBETTER. We had a case last year in connection with our convention.

Mr. ROUSSELOT. A lot of things in the Watergate case were not put in writing. I think what we should do is have the best documentation that you can deliver to us made a part of this record, if that is agreeable to the chairman.

Mr. WILSON. Sure.

Mr. LEDBETTER. Could I mention one case? Last year at one of our conventions, Mr. Sterling, who is here, was present when the district manager made a very emphatic statement to the people present there that anyone who was interested in a promotion better not be worried about overtime or they would not be considered unless they were willing to work unlimited hours. We reported this to the Postmaster General and they went through their channels and their regions and down to the district office and this man denied emphatically that he made such a statement. Then we got statements from half a dozen people who heard him say it and we referred these back to the Postmaster General and they went down through the channels again and they came back with a long letter of apology from the same man who said it.

As late as last Friday night in Nashville, Tenn., the Assistant Postmaster General for the southern region made the statement: "We hope we don't have any clockwatchers among the supervisors. We hear complaints about you not getting overtime. People that want to get ahead don't always worry about 8 hours, 40 hours a week." This was a very casual reference.

We don't believe in clockwatchern either, Mr. Chairman and Mr. Rousselot. There are not many supervisors who walk out the door at 8 hours or 8:01, but when you are working 10 to 12 hours a day, 6 days a week, it is wrong and there are a lot of people doing it because they are afraid to complain about it.

Mr. CLAY. Mr. Chairman, I certainly agree with my colleague in terms of getting the evidence of threats that have been made, but I also think that we ought to secure evidence that supervisors are working in excess of 8 hours a day or 40 hours a week and not being paid overtime for it. I think this is just as important as the threats because this is illegal if the law says they ought to be paid, and they certainly ought to be paid, in my opinion.

So I would like evidence substantiating the charge that they are working in excess of 8 hours a day and not being paid overtime.

Mr. WILSON. Thank you, Mr. Clay.

Mr. Hillis?

Mr. HILLIS. Thank you, Mr. Chairman.

I would like to commend Mr. Ledbetter and Mr. Jaspan on their testimony. I would like to pursue this on a slightly different line. This goes to the testimony on page 7 of Mr. Jaspan that 20 percent of those who retired last year were postal supervisors.

This retirement program, of course, was instituted by the top management of the Postal Corporation. In your opinion, has this aggravated the overtime situation? Is this the reason these people who remained behind are now called upon to work 6 days a week, 10 hours a day?

Mr. JASPAN. Mr. Hillis, lack of sufficient staffing is one of the main reasons.

Mr. HILLIS. Have these people been replaced?

Mr. JASPAN. No, they have not been replaced. Just recently they have started to fill some of the vacancies, but for about a year, I would say, very, very few of the vacancies were filled. The majority of them went out last June to take advantage of the cost-of-living allowance and because of their frustrations, and the majority have not been replaced. It is reflected in our membership which has dropped off about 4,000 in the last year and we usually sign up supervisors as soon as they are promoted.

Mr. HILLIS. Now, let me ask you this question. In your opinion, what is going to happen come June 30 this year?

Mr. JASPAN. We expect another exodus unless something dramatic is done by the Postmaster General between now and June 30. All of us have been at conventions all over the United States and we hear in every place we go that the people are planning to retire, not because they want to but because they do not see any future. For one reason, the job evaluation program, with all of its downgrading, has cut off any opportunity for promotion for a great number of our members. There is no place for them to go. They are stuck in that one level and they will be there for the rest of their careers unless some changes are made.

Of course, the low morale that was pointed out, the frustrations, all these things contribute to what we believe will be another exodus of supervisors by the end of this month.

Mr. HILLIS. Well, I was quite interested in your testimony on the job evaluation program, particularly concerning the device being created to give a fellow a promotion by upgrading his level but downgrading his pay. In your opinion, is this some sort of a stretchout of the austerity program on the part of top management?

Mr. JASPAN. Well, the reason they gave was that they could not fit everybody in within 29 levels so they stretched it to 42 levels. As you well know, many people are put in the jobs that paid \$40, \$45, or \$50,000 in the top levels. The Postmaster General's level is level 42 and the top management people are in the higher levels, whereas the supervisors are being downgraded or having their positions downgraded and filling in the lower levels.

Mr. HILLIS. At this point in the testimony, I wonder if it would be proper to ask if you thought Congress ought to take the lid off the very top salary? Perhaps I should ask at this point in the record whether, in your opinion, the Congress should take the salary limitations off the very top management level? We have been requested to do that, you know.

Mr. JASPAN. I understand that one of the members of the committee, the chairman of the committee, volunteered to take one of these top jobs at the salary they are paying.

Mr. HILLIS. One final question. I have introduced legislation, H.R. 5051, which among other things sets out about six service standards, and I felt this legislation, if enacted by Congress, would put a priority on service over budget. Are you familiar with the legislation?

Mr. JASPAN. Yes, sir, very much so, Mr. Hillis.

Mr. HILLIS. Would you give us comments on that?

Mr. JASPAN. I believe that it is an excellent idea to have service standards set up because without these service standards we believe there will be further deterioration in the service even though now the top people in the Postal Service are giving more attention to service than to budget; but your bill and other similar bills introduced I believe would give them some objective to aim at.

Of course, as you know, there will be additional appropriations needed that will cost money for the service you are planning in your bill, but we would like to see the American public get the service which we believe they are entitled to and which we would like to provide, and your bill would go a long way toward that.

Mr. HILLIS. Thank you very much.

Mr. WILSON. Thank you, Mr. Hillis.

Mr. Ford, do you have any questions or any statement?

Mr. FORD. Thank you, Mr. Chairman.

It is a pleasure to be here and I appreciate the opportunity to sit in with the committee. After hearing the testimony of Mr. Ledbetter and Mr. Jaspán, while Mr. Jaspán was finishing, I asked counsel to refresh our recollection in the record—and it is kind of interesting for people here to go back and see how consistent the legislation I and some of the rest of us have introduced is with what the proponents of the Postal Corporation indicated was their original intent at the time this legislation was on the floor.

Mr. WILSON. I might say, Mr. Ford, I believe you were one of those, like Mr. Rousselot, who opposed the Postal Reorganization Act and can also say "I told you so." Is that right?

Mr. FORD. Unfortunately, I opposed it for almost all of the 91st Congress and for most of the time it was on the floor, and finally gave in and voted for final passage; and I am probably sorrier for that one vote than anything else I have done. I wish I had been as stubborn as Mr. Rousselot.

In the April of 1970 record, then president of the National Association of Postal Supervisors, Fred O'Dwyer, appeared before the committee supported by Mr. Ledbetter and Mr. Jaspan, to set forth the position of the postal supervisors with regard to the subject matter of the legislation now before this committee.

Following their appearance, during which there were several specific recommendations made by the president of the postal supervisors, Congressman Hanley introduced an amendment in the committee which encompassed all of the recommendations of the postal supervisors.

Congressman Udall thereafter introduced an amendment to the Hanley amendment. The essential elements of the Hanley amendment were that there would be continued recognition of the organization, continued opportunity to act as an organization representing the postal supervisors, and the right for arbitration in the event of failure to reach agreement with postal management.

The Udall substitute, which was adopted by the committee and went to the floor, provided all of those factors except arbitration, but it provided instead of arbitration a board which could hear disagreements and make recommendations to the top management; something less than arbitration but nevertheless a direct way in which to give you your day in court and convey your opinion.

Then, if you go to the Congressional Record of June 18, 1970 when this was on the floor, you find some interesting history. On the floor, Mr. Derwinski, a member of this committee, offered an amendment to strike the Hanley amendment as amended by the Udall amendment in the committee, and that amendment ultimately passed by a vote of 84 to 60 by a tally vote. I would like to observe that historically our timing was bad because in the following Congress the following year we adopted new rules that provided the device where we could get a record rollcall, a record teller which amounted to a record rollcall in the committee as a whole, and I am satisfied as I read this that the amendment that came immediately following the record one which was quite bitterly fought, which was the right to work which was stuck into the legislation—again, there was a rather small number of Congressmen voting and a very close vote.

I am sure that the position today articulated by the representatives of the postal supervisors would have carried if we were operating under the rules that we now operate under in the House and the members of Congress would have been forced to take the time that a record vote causes us to take when we cast the votes.

I know in the trial of this matter the legislative history set forth the debate on the floor must have been considered, but I think in considering this legislation, Mr. Chairman, the committee ought to consider what the proponents of the language that ended up in the bill had to say with regard to his intent, and that was Mr. Derwinski, and I won't try to read the several speeches he made.

Just for example, on page H-5773 of the Record of June 18, Mr. Derwinski said—

I would rather direct my remarks to the amendment because that is the issue before us. The amendment specifically states that this organization is set up and has the right to participate directly in consultation with the Postal Service on matters affecting the individuals with supervisory personnel, and then the amendment goes on and provides that it shall be the policy of the Postal Service to consider compensation, working conditions, and career opportunities that will attract and retain qualified and able personnel. I could say to the House that it is the intention of the Postmaster General—

And, I might say, Mr. Chairman, that several times during this debate the proponent of this amendment indicated to the floor of the House that he was speaking directly as a result of conversations with the Postmaster General about what the Postmaster General's policy would be in carrying out this action, and that appears to have had a substantial effect on the narrow margin by which this amendment was adopted because again, when Mr. Udall rose to support the Derwinski amendment, he repeated several times to members such as Mr. Corbett who is no longer with us, Mr. Scott, a former member of the committee, Mr. Brasco and Mr. White and others who opposed the Derwinski amendment—they were constantly assured by either Mr. Udall or Mr. Derwinski that it was not our intention nor was it the intention conveyed to them by people speaking for postal management to diminish in any way the rights and privileges that the postal supervisors had individually or collectively through their organization as of June 18, 1970 when we were considering this.

This was repeated over and over again. Even though I am sure, without a record to rely on, that I voted in the minority on this and was not on the prevailing side, I would be persuaded looking at the record now and looking at the fine gentlemen who spoke on both sides of this question, that the proposition that the House never really intended the present situation to exist, and, Mr. Chairman, I really hope that your efforts in this regard will be supported by the members of the full committee so that we can keep the promise that was made by the people that prevailed and the promise therefore that was accepted by the people who voted the way that they prevailed upon them to vote.

Until I took the time to go back and look at this record as a result of the comments of Mr. Jaspan today and the very able testimony of the president of this organization, Don Ledbetter, I had forgotten how much attention we gave and how much reassurance was given to the House of Representatives at the time of the adoption of this language that we would not find ourselves in the position we are in today, and I think that there is a promise implicit in all of this proceeding starting with what happened in the committee and what continued on the floor that has to be kept by the House and I suspect if we have the opportunity to go to the House with it we will be able to persuade them to do that.

One final thing, Mr. Chairman. I think it would be well to insert in the record at the appropriate place during your hearings on this the statements made by the proponents of the language presently in the law in support of the very principles that your legislation now attempts to enact specifically into law. It is very important to note in doing that that a clear distinction between postal supervisors as policymakers and postal supervisors as executive managers of the Post Office Department or the Postal Service, as it was subsequently called, was made during all of this time. It seems that as it is now

outlined, particularly with the examples Mr. Jaspan has given us, this conceptual difference between the postal supervisor as an executive carrying out policy made by a board of directors and the Postmaster General has been blurred and lost and you are getting the worst of all possible worlds where on the one hand they are patting you on the back and saying you are part of our management team but don't try to suggest to us how we ought to manage the Post Office, and that clearly was not the intention of anyone who was on either side of this question.

So, as one who gave up the fight too soon, I would like to join with Chairman Wilson in renewing the battle and wish you success and thank you for reminding me, at least this one Member of Congress, of what we did that far back, and reminding us perhaps we ought to listen more closely now and follow your advice more closely today and more tenaciously than we did back in 1970.

Mr. WILSON. Thank you, Mr. Ford. There is no question about what the gentlemen has made reference to. Mr. Derwinski and Mr. Udall, did have word from on high and right from the horse's mouth at all times. Many of us depended upon this word as to what happened and what was supposed to happen, and I am sure that they did it in all sincerity. They were led down the primrose path just as much as we were.

Mr. Lehman, who is one of our new Members in Congress from North Miami, Fla., has joined us and I would like to invite you to ask any questions or make a statement.

Mr. LEHMAN. Just a brief statement. I just want to compliment the chairman for arranging this meeting. I think this is the way things should function in the legislative branch of our Government. I think that I have gone on the record in support of Mr. Wilson's bill, H.R. 7202. I will continue to work for it. I think that this will prevent what I consider not altogether abuse, but misuse of middle management that can do a lot to not only deal with the old problems but the problems of the whole system. I hope we have success and I assure you I intend to work with you in this matter.

Mr. WILSON. Now, there are a couple other matters I would like to discuss with you. Before I do that, though, I want to say that in my opinion, Postmaster Klassen, is trying very hard to try to work with Congress.

However, I do not agree with his opposition to this legislation. I wish the time would come when there would just not be automatic opposition to everything we propose and that some time the Postal Service would seriously consider changes that could very well bring about a much better relationship between the top management people who are running the USPS and those of you who are doing the work in the field.

I do think Mr. Klassen, however, is making a very sincere effort to have a better relationship with us. I want—and I have already commended him on his appointment of Mr. Norman Holliday, who has done an outstanding job in the short time he has been in charge of congressional liaison, to compliment the Postmaster General.

In the meantime, we will continue to be critical when we feel that criticism is warranted. I am not ready at this time to pass any compliments on to Mr. Kappel, however, and I recognize that sometimes

Mr. Klassen's actions are governed by what the Board of Governors direct him to do. But he, himself, I feel, is a very worthwhile person. He is a person who has the same positive feelings about the way the Postal Service should be operated as we who are here today do. Unfortunately, many times his hands have been tied. I did want to have a statement commending the Postmaster General on the record in view of my criticism of the service and of those who have been running it.

Mr. FORD. Would the chairman yield on that point?

Mr. WILSON. Yes.

Mr. FORD. On page 11 of Mr. Ledbetter's statement, he starts out the first full paragraph with the words, "Unfortunately, however, we regret to have to report to you that the morale of supervisors has never been lower." I think illustrative of the point you have just made, I would like to associate myself with your remarks, is the contrast in the reaction we had before the committee from Mr. Klassen and Mr. Kappel on that very point. When given an opportunity to do so, Mr. Klassen was quite candid in refusing to describe the morale of the postal employees in general as good. He said that he recognized that there were problems. He didn't, of course, characterize it as bad or poor, but he would not, although invited to do so, characterize it as good.

On the other hand, Mr. Kappel—and in both instances I related the story to them of the postal supervisor in my district who had been extremely critical of the postal strike a few years ago who marched in and told me that things were so bad that if another strike started he would leave—and the reaction of Mr. Klassen was very realistic acceptance of the fact that this kind of attitude might be in the service and might be recognized and something done about it. Mr. Kappel's feeling was that that was an isolated case, unworthy of consideration, and that in fact, as he did at that hearing, the morale of the postal employees was good.

I don't know what the reaction of the people here speaking to us in the panel today to that characterization would be, but it does seem that at the very top the word has got to Mr. Klassen but hasn't quite tricolored above him.

Mr. LEDBETTER. Mr. Chairman, may I comment on that? I was present during those hearings and appreciated Mr. Ford's direct question to those gentlemen about morale of managers in the Postal Service. As I recall, Mr. Kappel told you and the subcommittee that the day before that the Board of Governors had a meeting where five regional postmasters general had all told him that morale was pretty good now. I saw Mr. Klassen just a few days after that and told him about that testimony—of course, I am sure he knew by then what the testimony was—but I said I had been in the offices of two of those five regional postmasters general a week or 10 days before that and they admitted to me morale was terrible. They tell us one thing—or they agree with us one day—and then they go before the Board of Governors and say morale is pretty good.

Well, I can tell you it is *not* good and it is not going to be good as long as JEP is hanging around the necks of the supervisors of the Postal Service.

Mr. WILSON. Well, this JEP thing is so ridiculous anyway. I sat

in on the hearings of the investigation subcommittee and this whole Westinghouse operation was so smelly. As things developed during those hearings, if you followed them, Mr. Ledbetter—and I am sure you did because you are greatly concerned with it—it was shown that the personnel contract was given to a company who did not have the manpower to do the job that they were getting paid to do. So they had to hire people from one of the other companies that they beat out in the bidding to do the work for them. It is perhaps one of the phoniest deals that's ever been cooked up.

I recently made an inquiry of the Attorney General in connection with several inquiries that have come to us about tampering with the mail in connection with the Watergate scandal and the last Presidential campaign. The press release I eventually put out may have reflected on the supervisors in the Postal Service and it certainly was not my intention to cast any reflection upon them. But we have had inquiries made of us by the press and also from within the Postal Service itself that there has been a planned tampering of mail. I suppose the only person who would ever know whether mail has been opened illegally would be the person who did it. I don't know how easy it is for something like this to take place. It was part of the "Gemstone" plan, however, to, in addition to the wiretapping and all those other things—the plan did involve interfering with the mail and opening it if it was felt this was necessary for national security.

I would ask you and invite the members of your organization, if any of them do have any information about such acts and would assist us, to please present any information they have to us and we will guarantee anonymity if this is desired by the individual who present the information.

I hope that nothing like this has happened and we have no evidence at this point that it has. However, it is a very serious matter and if anyone, the supervisors or anyone, has evidence of mail tampering I would appreciate any assistance we could have from your organization.

Mr. LEDBETTER. We don't know of any, Mr. Chairman, but if any comes to our attention we will certainly forward them to you. I would tell any supervisor who, if he is ordered by the Postmaster General or the President of the United States to open a piece of first-class mail, not to open it. It does not make it legal because he is ordered to do it by high authority, and I don't know of any case where a supervisor has ever opened a piece of first-class mail.

Mr. WILSON. Thank you very much. I think the air should be cleared and unless we get hard evidence within a reasonable time I will make another statement to the effect that this has not happened.

Mr. LEDBETTER. Mr. Chairman, there is a comment I would like to make which is not a part of our testimony. Although the Postal Service publicly acknowledges the fact that we exist and the Postal Reorganization Act provides for recognition of the supervisory organization, there are many informal threats to some of our higher ranking officers who happen to hold higher ranking positions in post offices that they had better sever their connections or at least get out of the active leadership of the association if they ever expect to move ahead in the Post Office.

In fact, the president of one of the largest branches in this country who is sitting in this room today was told within the last 2 weeks by his new postmaster that he should give up his position as president of our local branch in that city.

This is wrong, Mr. Chairman, but this is some of the pressure that we are under now.

Mr. WILSON. Has this been reported prior to your statement here?

Mr. LEDBETTER. I have mentioned it in discussion with the Postmaster General that some of our people are pressured like that.

Mr. WILSON. What has been his attitude?

Mr. LEDBETTER. Mr. Klassen has always said there is a place for the supervisors' organization and he has made statements at some of our meetings that if he had been a postal supervisor he would have helped organize NAPS. Whether he really means that or not, and some of the other things that have happened, is something else but he has said this and he personally has not been a party to any of this kind of pressure.

Mr. WILSON. Well, he had indicated that he would be in favor of the right to strike at one time for the postal employees, and then he made a 180° turn around after he discussed it with the Board of Governors.

Do you have any other questions or statements, Mr. Rousselot?

Mr. ROUSSELOT. Yes, Mr. Chairman.

Mr. Ledbetter and Mr. Jaspán, again, I would like to reinforce the necessity and the importance of your giving to this committee, when those kinds of threats or veiled threats do occur—that we be notified of that kind of thing because it is hard for me to believe that Mr. Klassen and the others, as you have stated, really would permit it. Somebody has got to let them know and we ought to put a stop of it, and the only way to do that is to bring it out and I think to just go on and on is also a mistake and I hope that we can be helpful in bringing out that kind of thing if it is occurring.

Mr. LEDBETTER. Mr. Rousselot, I said a few moments ago that we have tried to make the Postal Reorganization Act work as it should and we have taken up our grievances and our problems such as that through channels in the Postal Service. We used to bring many of them to the Congress, but under the Reorganization Act that is not provided for; but if we don't get relief on some of these, I can assure you that we will take you up on your offer to have them considered by you.

Mr. ROUSSELOT. Mr. Klassen stated in our presence several times that the former order issued by Mr. Blount to postal workers not to talk to Congressmen and this kind of thing had been rescinded as far as he was concerned, and I think in things like this where they are not put in writing but they are obviously made very apparent in verbal conversations I think if that is occurring anyplace, even if it was only occurring one place—you said in response to my previous question on the overtime situation that that was relatively widespread, and that is a problem we ought to face up to. And if we have to get Mr. Klassen up here to talk about it, we will do it, because I think it is important.

Mr. LEDBETTER. Very good. We never were bashful about talking to members of Congress. The supervisors have been around a long time.

Mr. ROUSSELOT. We hope you won't be bashful.

Mr. LEDBETTER. We certainly appreciate the contact and the sympathy and understanding of your committee.

Mr. WILSON. Mr. Rousselot, I think that I am anxious to have an official statement from the Postal Service on this legislation. I think that we should have another hearing where we invite Mr. Klassen and we will question him about much of what we have been told today.

Mr. ROUSSELOT. The more documentation you can provide for us on these kinds of things—we would like to have them and there needs to be assurance of some kind of protection for the individual who might be concerned. We should know that, too.

I would like to ask one question. It has been brought to my attention that this proposed legislation—and this is just a suggestion—would allow supervisory associations to delay Postal Service programs and thus impede management's ability to react quickly to change.

Could you comment on that statement?

Mr. LEDBETTER. Well, it would to this extent: It would help to delay the implementation of JEP, but this would not impede management's requirement to move the mails quickly and more efficiently. In fact, the demoralizing effect of JEP is part of the problem of the Postal Service today. Even though people work hard, the morale is bad and it is bound to be reflected in efficiency and production.

We would hope that this legislation would stop or delay a program like that, but programs that are for the good of the Postal Service it would not.

Mr. ROUSSELOT. Well, if you have any additional comments on that statement I would appreciate it because I think that you have indicated in the past and I think most postal workers have, the overwhelming majority, their desire to keep the Postal Service just what it is, a service.

Mr. LEDBETTER. There's not been anybody in the world more interested in providing good service than the supervisors because if the people don't get it, the supervisors are to blame more than anybody else.

Mr. ROUSSELOT. That is right. You get the flack and the heat. I don't think it's generated totally up to the top yet. It is beginning to. Mr. Holliday and others are trying to convey that, but we do have a problem getting through to this wonderful board that was created in the act as to what really is happening in the field and especially in my area there has been a tremendous problem on local delivery and because of the new distribution system and that thing. The person who takes the heat on that is the guy that delivers the mail or the postal supervisory people. We haven't been able to get that word totally to the top.

So if it would impede proper management's ability to react quickly to change, then I think we have to look at that problem and face up to it because I don't think anybody wants to impede management's ability to get the mail delivered properly.

Mr. LEDBETTER. We certainly do not.

Mr. ROUSSELOT. Actually, the reverse of that has been happening in many cases because of new policies being implemented.

I want to again express my appreciation to your organization for

your willingness to come here and talk about these problems and express it very directly. I think you will find that Congress does want to become involved in making sure that the Postal Service remains a viable service and that it not be relegated to some kind of a junk heap because if some changes are not made I am afraid the Postal Service, as I see it, is going to be badly hurt. We appreciate your willingness to speak out.

Mr. WILSON. Before we adjourn the meeting, do we have anyone here from Arizona? Let me read from the record that Mr. Ford previously made reference to and then I will ask Mr. Udall to join us as a coauthor of H.R. 7207. Mr. Udall made the statement: "Let me add that I intend to watch the new Postal Service closely as regards to postal supervisors. If their treatment does not improve under this act, changes will be suggested by me. They can depend upon this." So if you will call on Mr. Udall and remind him of his pledge and ask him to join us just as diligently in trying to obtain passage of this legislation as he did in trying to get the Reorganization Act passed it would be a great service by those of you from Arizona.

Do you gentlemen have anything to add?

Mr. JASPAN. Mr. Chairman, I would like to mention one thing before we adjourn the meeting.

On this JEP, when it was thrust upon us, we asked how they evaluated the different positions, what point system they used or what benchmarks they used. We inquired many times—they would not tell us—they refused to tell us—and we were also told that one of the reasons is that they were going to negotiate a job evaluation program for craft employees and they didn't want them to know the point system ahead of time.

Well, to show how differently they work with the supervisors and the crafts, one of the first things they agreed upon during their negotiations was not to have a JEP for the craft employees. They are going to study it for 2 years and work together on planning a JEP, which is what we wanted. We wanted to work together with them. We believed there should be a JEP and wanted it worked that way.

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

Mr. LEDBETTER. Mr. Chairman, I would like for the record to show that our many supervisor members who are here today are all on annual leave. They are not here on the clock. They came from all over this great country of ours and many of them at their own personal expense because of their vital interest in this legislation.

Mr. WILSON. Well, I think it is very commendable and their presence here in the Halls of Congress could be a major factor in getting H.R. 7202 passed.

As a result of the mail your members have sent to many Members of Congress, I have had several Members assure me that they are going to join with us in supporting H.R. 7202. You can be proud of your very effective group. We appreciate your attendance very much.

Again, your testimony has been extremely helpful to us. Thank you very much and we will now adjourn the hearings.

[Whereupon, at 1:55 p.m., the hearing was adjourned.]

[The following material was ordered placed in the record:]

REMARKS OF HON. CHARLES H. WILSON BEFORE THE HOUSE OF
REPRESENTATIVES, APRIL 18, 1973

THE U.S. POSTAL SERVICE SHOULD RESPECT THE SPIRIT OF THE LAW AS WELL
AS THE LETTER OF THE LAW

Mr. Speaker, as most of my colleagues are aware, my Subcommittee on Postal Facilities, Mail, and Labor Management has been holding hearings on labor-management relations in the United States Postal Service. As a ranking Member of the House Post Office and Civil Service Committee, I have been concerned with the United States Postal Service's policy of cutting service and penalizing its employees in the name of "breaking even" financially.

An example of postal management's disregard for employee rights is their refusal to give the National Association of Postal Supervisors consulting rights as specified in the Postal Reorganization Act. Prior to the enactment of Public Law 91-375, the Postal Reorganization Act, enacted in 1970, the National Association of Postal Supervisors was accorded formal recognition by the Post Office Department and had regular consultative sessions which were most productive.

Realizing the need for recognition of an organization such as the National Association of Postal Supervisors, which represents more than 90% of the supervisors in the United States Postal Service, the Congress included in Public Law 91-375 Section 1004(a) and (b) which I strongly supported.

Section 1004(a) provides that there shall be "compensation, working conditions, and career opportunities that will assure the attraction and retention of qualified and capable supervisory and other managerial personnel." It also provides for a reasonable pay differential between clerk and carrier grades and supervisory levels with the realization that the role of management "is particularly vital to the process of converting general postal policies into successful postal operations."

Section 1004(b) provides that the Postal Service "shall provide a program for consultation with recognized organizations of supervisory and other managerial personnel . . ." It further provides that "upon presentation of evidence satisfactory to the Postal Service that a supervisory organization represents a majority of supervisors . . . such organization or organizations shall be entitled to participate directly in the planning and development of pay policies and schedules, fringe benefit programs, and other programs relating to supervisory and other managerial employees."

Unfortunately, the law did not provide any recourse if the United States Postal Service did not comply with these important provisions of the law. In what appears to be a general policy of arbitrarily using or ignoring certain provisions of the postal law, the United States Postal Service is ignoring or paying little attention to Section 1004 in dealing with the National Association of Postal Supervisors. Their idea of "consultation" is to make a decision and then inform the NAPS of the results of the decision.

There were discussions, but not consultations, on the now-infamous Westinghouse contract, which the House Committee on Post Office and Civil Service under the able leadership of Chairman Dulski spent about a month in 1971 investigating and made recommendations that the contract be cancelled and the Department of Justice notified. These recommendations were also ignored.

The Westinghouse "evaluation" led to the Job Evaluation Program which has led to the downgrading of at least 50% of the postal supervisory positions. This was done in spite of the fact that all other federal employees have received substantial salary increases.

The National Association of Postal Supervisors had no part in the "planning and development of pay policies and schedules" except to be told what had been done and were refused the point system or any system which shows how the evaluations were made.

NAPS had no recourse but to bring suit against the U.S.P.S. for not complying with the law. A Federal judge has ruled that in his opinion direct participation in the planning and development of pay policies and schedules does not mean that the Association must be in at the conception. NAPS is now appealing this decision.

Because of these events, I have decided that there must be stronger provisions in the law. Therefore, I am introducing a bill today that would amend the postal law to permit the Association of supervisors to seek arbitration by a three-man arbitration board in case of disputes concerning policies "which affect all or a substantial portion of supervisory personnel on a long-term or perma-

nent basis." There is no intent to bring any trivial matters before the arbitration board. Without such protection, the postal supervisors are at the complete mercy of the top management of the United States Postal Service and the provisions of the law approved by the Ninety-First Congress on August 12, 1970 as Public Law 91-375 will continue to be flouted by the United States Postal Service.

Mr. Speaker, it must be emphasized that postal supervisors who are entitled to consultative rights are not top management but the fifth level of management with the United States Postal Service Headquarters, the Postal Service Regions, the District Offices, and postmasters—all above them in the chain of command. Such consultative rights for the Association's members are most important. Strengthening of the law is essential.

[Excerpts From the Congressional Record of June 18, 1970]

DEBATE ON THE POSTAL REORGANIZATION ACT—AMENDMENT
OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Derwinski: Strike all beginning on line 10, page 184 through line 4, page 186, and insert in lieu thereof—

"(b) The Postal Service shall recognize an organization of supervisors that represents a majority of supervisory personnel. The organization of supervisors may include officers and employees who are not subject to collective-bargaining agreements under subchapter II of chapter 2 of this title. The organization shall have the right to participate directly in consultation with the Postal Service concerning matters affecting the responsibilities and conditions of employment of supervisory personnel.

"(c) It shall be the policy of the Postal Service to provide compensation, working conditions, and career opportunities that will assure the attraction and retention of qualified and capable supervisory personnel and to establish and continuously maintain a program for all supervisory personnel that reflects the essential importance of a well-trained and well-motivated supervisory force to the effectiveness of postal operations and that promotes the leadership status of the supervisor in respect to rank-and-file employees, recognizing that the supervisor's role in primary level management is particularly vital to the process of converting general postal policies into successful postal operations."

Strike all beginning with the word "The" on line 6, page 178, through line 13, page 178.

(Mr. Derwinski asked and was given permission to revise and extend his remarks.)

Mr. DERWINSKI. Mr. Chairman, this amendment corrects a very serious mistake in the bill as reported out of committee. Subsections 208 (b) through (e) of the bill come very close to requiring collective bargaining, in effect, between postal supervisors on the one hand and top management of the postal service on the other. Such a requirement flies in the face of almost all labor relations experience and judgement in the non-Government sector. It is thoroughly inconsistent with the National Labor Relations Act as amended, which generally is to govern postal labor relations under this bill. It would constitute a major step backwards from Executive Order 11491, which has delineated supervisors as a part of management and treats them as such. But worst of all, it contradicts and might even foredoom to failure what is perhaps the most important single purpose of this historic postal reform legislation—that is, to provide for truly effective management in the postal service. If the postal service is to be managed well, it must be understood by all concerned that supervisors are a highly important—in some ways the most important—part of effective management. They are front line of management. And the success of the new organization turns in no small part on their being recognized as such. It would be seriously, if not fatally damaging to this concept to require the postal service to negotiate what would amount to a collective bargaining agreement with a supervisors' organization because the negotiation process would tend to polarize the interests of the supervisors and those of higher echelons, instead of bringing them together.

Nevertheless, it is of the utmost importance to the success of the new postal service that there be a well-trained and well-motivated supervisory force, for the supervisors' role is absolutely essential to the process of converting broad

postal policies into successful day-to-day postal operations. This amendment recognizes this fact. It makes it a matter of basic postal policy for the postal service to establish compensation policies and conditions of employment that reflect the importance of a dedicated and effective supervisory force characterized by high motivation and high morale. It provides for assured implementation of this policy by requiring recognition for a supervisors' organization, which shall have the right to participate directly in consultation with the postal service concerning all matters affecting the responsibilities and conditions of employment of supervisory personnel.

In sum, this amendment replaces seriously disruptive provisions with affirmative assurances of a sound and beneficent policy for postal supervisors.

Mr. HANLEY. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman is recognized.

Mr. HANLEY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Illinois and in support of the committee language. Throughout the proceedings in this committee there has been some misunderstanding with respect to the exact role of supervisory personnel in our postal establishment. We gave a great deal of attention to this subject, and the committee in its wisdom built into the legislation the provision we are now debating.

Supervisory personnel are not management in the sense that we know management in the private sector. They are not policymakers. They are not decisionmakers. They merely implement the mandate of executive management in the postal field service. All this organization seeks, or all the supervisors seek is the ability to retain their association of 55,000 supervisors throughout the system, evidencing their interest in this matter through their membership. They do not ask for any more than they have presently, and they would prefer that any privileges that they presently have not be taken away from them through this legislation. This is exactly what the intent of the committee was when it prepared the language associated with this part of the bill.

So in essence they are getting no more than they presently have and, hopefully, they are not going to have any less.

To support the gentleman from Illinois, you would be taking away from them this privilege. Let us give some attention to the important role that these people play in the postal system. Through their ambition and through their initiative they have risen in the ranks to supervisory level. They are not asking for anything more than they should get. So I would hope very much that the ability to be cohesive will not be destroyed by deleting from this legislation the language which the committee has included in the bill.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. HANLEY. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. The gentleman has made an excellent statement. I wonder if he would agree that if this amendment is adopted, it would in effect destroy the supervisors organization by taking away from them the right to bargain?

Mr. HANLEY. The gentleman from Pennsylvania is absolutely correct. The effect of the gentleman's amendment would simply put that association out of business—I should not use the description "simply." It would put the association out of business, and I do not think that that would be the intent of any Member here today.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HANLEY. I yield to the gentleman from Iowa.

Mr. GROSS. I commend the gentleman for his statement, and I join him in opposition to the amendment.

Mr. HANLEY. I thank the gentleman.

Mr. BRASCO. Mr. Chairman, will the gentleman yield?

Mr. HANLEY. I yield to my colleague from New York.

Mr. BRASCO. I also would like to commend the gentleman on his statement and rise in opposition to the amendment.

Mr. HANLEY. I thank the gentleman again. I ask that you vote down the amendment of the gentleman from Illinois and support the committee language.

Mr. UDALL. Mr. Chairman, I move to strike the last word.

(Mr. Udall asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, this is an important amendment. It goes to the heart of what we are trying to do in this reform bill.

As Postmaster General, Larry O'Brien originally made the proposal that started us down this track. One of the things he said was that management does not have the tools to manage.

The supervisors are wonderful people. The supervisors have a whole corps to supervise, from 8 to 10 or up to 200 clerks and carriers in the postal service. They have always had a very close relationship with the Congress. In fact, most of the Democrats know several supervisors whose appointment or promotion they have recommended and have participated in.

In the past the supervisors have always looked to Congress for protection. Congress has helped them. Historically when we have had pay bills, there has been pressure to take all of the money that was available and give it to the lower-pay clerks and carriers and not to give it to management or the supervisory people.

Now it is contemplated we will have a new system, and the clerks and carriers will be protected by collective bargaining. It is felt and believed, and I believe, that unless the supervisors are made part of management, unless they look to management for their protection and not to the unions—which is what they have been doing in the past—we are going to really cripple and tie the hands of management.

Under the committee bill, if we are trying to run this post office, we would have to have what is the equivalent of collective bargaining with our own supervisors and foremen and managers. We would have to have it under the committee bill. Our own supervisors would be organized and coming in and demanding things of management.

I respect the supervisors. I have worked closely with them. I authored the provision that is now in the bill as a substitute for what was originally proposed, but it seems to me we can give management the tools in this new organization to really do the job and to really manage and to have supervisors as part of management, we will not have a really workable system. So I urge that the amendment be enacted. I urge support for it.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. HANLEY. Mr. Chairman, the gentleman has suggested it would allow collective bargaining for supervisors. Can he explain that? I stated it absolutely does not.

Mr. UDALL. No; I said that it allows something close to collective bargaining. We set up in the committee bill a three-man panel who could take up grievances and report back to the Postmaster General on those grievances.

Mr. HANLEY. But in no sense is this collective bargaining per se. I am setting the record straight.

Mr. UDALL. It is not collective bargaining. I did not intend to leave that impression.

Let me state clearly—the supervisors under the amendment—let me say we have written in the bill a salary differential, and we have said for the supervisors—"you shall have a differential in pay," so we will not have the ridiculous position of the supervisors getting less than the men they supervise. It says in the event a supervisory organization shall exist and it shall be recognized and shall have consultation rights, the Postmaster General shall work with the supervisors. We have also provided in the bill for a voluntary dues check off, so the supervisors' organization will not go out of business, and it will continue to exist, but they will look fundamentally to management for protection with fundamental rights underwritten in the bill. I think this is the way to treat these fine gentlemen who serve as supervisors, and we should not have the language that is in the committee bill.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, is the gentleman for the amendment suggested by the gentleman from Illinois?

Mr. UDALL. When I arose, I said I support the Derwinski amendment. I think it is sound and it does the things we want.

Mr. GROSS. And the gentleman now disavows what he put in the committee bill?

Mr. UDALL. I think this is a far better way to treat the supervisors, and in totality with what we have done with other amendments, I think this is a better way to treat them.

Mr. HANLEY. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from New York.

Mr. HANLEY. Mr. Chairman, have we not already in the bill denied the supervisors the compression privileges which we have for all the other grades in the

service? We cut them off at level 6 which in itself will be deterring ambition.

Mr. UDALL. We do not provide specifically for their compression, but we say to the Postmaster General that he shall always have a reasonable and meaningful differential between the working people, between what they get, and what the supervisor gets.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I am becoming more impressed with the versatility of the gentleman from Arizona (Mr. Udall) and of the gentleman from Illinois (Mr. Derwinski). They were prepared to substitute a bill, the Udall-Derwinski bill, at the outset of the amending procedure. This was rejected out of hand by an overwhelming vote of the House.

Now today we see the Derwinski-Udall amendment offered here, and we have the added attraction of the gentleman from Arizona (Mr. Udall) repudiating the provision that he put in the committee bill pending before the committee only a few weeks ago.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Surely. I yield to the gentleman from Arizona.

Mr. UDALL. The gentleman gave us some advice on Tuesday. He said, "Do not bring in this package; we do not want to consider the package."

Mr. GROSS. And the House agreed with me, did it not?

Mr. UDALL. It did, by a substantial margin.

Mr. GROSS. Or I agreed with the House.

Mr. UDALL. I am still licking my wounds. I hope the gentleman feels sorry for me.

Mr. GROSS. I will be glad to provide a little liniment or salve for the gentleman.

Mr. UDALL. Anything suggested might be helpful.

The gentleman suggested that we come in with amendments in separate form and offer them one at a time. Now we are castigated for trying to change the bill.

Mr. GROSS. No. I am just admiring the versatility of the Udall-Derwinski combine.

Mr. UDALL. I learned this in the Committee on Post Office and Civil Service at the gentleman's knee. He has taught me much of what I know.

Mr. GROSS. I do not know that I have had any hyphenated associations with the gentleman up to this point.

Let me say this: Now that we are reviewing a bit of history, I can remember that January day in 1970 when the distinguished gentleman from Arizona (Mr. Udall) threw up his hands, when the committee rejected the offer he had to make from the Postmaster General. He threw up his hands and said, "I am through. This ends it."

But lo and behold, he tried in June to hand us another bill on the House floor.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Of course, I yield to the gentleman from Arizona.

Mr. UDALL. Hope springs eternal, and we all rebound from defeats.

The Postmaster General came to me. The postal clerks and carriers said, "Will you please make another try?" The mail users of America came in and said, "We need postal reform."

So I went back on my word and I brought in another bill. Maybe this will be the last one. Maybe we can complete action.

Mr. GROSS. I am glad the gentleman inserted "maybe."

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I want the gentleman to know that I accept with all the emotion I have his description of the gentleman from Arizona (Mr. Udall) and myself as being men of versatility.

Mr. GROSS. What now concerns me is which one is speaking for the Postmaster General.

Mr. DERWINSKI. Both of us.

The point we wish to make is, if we are that versatile, perhaps the gentleman might see his way clear to support this amendment.

We are trying to provide something for which the committee has striven for a year and a half. This is management responsibility. The supervisor is the key to effective management of the postal service.

Consistent with the views of the administration and the postal unions, we offer this amendment from our substitute. If the Members will adopt this we will improve the bill.

Mr. GROSS. The distinguished gentleman from Illinois is in rare form this afternoon.

Again, I have been waiting with bated breath to see one or the other of these distinguished gentlemen introduce the postal rate increase bill that has been kicking around, but somehow or other the administration has not yet found a taker for that one.

Mr. Chairman, I hope that the amendment will be defeated.

Mr. GONZALEZ. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I rise to ask some questions of the distinguished gentleman from the committee who is the author of the pending amendment, Mr. Derwinski.

As I understand from reading the bill, the postal supervisors under its terms would have a right to organize.

It would have the right to process certain procedures such as fringe benefits, except pay, under the terms of the bill. Except pay. Is that correct?

Mr. DERWINSKI. I would rather direct my remarks to the amendment, because that is the issue before us. The amendment specifically states that this organization which is set up would have the right to participate directly in consultation with the postal service on matters affecting the individuals of the supervisory personnel, and then the amendment goes on and provides that it shall be the policy of the postal service compensation, working conditions, and career opportunities that will attract and retain qualified and able personnel. I could say to the House it is the intention of the Postmaster General, in keeping with the concept of a team relationship of supervisors to the postal service, to consistently grant them, as a part of management, the equivalent increases in fringe benefits and compensation that will be negotiated by the official unions representing the rank and file postal employees.

Mr. GONZALEZ. In other words, your amendment modifies this exception of the pay that is in the language of the bill?

Mr. DERWINSKI. My amendment provides the basic philosophy whereby the supervisors who receive all of the association and the strength of being part of management in fulfilling their responsibilities and they are protected in the wage differential from the people they supervise by language in another section of the bill.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. GONZALEZ. Yes. I yield to the gentleman, because I would like to have it clarified. I do not feel the answer was responsive. The bill says that the supervisors organization shall bargain with the postal system for everything except wages. How does this amendment change it?

Mr. UDALL. That particular point is not changed at all. Nothing in the bill or in the amendment would permit them to have collective bargaining on wages.

Mr. GONZALEZ. Not that I am against it, but I wanted to know before I voted on the amendment what the net effect would be, because further on it says after all of these procedures, if there is no agreement, that then a three-man committee shall be appointed and, if that prevails and the Postmaster General does not care to follow the recommendations of that committee, then all he does is report that back to the Congress.

Mr. UDALL. That is right.

Mr. GONZALEZ. And that is all.

Mr. UDALL. That is right. This was designed as a committee compromise to try to give the supervisors at least some tools by which they could take a strong grievance to this panel, which panel would report back to their boss, the Postmaster General.

Mr. GONZALEZ. All you are saying is you are giving them moral support and that is all.

Mr. UDALL. We are not giving them the collective bargaining and arbitration that the line employees have. That is neither in the committee bill nor in the amendment.

Mr. CORBETT. Mr. Chairman, I rise in opposition to the amendment.

I simply want to ask the gentleman from Illinois whether he knows what he said in his remarks, namely, that the supervisors should be very happy with his amendment. Does he know of any supervisors who support his amendment?

Mr. DERWINSKI. If the gentleman will yield, yes. To help clarify the situation,

the gentleman will find that across the country rank and file supervisors have no particular objection. Yet their officers in Washington have a very predictable objection.

Mr. CORBETT. Can the gentleman give us any evidence of that? I have not talked to the supervisors across the country. When did the gentleman get this done?

Mr. DERWINSKI. I spoke to individual supervisors in post offices in my district and consulted with officials of the Post Office Department who spoke at conventions of supervisors, that rank-and-filewise there is no particular objection to what we hope to do in the postal service, but naturally the Washington officials of the supervisors have a predictable objection.

Mr. CORBETT. And are they the elected representatives of the supervisors? Who else are we going to believe?

Mr. DERWINSKI. We can believe the supervisors themselves.

Mr. CORBETT. I can make the opposite statement that the gentleman made, and I will tell him that the supervisors are very, very strongly against this particular amendment.

Mr. FULTON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to my colleague from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Mr. Chairman, I join my colleague from Pennsylvania in opposition to the amendment. The trouble with the amendment is that the poor supervisors are at the bottom of the totem pole in management. They are a most worthy group of employees, and are represented by an outstanding organization, the National Association of Supervisors, and this relationship needs to be continued. Under the language of the amendment this would not be so.

Might I ask the gentleman from Arizona (Mr. Udall) what he meant by the phrase that this is very close to collective bargaining? What is very close? What does the gentleman mean? I come from the city of Pittsburgh, and very close to collective bargaining is not collective bargaining. It is something else.

What is it?

Mr. UDALL. Mr. Chairman, if the gentleman will yield, it is very clear that we do not give them collective bargaining, but we give them some consultation rights, some rights to sit down and present grievances.

I give them the right to exist as an organization.

So I say this is something close to collective bargaining, although it is not collective bargaining.

Mr. FULTON of Pennsylvania. The answer to it, then, is you give them the right for a talkfest, and yet no real rights otherwise. They can just be consulted, and if anybody wants to ignore them they can be ignored. Usually, with me I do not mind being ignored, but this seems to me to be giving opportunity to not even bothering to ignore them.

Mr. UDALL. If the gentleman will yield, does the gentleman think his administrative assistant ought to have collective bargaining rights in dealing with the gentleman? Does the gentleman know anywhere in private enterprise where supervisors are given collective bargaining?

Mr. CORBETT. Mr. Chairman, I have the floor. I want to say to the gentleman that the amendment as adopted by the committee is very satisfactory; it does not give collective bargaining rights for either.

Mr. LUKENS. Mr. Chairman, will the gentleman yield?

Mr. CORBETT. I yield to the gentleman from Ohio.

Mr. LUKENS. Mr. Chairman, I thank the gentleman for yielding. I just simply want to go on record as supporting this amendment. I am sorry at this time that I cannot join my distinguished minority leader of the committee in support of his opposition to the amendment. I believe this amendment is necessary and justified. I would also like to associate myself with the remarks of the gentleman from Illinois (Mr. Derwinski) and say that in my opinion the majority of the postal supervisors in the State of Ohio do join in support of this concept.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HENDERSON. Mr. Chairman, I move to strike the requisite number of words.

(Mr. Henderson asked and was given permission to revise and extend his remarks.)

Mr. HENDERSON. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Illinois (Mr. Derwinski). We have got a very difficult

situation in here. There would be no debate whatsoever over this issue if you or I were starting a private corporation. Certainly we would expect the supervisors to be a part of management. But we want to recognize the historical role that the supervisors organization has had in the postal service. I know the postal supervisors and their national officers know that I have always been understanding of their problems and sympathetic to them. I expect to remain so. I believe that the majority of the Members of this House will take that same position, and regardless of what we write into the bill today the House committee and the full membership of the House are not going out of business. We will listen to the supervisors. They can come to us with their problems. And if this new organization does not work out then we will have to legislate more strenuously than I think we should at this time.

The present bill just goes too far, in my opinion, in extending the supervisors things they do not need, and perhaps should not have, certainly automatically by law, if they are a part of the management team—and they must be if we are to gain efficiency in the postal service, they have got to be brought into the management responsibility and really treated as a part of management. If they are going to participate in negotiations and discussions as a part of management then they should not be, in my opinion, guaranteed by law pay differentials for them, it seems to me, gives a built-in conflict of interest. If they know that whatever pay increases and other benefits the rank and file through their organizations are going to get, it seems to me that it would be very difficult to be completely openminded and impartial—and I know that they would want to be.

Now, if they are to be part of management in the field of negotiations, they must assume their responsibilities. But just as importantly and with all of the force at my command, I point out that management in the new system must treat the supervisors as management; they must give them the proper differential in pay and proper authority and back them up when they give them responsibility and truly make them essential parts of the management team.

I am just fearful that the committee language goes too far the other way. I believe that the Derwinski language will solve a very sticky problem. I believe that the new management will be challenged to make the supervisors far more a part of the management team than they have been in the past.

If we find that they are not being fairly treated and being given their proper role, then this Congress would be most sympathetic to respond and do something to correct the situation.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman.

Mr. CORBETT. I just want to ask a question of the chairman. I wonder if the chairman would not consider, since we have gone over this so much in committee and here, that we could cut off debate on this amendment in 10 minutes or so?

Mr. DULSKI. I intend to do that.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I am delighted to yield to the gentleman.

Mr. SCOTT. I have a mimeographed sheet here that was put out by the National Association of Postal Supervisors. It indicates that the National Association of Postal Supervisors has never been treated as management and are not treated as management now.

I think this is an important question. Does the gentleman agree with the National Association of Postal Supervisors in this regard? Are they mistaken—that they are not a part of management?

Mr. HENDERSON. I am not satisfied and I have not been satisfied that they have been. In the new postal system they must be, if we are to have an efficient postal service and the line supervisors and the top supervisors are the people who really do the work.

If we are going to create this new and efficient service, the new management that comes in must give supervisors a proper role and status. I think if it does not happen, the Congress will legislate more stringent provisions.

Mr. DULSKI. Mr. Chairman, I ask unanimous consent that all debate on the amendment of the gentleman from Illinois (Mr. Derwinski), and all amendments thereto, end at 2:20 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair has noted the names of Members standing when the unanimous-consent request was agreed to, and will recognize Members for approximately 1½ minutes each.

The Chair recognizes the gentleman from Nebraska (Mr. Cunningham).

Mr. CUNNINGHAM. Mr. Chairman, I know the Congress has been lobbied extensively by the supervisors against this amendment. But I am convinced that they should be a part of management. If they have not been in the past, they should be in the future. I honestly believe they will be much better off.

We have heard a lot of talk which amounts to kicking the Postmaster General around. But I hear no talk of kicking Larry O'Brien around, whom I admire for his part in bringing about postal reform. I hear no talk of kicking the leaders of the seven exclusive postal unions around including the Carriers & Clerks, and other responsible people who are for this type of amendment.

So it is an awful lot of fun for some people to kick the present Postmaster General around but not to kick these other people around because they are afraid. I presume, of the backlash they will get from them—because I am confident they are in favor of this amendment as it has been presented.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Brasco).

Mr. BRASCO. Mr. Chairman, I rise in opposition to the amendment. The concept that we have before the House today in the nature of postal reform is supposed to make management more efficient so that mail can be more efficiently delivered. It seems to me that management, in the nature of the postmaster should want to give to his field management, the supervisors, a vehicle by which they can make their voices heard in terms of getting more efficient management on both levels. Then the second half of the Derwinski amendment that would do away with the concept of wage differential, I suggest that when the amendment was adopted in the committee sponsored by the gentleman from Arizona (Mr. Udall) who so eloquently spoke about the divisiveness that is created among employees and supervisory personnel when the employee may be making more money than the supervisor, that there should be this wage differential.

It seems to me that the whole concept of the bill is a logical one and that Mr. Derwinski's amendment would do nothing but create havoc with a situation to which we are trying to bring some reasonable concept.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. White).

Mr. WHITE. Mr. Chairman, I rise in opposition to the amendment. Traditionally, supervisors have been classified as a group unto themselves, with their own rules and their own mode of operation. I think we would destroy a certain esprit if we should adopt the Derwinski amendment.

There are 30,000 to 32,000 supervisors in the postal service today. This provision of the bill goes only to negotiating their conditions. It does not go to other employees. It does not allow them to negotiate their wages. Without an opportunity to arbitrate their conditions, the supervisors would be in limbo. I therefore ask that the Derwinski amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Hanley).

Mr. HANLEY. Mr. Chairman, I reiterate my opposition to the Derwinski amendment. I wish to make it very clear that in no sense of the word are we dealing with collective bargaining in this issue.

Again, let us assure ourselves that the supervisors are not to be compared with management in the private sector. So all we are providing for is the right of consultation. We are providing for the creation of a three-man board which will listen to their grievances and then make a recommendation to the Postmaster General.

So we are providing them with no more than they presently have, and hopefully no less than they should have. I ask that the Derwinski amendment be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. Anderson).

(Mr. Anderson of Illinois asked and was given permission to revise and extend his remarks.)

Mr. ANDERSON of Illinois. Mr. Chairman, I rise in support of the Derwinski amendment. If what the gentleman from New York (Mr. Hanley) has just said is true, that all he wants is the right of consultation by this association, he need have no fear at all about the Derwinski amendment, because, as I read it—and

I have it here before me—those are the very words that are in the language of this amendment, that they shall have the right to participate directly in consultation with the Postal Service concerning matters affecting terms and conditions of employment.

But if we then turn to the language of the committee bill, we find something quite different. It is something quite different from mere consultation. It says they shall have the right to participate directly with the Postal Service in the formulation and implementation of the terms and conditions of employment. This is something far different, and I would submit that, as Mr. Udall, the gentleman from Arizona, has said, there is absolutely no precedent for our completely commingling the rights of management and labor as they would be by the terms of the committee bill. What you would do, instead of having a single management team, I think you would very clearly be putting the Postmaster General and his field supervisors in an adversary position. This is certainly not the way to bring about the efficient reorganization of the Postal Service that we desire.

I think the amendment should be supported.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I wish to associate myself with the remarks of the gentleman from Illinois. If we want to talk about the ability of the postal service to manage postal affairs, the only way we can do so effectively is to adopt the Derwinski amendment. I commend the gentleman from Illinois.

Mr. ANDERSON of Illinois. I thank the gentleman for his contribution.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. Udall). (Mr. Udall asked and was given permission to revise and extend his remarks.)

Mr. UDALL. Mr. Chairman, there are no finer people on earth than the 32,000 supervisors. They are apprehensive. They have always had to look to the Congress for protection. They are apprehensive about these new arrangements and where they are going to land. I want to assure you that if it does not work out as we represented it here today, if management does not accord to them the kind of rights they ought to have, I, for one, and I think every member of the committee, would join in doing something about it.

Let me emphasize that even in the substitute, the Derwinski substitute, we give the supervisors for this large operation something that almost no supervisors have in private industry. They will have the right to exist as an organization; they will have absolute, guaranteed statutory consultation rights on everything that affects them, and they will have a dues check off. I think this is adequate protection which will give us both the benefits of management being able to manage and yet protect the rights of these fine people in the supervisory organization.

Mr. Chairman, I urge support of the Derwinski amendment.

This amendment corrects an overemphasis in the bill as reported out of committee. Subsections 208 (b) through (e) of the bill come very close to requiring collective bargaining, in effect, between postal supervisors on the one hand and top management of the postal service on the other. Such requirement flies in the face of almost all labor relations experience and judgment in the non-Government sector. It is thoroughly inconsistent with the National Labor Relations Act, as amended, which generally is to govern postal labor relations under this bill. But worst of all, it contradicts what is perhaps the most important single purpose of this historic postal reform legislation—that is, to provide for truly effective management in the postal service. If the postal service is to be managed well, it must be understood by all concerned that supervisors are a highly important—in some ways the most important—part of effective management. They are the frontline of management. And the success of the new organization turns in no small part on their being recognized as such. The Derwinski amendment does exactly this. It would be seriously damaging to this concept to require the postal service to negotiate what would amount to a collective bargaining agreement with a supervisors' organization because the negotiation process would tend to polarize the interests of the supervisors and those of higher echelons, instead of bringing them together.

Nevertheless, it is of the utmost importance to the success of the new postal service that there be a well-trained and well-motivated supervisory force, for the supervisors' role is absolutely essential to the process of converting broad postal policies into successful day-to-day postal operations. This amendment recognizes

this fact. It makes it a matter of basic postal policy for the postal service to establish compensation policies and conditions of employment that reflect the importance of a dedicated and effective supervisory force characterized of high motivation and high morale. It also requires recognition for a supervisors' organization, which shall have the right to participate directly in consultation with the postal service concerning all matters affecting the responsibilities and conditions of employment of supervisory personnel.

In sum, this amendment replaces seriously disruptive provisions with affirmative assurances of a sound and beneficent policy for postal supervisors.

Let me add that I intend to watch the new postal service closely as regards postal supervisors. If their treatment does not improve under this act, changes will be suggested by me. They can depend on this.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois (Mr. Derwinski).

Mr. DERWINSKI. Mr. Chairman, let me emphasize this is a positive amendment. The purpose of it is to upgrade the relationship of the supervisors in relationship to management. It certainly is a departure from present procedure since what we are doing is to upgrade the postal service and to provide management techniques and labor-management relationships that are needed.

I emphasize that in this language I offer as an amendment we give to the individual supervisors status without depriving them of any of their individual rights, and they do have protection in the wage differential over the employees they will be supervising. This puts them solidly on the management team. It gives them the equivalent status that personnel of that type have in private industry. It just makes sense in this entire new concept of postal reform.

I especially emphasize that the Postmaster General feels this is a key amendment, and without this amendment we would endanger the efficiency of administration that they envisage.

I urge adoption of my amendment.

Mr. LUKENS. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from Ohio.

Mr. LUKENS. Mr. Chairman, I thank the gentleman for yielding. I would like to add my comments in support of this section of the bill. It seems to me what we have before us is a bill that may or may not solve the problem of providing efficient postal service to the people of the United States. We really do not know. But, we do know it is difficult enough to be effective and efficient in delivering the mail. We also know the cost for mail delivery has gone up, and while the postal service faces competition from private enterprise, I think this is one provision that holds out promise for more effective operation of the Postal Department. I think we at least ought to try it. I support the gentleman's amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Dulski) to close the debate on this amendment.

Mr. DULSKI. Mr. Chairman, the Derwinski amendment says the supervisors shall have the right to participate directly in consultations. Under the language of the amendment, although they have some kind of representation, if the Postmaster General does not agree with them they have no other recourse.

The committee bill, on the other hand, provides as follows on page 185:

"(d) In the event the parties fail to reach an agreement under subsection (c) of this section, the dispute will be resolved by a panel consisting of three members, one appointed by the Chairman of the Civil Service Commission, one appointed by the Secretary of Labor, and one appointed by the Director of the Federal Mediation and Conciliation Service.

At least they have a means of recourse in the committee bill. But in the amendment proposed by the gentleman from Illinois (Mr. Derwinski) they have none.

I am opposed to the amendment. I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. Derwinski).

The question was taken; and the Chairman announced that the yeas appeared to have it.

Mr. DERWINSKI. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Derwinski and Mr. Dulski.

The Committee divided, and the tellers reported that there were—ayes 84, yeas 64.

So the amendment was agreed to.

