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Post & Logistics Global Bulletin

Edition 2008

<http://www.uniglobalunion.org/postal>

Number 03



UNI P&L and the UPU

On 13 May UNI Post & Logistics met with UPU representatives in Bern. Various issues were discussed during the meeting amongst which the role of the UPU Consultative Committee (CC) of which UNI is a member of, as well as the lead of the sub-committee on sustainable development. The discussion evolved around how UNI could become more involved in the CC. This was further discussed in the meeting held on 22-23 May in Washington regarding the future priorities of the CC after the 24th UPU Congress to be held in Geneva from 24 July to 12 August 2008.



The Congress will be the starting point of a new 4 years cycle of work for the UPU. More information regarding the Congress agenda and UPU future strategy may be found at : <http://www.upu.int/congress/en/index.shtml>.

Another point of discussion during the meeting with UPU was that of sustainable development including governance and corporate social responsibilities, HIV and AIDS policies at the work place in the postal sector and environmental issues including the signing of an agreement between the UPU and UNEP (United Nations Environmental Program). The discussion then followed on the thematic of remittances and how UPU is trying to encourage its members to put in place cash transfer services through the postal system. Another meeting with the UPU will be taking place in July this year.

Review of UK postal services

Earlier in May a preliminary independent review on the "Challenges and Opportunities facing UK postal services", came out, commissioned by the UK Government. The main findings of the report are that "the letter market is at the start of a long term decline" and "...in 2007-2008 the universal service itself will be loss making for the first time." "There is now a substantial threat to Royal Mail's financial stability and, therefore the universal service" continues the report that leads to the conclusion that "the status quo is not tenable." In this context, according to the report, "Royal Mail calls for deregulation whereas competitors and some business users want greater protection".

The most important finding of the report though is that "there have been no significant benefits from liberalisation for smaller businesses and domestic consumers" and there is a "risk that more extensive competition could make the universal service unsustainable".

In response to the interest around Postcomm's submission to the Hooper review calling for Royal Mail to be privatised, CWU UK condemned another bad move by the regulator.

Billy Hayes, general secretary, said: "This is another bad decision by Postcomm following their many bad decisions which have led to the problems in the industry. Postcomm are again overstepping their remit with this report. They have consistently been obsessed with the drive to develop the competition model and calling for privatisation is another step from an organisation that is ignoring their public service obligation". For more information see: <http://www.cwu.org/news.asp?step=3&NID=1996>

The report may be found at: <http://www.cwu.org/uploads/documents/The%20Challenges%20and%20Opportunities.pdf>

Comments from the press may be found at:

<http://news.bbc.co.uk/1/hi/business/7385044.stm> or <http://www.guardian.co.uk/commentisfree/2008/may/22/labour.post>

CWU UK submitted evidence to the second round of the government-commissioned review into competition in the postal market focussing on the future of the universal service, it can be found at:

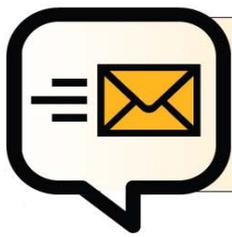
<http://www.cwu.org/news.asp?step=3&NID=1999>



USA: DHL Express Workers Overwhelmingly Ratify National Contract

The Teamsters' Union reports that on 1 May, more than 7,000 Teamsters working at DHL Express ratified their first national agreement by a solid 82 percent. The contract is the union's second new national agreement in the past month. These are the first new national pacts negotiated by the Teamsters Union in more than 30 years. In votes counted on 7 April, an overwhelming 89 percent of voting workers at UPS Freight (NYSE: UPS) ratified a new national contract that now covers approximately 10,700 new members.

The five-year contract expires on 31 March, 2013. Among the national contract's highlights: annual wage and benefit increases, including \$8.35 over the term of the contract for pick up-and-delivery and clerical workers; all health-and-welfare and pension funds are maintained for current employees; a cost-of-living adjustment, or COLA, applies to all employees and operations covered by the new agreement. Negotiations took place in a difficult environment. Since purchasing Airborne Express in 2003, DHL has lost billions of dollars in the U.S., including \$900 million last year. Under these difficult conditions, the Teamsters negotiating committee secured an agreement that significantly raises workers' wages and provides a path for further organizing at DHL.



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McCreevy's answer to UNI's letter: a minimum wage only half of that paid by Deutsche Post could be unfair competition!

UNI Post & Logistics' have had a rather amazing response to our request that EU Commissioner McCreevy ensure that Member States respect the parts of the new postal directive which says that liberalisation should not be a catalyst for social dumping. UNI had advised Commissioner McCreevy that; "We are seriously concerned that you can claim that social regulations are an impediment to competition and must be eliminated. This statement which suggests you favour a business model based on wage and social dumping is unacceptable to the affiliates of UNI Post & Logistics." Rather incredibly, Commissioner McCreevy has responded to UNI Post & Logistics saying that in the case of Germany where TNT are refusing to pay the minimum wage for postal workers that; "If the effect of the introduction of such a minimum wage would be to drive the majority of the competitors of the incumbent operator out of the market and to prevent new competitors from entering the market, this could give rise to legitimate competition concerns". He goes on to say; "Any actions taken by Member States in this respect should, however, not lead to unfair competition." How any one could imagine that a minimum wage of Euro 8.00 to 9.80 when Deutsche Post are paying the same workers Euro16.80, is anti-competitive is beyond the comprehension of UNI Post & Logistics. In addition, employees of Deutsche Post's competitors work much longer weekly hours, they have significantly lower holiday entitlements, and they do not get any Christmas bonus, holiday allowance or contributions to the company pension scheme. Perhaps Commissioner McCreevy's economic advisers can explain how a wage rate of just over half that paid by the incumbent operator does not already give the competing companies a massive competitive advantage.

CWU Ireland looks to the future of a liberalised European postal market



UNI Post & Logistics recently attended the bi-annual conference of the CWU Ireland, Neil Anderson Head of UNI Post & Logistics and John Baldwin from the CWU UK, who is the Chair of the European Postal Social Dialogue, made contributions to the conference on how UNI was dealing with the liberalisation in the postal market in Europe. The conference heard that the decision by the European Parliament to proceed with Postal Liberalisation was disappointing but nevertheless the delay achieved by the Unions in UNI Global Union gives the opportunity to prepare for full competition. The conference also heard from the CWU General Secretary, Steve Fitzpatrick, who said the union now needs to work at ensuring that the Irish Government transposes the European Directive on this matter into Irish Law, fully recognising the importance of the Universal Service Obligation.

He also said that the Postal and Courier market has continued to develop with a shift away from letter mail, due to electronic substitution, to an increase in the delivery of physical mail (i.e. express mail, packets, parcels and logistics). Indeed, in the delivery area, the lines between parcel and logistics, collections and deliveries have become increasingly blurred. The main players in the express mail, packet, parcel and logistics collection and delivery industry are DHL, TNT, Federal Express, with UPS and Interlink the only two companies within which we have Union representation for the CWU. Some elements of those major international courier firms are organised by other Unions and there will be an increasing need for us to co-operate with those Unions, in order to ensure that the whole collection and delivery market is organised.

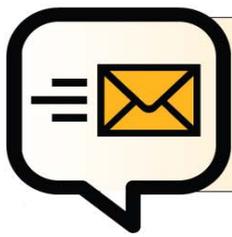
UK unions slam bonus payment to Royal Mail manager

UNI Post and Logistics UK affiliates have slammed Royal Mail for paying a bonus of £2million to its Chief Executive, Adam Crozier. Billy Hayes, CWU General Secretary, said: "Royal Mail has just claimed that it is in financial crisis, that employees are overpaid and is trying to reduce the pension benefits of its staff. At the same time as this, executive pay is completely out of control. "This is an outrageous use of public money at a time when post offices and other Royal Mail offices are closing and postal services are being cut back. Adam Crozier is again being rewarded for managing decline instead of improvement in the company. This is a massive insult to Royal Mail employees and the public." Paul Reuter of Unite, UNI's other UK Post & Logistics affiliate, said: "This is immoral. They are rewarding themselves fantastically for failure. "The performance-related payment is on top of Adam Crozier's annual remuneration, excluding incentive plans and pension contributions, of over £1million".

Agreement for Norwegian Postal workers

The parties involved in collective bargaining on wages in the Norwegian Post reached an agreement, seven hours after deadline and thus the strike was avoided. - "We are satisfied and have secured an increase in the real wages for our members and other improvements", says Postkoms's President, Odd Christian Øverland.

More information on: www.postkom.no



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Second Strike Ballot at Post AG: 82.7% vote in favour of negotiated settlement

Ver.di reports that 82.7% of its members at Deutsche Post voted in favour of accepting the settlement negotiated on 30 April. As a result, the contractually agreed provisions can come into effect. "We have achieved a very good agreement which shows the exceptional cohesion of our members. That is precisely what makes us so strong", says Andrea Kocsis, Deputy President ver.di. The union had balloted its members on the negotiated settlement on 13 – 15 May, after more than 93% had voted in favour of unlimited strike action during the first ballot. After a 4 week warning strike, ver.di succeeded in obtaining the permanent maintenance of the 38.5 hour week for all employees, a non-dismissal clause that will remain valid until 30 June 2011, and a 4% pay increase as of 1 November 2008 with a further 3% increase as of 1 December 2009. Furthermore, short-time working has been taken off the agenda completely. Immediately after the ballot results were in, the collective bargaining committee accepted the offer, thus putting a formal end to industrial action at Deutsche Post AG.

Agreement on new collective labour agreement for TNT

On 23 May 2008, ABVAKABO, FNV, other trade unions and TNT reached at last an agreement in principle on a new one-year collective labour agreement. The agreement will come into force with retroactive effect to 1 April 2008 and will apply to all TNT employees in the Netherlands. All together it lasted a whole year to get to this agreement. It started with a presentation of drastic saving plans, with job cuts, freezing wages for 2.5 years and a list of lowering labour conditions. Union members massively rejected the plans of the company. A collective social agreement was reached and the collective labour agreement was extended for 6 months with a € 525 once-only payment. TNT needed very long time to think about alternative plans instead of the company plans. The alternative plans were made by a study group, with a better perspective for the employees, but also disadvantages. With pressure from its members ABVAKABO and FNV demanded a 3½ percent of salary rise on 1 April 2008 and no lowering labour conditions. TNT was only prepared to offer a poor salary rise, but only on account of lowering labour conditions. The negotiations reached a deadlock and it was time to strike. The willingness to strike was enormous. 'Only with support of our members could we reach this new one-year collective labour agreement' mentions

Anneke Stevens, negotiator on behalf of ABVAKABO and FNV, 'but with this agreement the problems are not solved yet. In the coming months we have to learn to know the advantages and disadvantages of the alternative plans and be able to discuss them with our members. After that we can make our proposals to amend the alternative plans and to proper transitional arrangements.' This new one year collective labour agreement puts an end to the planned industrial action. The key arrangements are as follows: All employees will receive a salary rise in the form of a structural increase of 3% with retroactive effect to 1 April 2008, plus 0.5% in the form of a monthly payment until 1 April 2009; The monthly payment of 0.5% will become a structural increase with retroactive effect to 1 April 2008 if a consensus is reached by no later than 1 April 2009 on certain issues. More details on: <http://www.uniglobalunion.org/unipostal.nsf/d3ae12c135a6a3aac1256b2f0050ecdc/3981327857e6bf48c125745c004f4e85?OpenDocument>

Update on NZ Post collective contract negotiations

The EPMU is the largest Postal Union in NZ representing over 4500 workers in Delivery, Mail Processing and Retail Postshops. The EPMU have concluded a first round of negotiations with NZ Post on 6,7,8 May 2008 and has adjourned negotiations to report back to members located at over 300 sites across New Zealand. EPMU negotiations resumed on 28-29 May. The PWUA representing approx 650 delivery workers went into negotiations with NZ Post in the week of May 20. The two unions have met in recent times to discuss matters of mutual interest.

USA : DHL Express restructuring could result in job loss

Deutsche Post has decided to restructure its US DHL Express branch. Abandoning its air network in North America, DHL's US Express has made an agreement with UPS to fly its customers' packages in the region.

The restructuring also entails the closing down of 30% of DHL's US infrastructure, and up to 10% of its 18 000 staff could lose their job. Teamsters Union reacted on this issue and said it would begin an evaluation of the impact of the agreement with UPS on its members, especially its nearly 600 member pilots.

More information at :

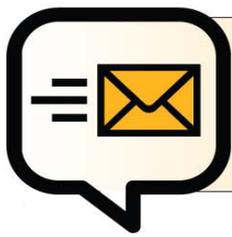
http://www.teamster.org/08news/hn_080528_1.asp and <http://www.ft.com/cms/s/0/57f94f18-2d18-11dd-88c6-000077b07658.html>

Labour provides some balance at the Rutgers conference on postal economics

At a special session for Labour at the recent Rutgers sponsored conference which took place in Portugal on Postal and Delivery Economics, three union presenters added some balance to the proceedings by giving the view of labour on liberalisation and deregulation in the postal industry. Billy Hayes from the CWU, UK, presented a paper that showed what has happened to the UK mail market and in particular to the problems Royal Mail now have in remaining a viable provider of the Universal Postal Service since the UK postal market had been liberalised. Billy told the conference that in the current review of Royal Mail it had been shown that liberalisation had been of no benefit to small and medium-sized business and ordinary consumers, it had only been to the advantage of large companies.

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Please send your union news articles to postal@uniglobalunion.org



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Geoff Bickerton of the Canadian union, CUPW, told the conference that the majority of stakeholders in Canada and the United States did not favour a deregulation of the postal service which was being promoted by big business and the potential competitors. He said that the response to his research had been that stakeholders were saying, "If it isn't broken don't try and fix it!" Jim Sauber and John Baldwin in their paper argued that the failure to resolve the issue of historical pension liabilities was putting an unjustified burden onto the operating costs of the postal operators. They said that previous failures to properly fund pension plans now meant that postal operators now had huge liabilities that threatened the reform of the postal market and the ongoing viability of the universal service. The papers presented on behalf of labour and the other presentations can be found at:

<http://www.ccri.rutgers.edu/references/post/index.html>

UNI protests against decision of Moroccan Governmental Council to privatise Post



UNI has addressed a protest letter to the Prime Minister of Morocco regarding the decision taken by the Moroccan Governmental Council on 24 April to privatise the Moroccan Post. UNI's Post & Logistics affiliate, the FNPT-UMT then took part in the 1st May demonstration in Rabat protesting against the privatisation.

The protest letter may be found at:

<http://www.uniglobalunion.org/unipostal.nsf/d3ae12c135a6a3aac1256b2f0050ecdc/281f6efa6a9de2f9c125743b003ac3ae?OpenDocument>



People put more trust in the Post

According to the Institute for Postal Research and Forecasting in Paris, administrative mail (bills, account statements, etc.) is the type of mail most threatened by the electronic revolution. Nevertheless, despite the various electronic services used for managing transactions between households, government agencies and social organisations (online tax returns, bill payment and Internet access to account statements), studies show that people still put their trust in traditional mail. In a 2007 Denmark Post survey, 75% of respondents preferred receiving information from businesses or government agencies by post rather than e-mail. They took communication from companies more seriously if they arrived by post rather than by computer.

More information may be found at: http://www.upu.int/union_postale/2008/en/1.pdf

Do you know where you can go for Post Statistics?

<http://www.upu.int/statistics/en/index.shtml>

UNI Post & Logistics team in Nyon joined by new Research Assistant



Esther Bares joined UNI at the beginning of May as Research Assistant for the Post & Logistics sector. After studying international relations in Geneva, Esther worked on trade and human rights issues and then in the development and humanitarian field for a couple of years.

UNI Post & Logistics Communications Questionnaire

A vital part of UNI Post & Logistics work is making sure that the right information and communications are going to the right people in your union and that union members in the sector are well informed about the issues they are facing and are able to help their colleagues globally to understand the challenges and changes. In order to do this we have prepared a small questionnaire that we would ask you to complete and e-mail, fax or post back to us as soon as possible.

This questionnaire can be found on the UNI Post & Logistics web page at: http://www.uniglobalunion.org/unipostal.nsf/0/120308_EN_08

Forthcoming Events

- 5 June 2008 -UNI-Europa Post & Logistics Social Dialogue Plenary, Brussels
- 22-23 July 2008 -UNI Post & Logistics World Committee, Nyon
- 23 July-12 August 2008 -24th UPU Congress, Geneva
- 2-3 Oct 2008 -UNI-Europa Post & Logistics Committee, Luxembourg
- Oct 2008 -UNI Apro Post & Logistics Committee, Bangkok, Thailand

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