

# Postie Pay Model needs changes — and inter-union cooperation

Post wants to make a transition to a Postie Pay Model (PPM) compulsory in the New Collective Employment Agreement (CEA). The current CEA expires on 31 March. (Following the Christchurch earthquake CEA negotiations have been delayed until late April/early May. See back page.)

The company's latest PPM CEA claim comes after two years of work by the Delivery Working Group (DWG) made up of representatives of Post, the PWUA and the EPMU.

The Postie Pay Model is part of the company's response to declining mail volumes which the company says could see Delivery no longer being a sustainable business in two years' time.

PPM could have advantages for Post and also for many posties, with flexibility

in working hours and earnings.

Post has carried out its briefings on the trialed Postie Pay Model to delivery management and union delegates throughout the country.

The PWUA says the latest version of the PPM being proposed by Post for the next CEA does not have enough protection for its members and has not been agreed to by the PWUA.

The PPM would pay posties for the work they do, not the time they spend working.

Many PWUA members believe the PPM has considerable promise if its weaknesses are able to be remedied. (See other stories on this page.)

The PWUA believes that cooperation between the EPMU and PWUA is essential if posties are to get the best deal from the Postie Pay Model.

## PPM needs workload protection, guaranteed staffing, and a "personal allowance"

The PWUA believes changes are needed to the PPM proposal so that it doesn't become a pay system that advantages only those posties who want to work quickly and get more money at the expense of those who want to work at a more measured pace.

Under the proposed Postie Pay Model the base wage of 37 hours 40 minutes pay would be guaranteed provided that

- Posties will be given cut-ups to bring the amount of mail they deliver up to 37:40 hours' work at BS 82, *and*
- Posties complete all piece rate work assigned to them by Post. The amount of piece rate work assigned to posties would be at the company's discretion.

(The inclusion of compulsory piece rate work into Post's PPM CEA claim is a new feature which has not been trialed.)

The original design of PPM contained a "personal allowance" of \$400 for posties to draw on for an occasional time when a postie did not want to work a cut-up that may have been necessary to bring their hours up to 37:40 without loss of pay.

This personal allowance has been scrapped in Post's latest version of PPM.

The PWUA now has a CEA claim to have half the current BUIP payment turned into a personal allowance to give the flexibility for which the PPM was designed.

In Postie branches where PPM has been trialed, if enough Posties are prepared to volunteer for additional work for which they

get a higher incentive pay rate, PPM boosts the posties' earnings and effectively increases the average hourly rate that they are paid.

PPM hasn't worked as well in some of the trial branches where more posties do not want extra work.

Guaranteed staffing levels and maximum workload protections also need to be included in the CEA. Currently these protections are provided by penal rates and restrictions on unreasonable overtime.

There is no real time and a half in the current CEA because allowances are not paid for overtime. The effective overtime rate is as little as time and a quarter.

Penal rates in the PPM would be a huge new cost on what has been accepted by Post and the two unions as a "cost neutral" model.

The only place the money for penal rates could come from is the "additional hours" rate of \$20.53 which is paid for all work over and above 37:40 of *calculated* work, even when the extra work is completed within the 37:40 rostered hours.

For example, if a postie completes say 39 hours 40 of calculated work inside 37 hours 40, they would be paid two hours at \$20.53 *on top* of their regular weekly pay.

If the "additional hours" incentive pay rate is reduced, the PPM won't work for the benefit of posties who want to earn more by picking up extra work.

## Work Measurement accuracy essential

The accuracy of the Work Measurement System is crucial for the success of the Postie Pay Model. Inaccurate work measurement will result in inaccurate pay.

While the Work Measurement System (WMS) can work well to allocate workload, it is well known amongst posties that round sizing can be inaccurate.

It is also essential that posties have confidence in any change from a *work allocation* system to a *work payment* system.

A lot of work has already been done to try to make the WMS fit for the purpose of a work payment system. This work has not been completed and it is in the very early stages of its application to actual round sizing problems.

A new disputes system being developed as an integral part of the PPM will be essential to identifying and resolving any outstanding PPM and round measurement issues.

In the PWUA's view it would be wrong for any branch to be required to change to the new Postie Pay Model until all work measurement issues in the branch have been fixed.

## "Directly affected employees only" to vote on PPM in CEA

Voting on whether the Postie Pay Model will go into the PWUA CEA and in what form will be voted on by PWUA delivery staff only.

The PWUA believes that voting should be the same as for "Changing the agreement" in CEA clause B6 - "directly affected employees only".

If any significant provision of the CEA were to apply only to operations or retail, the PWUA believes it is not appropriate for other groups to vote on major changes to the CEA which do not affect them.

## Request for inter-union cooperation unanswered

The PWUA has written to the EPMU seeking to get inter-union cooperation extended to cover the bargaining of the new CEA. The PWUA and EPMU have been working together at the Delivery Working Group on the Postie Pay Model (PPM) for over two years.

The EPMU has issued a leaflet about PPM to its members in which it says that BS 82 is an international benchmark work standard. This is not correct. The international benchmark is BS 75.

There appears to be some serious problems with the EPMU's lack of understanding of how to create an incentive based "pay for work" system. If the EPMU's emphasis on penal rates is at the expense of the incentive "additional hours" payment system fundamental flaws will undermine the flexibility and incentives of the PPM.

The PWUA had sent the following email to the EPMU's Anna Kenny after the company had produced its first draft of the CEA wording for the Postie Pay Model:

*Hi Anna*

*Having gone over the papers for this meeting it seems that there are a number of important issues. I intend to have a meeting of our reps before the meeting starts.*

*I believe it would be in our best interests if all union reps met*

*together to try and forge a common position. Is the EPMU prepared to meet with our reps prior to the start of the meeting with the company?*

*A reply would be appreciated.*

*Thanks*

*Graeme Clarke*

As for many other PWUA requests for inter-union cooperation over the years, the EPMU has not replied.

It appears that once again bargaining for this year's CEA, including PPM, is to be conducted in the same fashion as every other agreement since 1996 - the two unions will have separate negotiations with the company, and once again the company benefits from negotiating with a divided workforce.

The concern about repeating the bargaining experience of the last 15 years with the EPMU is that if one union reaches an agreement with the company on the PPM prior to the other union having its own negotiations, it will be extremely difficult to shift the company off what may be a defective agreement.

This was the situation when the EPMU agreed to the loss of 40 hours pay for all new employees hired after 5 July 2000.

With PPM being another major change to posties' work and pay the PWUA believes that it is crucial to get it right - for both unions to get it right - together.

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## File note copies should be given to workers

From time to time managers or team leaders make notes of conversations they have had with their staff members. The employees are usually completely unaware that notes have later been made of even a short informal conversation; that the notes go onto their files; and that the notes may be produced by the company at some time in the future to support a disciplinary action against them.

The PWUA has a claim in the CEA negotiations for a copy of any file note to be given to the employee concerned within two working days so that:

- Workers know what is being recorded about them.
- Workers would have a chance to correct any errors or misrepresentations while the events are fresh in everyone's memories.
- It would discourage file notes being written up without good reason.
- When there may be some tension around a particular incident, it would remove any feeling of embarrassment or intimidation for an employee otherwise having to ask to inspect their personal file.

## Post proposes delaying negotiation for new CEA

The involvement of senior management in the aftermath of the Christchurch earthquake has caused Post to propose a delay in the negotiations for the new Collective Employment Agreement until late April early May. The current CEA expires on 31 March, and bargaining dates had been set during March.

Some Post employees have suffered major dislocation and stresses to family life and in some cases serious property damage. The PWUA understands the circumstances of management and staff. Six PWUA delegates from Christ-

church, one from Rangiora and one from Nelson who were in Wellington for a Post/PWUA Postie Pay Model briefing had been caught up overnight in Wellington when all airports closed immediately after the earthquake.

Three of Post's bargaining team members are Christchurch based and have immediate personal and business responsibilities to attend to.

The PWUA has offered to assist posties and Post's Christchurch operations with PWUA members who could go to Christchurch from other centres.

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POSTAL WORKERS UNION OF AOTEAROA (NORTHERN)

14 Ahiriri Ave, Avondale, Auckland 0600

I hereby appoint the Postal Workers Union of Aotearoa incorporated to be my authorised representative under Sections 18 and 236 of the Employment Relations Act 2000. For the purpose of this authority any duly appointed representative of the PWUA is empowered to act on my behalf in any matters related to or arising out of the negotiation and application of any Employment Agreement or any other matter relating to my employment at my request. This authority shall continue in force until revoked by myself, giving two weeks notice.

Name (PLEASE PRINT) .....

Signed .....

Date ..... Appointment No. ....

Employer .....

Branch .....

Home Address .....

Phone .....

### Deduction Authority for Postal Workers Union of Aotearoa (Northern)

I authorise my employer to deduct:

\$4.50 per week when I am employed for 30 or more hours per week, or

\$2.25 per week when I am on-call, or employed for less than 30 hours per week

from my pay and credit the Postal Workers Union of Aotearoa Northern District.

Please stop any other deductions from my pay to any other union.