



# REDBACK

POSTAL WORKERS UNION OF AOTEAROA

June 2015 | No. 116

## Alternate Day Delivery — another backward step in postal service

The state owned postal service NZ Post is taking another step backwards in service standards as the company changes to alternate day delivery for standard mail.

In October 2013 Post abandoned its across town next day delivery standard. At the time a senior manager shocked the PWUA when he stated that Post had been "over servicing" its customers.

Post rejected PWUA proposals that mail delivery change to five days or even a modified four day delivery system as "not saving the company enough money".

Post's service reductions saw the loss of District Health Board mail to a private competitor. Although Post had stated that it fully expected to get the DHB mail back it has now given up expecting the mail to return because Post says it cannot compete on cost with the private mail company.

The Union is expecting a further loss of standard mail to a competitor offering five day a week delivery of standard mail along with a next day across town service.

Once Post announced its intention to go to alternate day delivery the PWUA saw

its duty as one of taking a fully active role during every step of the process to protect union members during the complicated and disruptive changes.

Even while the company was still in a consultation phase with the unions, a public statement by Post made it clear that a decision had already been made to go to alternate day delivery.

Although Post had created a climate of expectation of 25% to 30% of posties being made redundant, the employment of posties on fixed term agreements saw a significant reduction in the number of voluntary redundancies being accepted by the company.

The result is a strong feeling of betrayal amongst a number of posties. More resignations are expected along with some applications for Enhanced Early Retirement.

Although the PWUA has never agreed with alternate day delivery as the solution for declining mail volumes, the Union accepted the resources provided by Post including the release of two "roving delegates" for four months as the PWUA supported its members during the process.

## More problems expected after July "go live"

As the site for the alternate day delivery trial the Marua Road branch in Auckland has already "gone live".

Of 17 applications for voluntary redundancy at Marua Road 10 were accepted. However with a number of resignations, the branch now has 10 permanent fulltime postie vacancies.

Other potential problems identified by the PWUA include:

- Posties suffering a paycut in July as their calculated hours fall below their actual hours worked.
- Difficulty in retaining new posties

because of the complexity of learning two rounds and the low hourly pay rate.

- Excessive lost time due to plans not taking into account when mail is ready to be pulled down or when sorting cases come free from other posties still sorting.
- Some posties having a lot more inside or outside work than other posties.
- Cross-cutters having only 2 hours inside work then having to wait for another hour until their cross-cuts are ready.
- Posties suddenly leaving the job.

## "Privatisation by stealth" — no denial as Post pulls out street receivers

No one from NZ Post has denied the public statements by the PWUA that the nation's state owned postal service is undergoing a process of privatisation. As Post runs down its delivery service standards a private sector mail company has been steadily building up its own delivery service and network.

Instead of Post being sold off and no longer owned by the Government - privatisation - the delivery of mail is being quietly picked by from Post by DX Mail. This, says the PWUA, is privatisation by stealth.

RadioNZ has reported that 1300 street

receivers have been removed since 2008. Post continues to pull out street receivers throughout the country including in New Plymouth where DX Mail already has more street receivers than Post.

Post has claimed that street receivers are being taken out because of "the cost of sending out a courier" to clear them. However the company has ignored the PWUA's proposal for posties to clear the street receivers.

Last month more street receivers were taken out in New Plymouth where posties would be able to clear them because they have to take their electric

## Post rejects work hours review

Following excessive hours being worked by some Christchurch posties last year the PWUA entered into mediation with Post in December to protect posties from being required to work until all the mail was delivered and only to stop delivery when it was dark.

Although the resulting agreement still required what the Union considered to be too many hours on one day - ten hours - it was the first time that Post had agreed to a fixed limit on working hours.

One provision of the agreement was that there be a review on 30 June. The PWUA wanted to propose a 9 hour maximum work day (including calculated rest breaks).

However Post has rejected the need for a review and is saying that the agreement was only to protect posties until alternate day delivery and that a restriction on working hours is no longer necessary.

The PWUA strongly disagrees with the Post's position. The CEA says that Post must ensure "that overtime is kept to a reasonable level". Employees are entitled to protect themselves from unreasonable and unsafe demands.

In 2002 the PWUA and Post agreed at the Collective Employment Agreement negotiations on the criteria to use when team leaders and posties were considering whether or not overtime was reasonable.

The criteria included weather; frequency of overtime; duration of overtime; individual round size; reason for overtime; the views of the individual postie; health of the postie (on the day and general health); and the commitments of the postie outside of work. Even 8 hours or less may be unreasonable for a particular postie on a particular day.

The law requires employers and employees to be reasonable in their dealings with each other. Posties should contact their local union organiser if they feel the demands on them to work overtime are unreasonable.

vehicles back to the mail centre for charging every day after delivery.

The PWUA believes an ex National Party finance minister is involved in a serious conflict of interest in the postal sector.

In 1997 when he was a cabinet minister Bill Birch voted for the deregulation of the standard letter. He is now on the board of DX Mail which is "competing aggressively" with Post for standard mail.

It remains of serious concern to the PWUA that despite the Union's urging, the CEO has not spoken up to reassure worried employees that Post is not being deliberately "run into the ground".

## New Plymouth posties have gone electric

New Plymouth posties are now using 14 three-wheel electric Kyburz and trailers for "on day" delivery and four of the four wheel electric Paxter for "off day" priority mail. On 22 June the branch also changed to alternate day delivery.

Both the PWUA and EPMU delegates have worked together to ensure the posties were well represented at every step of the process. They have been directly involved with the company's design team.

Regular meetings with the posties have ensured plenty of discussion and a smooth transition including the change from right hand bicycle delivery to the left hand electric vehicle delivery.

To avoid driving into on coming traffic as they moved from footpath to road as necessary the case strips have been changed so that the rounds are now in the opposite direction. The posties have generally adapted well to the changes.

The next steps will be the development

of new time standards for the many different tasks involved with the new vehicles. This will include new inside times for changing into the new heavier uniforms, boots and gloves and helmets, detailed daily vehicle checks, and loading the vehicle and trailer.

New outside times will include faster dead travel time but a much slower speed of travel on delivery.

Delivery point times will also change - because the vehicles are not to be driven on grass berms there will be new times for dismounts for access to letterboxes.

The full impact on the delivery time of adding the courier parcels will be known later in July when the parcels are added to the New Plymouth delivery rounds.

The union delegates will also be closely involved in the measurement and establishing of the new time standards.

Post has made no decision yet on whether the New Plymouth pilot will be extended to other delivery branches.

## Contracting out – lower wages for contractors' posties

Posties in some of the small Taranaki towns will be made redundant if Post can find contractors to take over the delivery of the mail and parcels.

The business case Post put to the Union showed the company paying significantly less for contractors to deliver mail and parcels than for the existing posties and a courier to do the same job.

The PWUA has made it very clear to Post that because of how Post has "built up" its lower contract price, any posties who may be hired by the contractors would be on much lower wages, have seriously reduced conditions of work and lose the protections of the CEA.

The Union also believes the company has abandoned its responsibility under clause H14 of the CEA - to "use its best endeavours to offer to transfer those affected employees to the new potential employer on the same or substantially similar terms and conditions".

Contractors who may not have a detailed understanding of labour law may enter into illegal employment agreements and arrangements. The result could be posties working at the minimum wage or less, while wearing the uniform of a state owned enterprise - NZ Post.

Although the labour law provides for workers to join unions and bargain collectively for wages and conditions, it is illegal for the contractors themselves to join together to bargain with Post.

Even though Post has followed the contracting out process set out in clause G11 of the Collective Employment Agreement, both the PWUA and EPMU have expressed strong opposition to Post about the contracting out of posties' jobs.

Post - a state owned enterprise - is effectively cutting the wages of any posties hired by contractors to deliver mail and walking away from having any on-going responsibility for the consequences.

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## BUIP for cards to call

Some postie branches may find that their BUIP bonus payment have been reduced because of the number of cards to call.

\$500 - half of the \$1000 BUIP (Business Unit Incentive Plan) - is allocated to the 'first time delivery' of parcels without leaving a card to call.

However there are times when it may be necessary to leave a card to call including dogs on the property, locked gates, insecure box nests in apartment blocks or dangerous or obstructed pathways.

Union members including workers in the mail centres who are concerned that their BUIP payment appears to be too low can first ask their team leaders for an explanation. If any doubt remains about the amounts to be paid out for the BUIP the union office can arrange for follow up at the national level if necessary.

## Four weeks of \$21.11 for ADD

A PWUA proposal that a once a week training allowance of \$21.11 be paid while posties are adjusting to alternate day delivery (ADD) has been accepted by Post. It will be paid for the first four weeks of ADD.

However the PWUA advises posties to docket all inside and outside waiting times as lost time and to advise the union office of any non payments.

REDBACK is published by the Postal Workers Union of Aotearoa | PO Box 6287, Marion Square, Wellington



POSTAL WORKERS UNION OF AOTEAROA (NORTHERN)

PO Box 95211 Swanson Auckland 0653

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:

\$4.95 per week when I am employed for 30 or more hours per week, or

\$2.50 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.