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In the Matter of Arbitration

between

UNITED STATES POSTAL SERVICE

and

NATIONAL ASSOCIATION OF LETTER CARRIERS

Case Nos. SLN-3U-D
27273 through 27291

SUPPLEMENTARY DECISION

On 18 May 1983, the undersigned arbitrator issued his decision in the above matter, holding that the discharges of Jerry Warren, Derwin Ray Beasley, Roger Davis, P. A. Smith, Angeline E. Law, J. P. Vargas, Adan Mata, Ralph Chavez, L. F. Herrera, Mary K. Salinas, V. Ramos, Jr., C. J. Lazard, Melvin L. Clarence, and W. E. Walker, Jr. were without just cause, and ordering that all of them be reinstated with full back pay and seniority.

The arbitrator also retained jurisdiction over the Union's request for interest on the back pay due each of the above-named grievants until he decided Case No. HLN-5-FD-2560 between United States Postal Service and NALC and American Postal Workers Union.

On 19 December 1984, the undersigned arbitrator ruled in Case No. HLN-5-FD-2560 that an arbitrator is authorized by the National Agreement between the above-named parties, in

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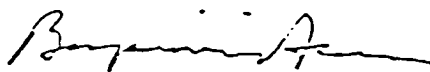
his discretion, to award interest as part of a back-pay award when sustaining a disciplinary grievance.

In his opinion in Case Nos. SLN-3U-D 27273-27291, the arbitrator found, among other things, that the discharges of the above-named grievants constituted excessive and unwarranted punishment, and that the procedures followed by the Postal Service in determining that the grievants should be discharged denied them due process. As explained in his opinion in Case No. HLN- 5-FD-2560, those circumstances justify a discretionary award to each of the above-named grievants of interest on the back pay to which each of them is entitled.

In the absence of a pre-determined interest rate in the National Agreement, the arbitrator adopts as appropriate the "adjusted prime rate" used by the United States Internal Revenue Service in calculating interest on the underpayment or overpayment of taxes. This is the standard used by the National Labor Relations Board (see Florida Steel Corp., 231 N.L.R.B. 651 (1977)). For the period 1 January to 30 June 1984, the adjusted prime rate was 11 percent. Accordingly, the arbitrator makes the following

SUPPLEMENTARY AWARD

Postal Service shall pay to each of the above-named grievants interest on their respective back-pay awards in the amount of 11 percent. Interest shall be computed from the date of discharge to the date when back pay was actually paid to the individual grievants.


Benjamin Aaron
Arbitrator

Los Angeles, California
19 December 1984