

National Association of Letter Carriers

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Memorandum

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7th COLA: \$208

The seventh regular COLA under the 2019-2023 National Agreement is \$208 following the release of the January 2023 Consumer Price Index.

On February 14, 2023, the Bureau of Labor Statistics announced that the CPI for Urban Wage Earners and Clerical Workers (CPI-W, 1967=100) stood at 874.441 in January, 129.065 points above the base level of 745.376 in July 2019. The 7th COLA stood at 10 cents per hour or \$208 annually.

The seventh COLA is based on the increase in the CPI-W between the base index month and January 2023, less any previously calculated COLAs, and will be payable the second full pay period following the release of the January 2023 index. The seven COLAs that have been calculated under the 2019-2023 National Agreement, totaling 322 cents per hour, are as follows: the 1st COLA, 8 cents per hour (\$166 annually), the 2nd COLA, 9 cents per hour (\$188 annually), the 3rd COLA, 20 cents per hour (\$416 annually), the 4th COLA, 93 cents per hour (\$1,934 annually), the 5th COLA, 64 cents per hour (\$1,331 annually), the 6th COLA, 118 cents per hour (\$2,455 annually), and the 7th COLA, 10 cents per hour (\$208 annually).

2024 Retiree COLAs Projection: 0.6% as of February 2023

The 2024 COLAs for CSRS and FERS benefits are based on the increase in the average CPI-W between the 3rd quarter of 2022 (291.901) and the 3rd quarter of 2023 (TBA).

Based on the January 2023 CPI-W (1982-84) of 293.565, the 2024 CSRS and FERS COLAs are currently projected to be 0.6%. The 2024 retiree COLA calculation will be finalized in October 2023 with the release of the CPI-W for September 2023.

CSRS annuities receive full COLAs; COLAs for FERS annuities are payable for retirees 62 and older and may be reduced by up to one percentage point from the increase in the CPI.

2024 FECA COLA Projection: 0.9% as of February 2023

Based on the release of the January 2023 CPI-W (1982-84=100), the 2022 FECA COLA projection is 0.9%. The January 2023 CPI-W of 293.565 was 0.9% above the December 2022 base index (291.051). The 2024 FECA COLA calculation will be finalized when the December 2023 CPI-W is published during the month of January 2024.

FECA COLAs are applicable only in cases where death or disability occurred more than one year prior to the adjustment's effective date.