



# MAILHANDLER UPDATE

NATIONAL POSTAL MAIL HANDLERS UNION

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## USPS FINANCIAL CRISIS: Engaging the American Public September 27th Day of Action and Nationwide Media Buy



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As reported in various news accounts, the United States Postal Service is facing a dire financial situation. In this ever-growing digital age, with its increased diversion from hard copy communication to email, online bill-pay, and other business transactions, the USPS is faced with continuing declines in mail volume and revenue. While this continues to impact postal finances, the primary driver behind the current financial crunch is actually a congressional mandate—an unfair law passed in 2006 requiring the Postal Service to pre-fund its retiree health care fund at a whopping \$5.5B per year. No other federal agency or corporation in America is required to pre-fund its retiree health care anywhere near these outrageous and arbitrary levels required by Congress. Without this mandate, the Postal Service would have actually turned a profit in most years since the 2006 law was passed. Congress imposed this onerous mandate, and Congress can take action to correct it.

On a matter related to retiree health benefits, and just as significant to the financial health of the Postal Service is that the USPS has massively overfunded both of its

pension programs—for its workers covered under both the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). Two separate audits by independent government actuaries have revealed that the postal service has overfunded these accounts by anywhere from \$57B to \$82B. Efforts by the Postal Service and its unions to have this overfunding addressed through legislative action have thus far proven unsuccessful. As with its ability to remedy the retiree health care pre-funding problem, the Congress and the Obama Administration can, and should, take action now to correct the pension overfunding formula—and to provide the Postal Service access to at least a portion of the massive current surpluses in those accounts.

Congressman Stephen Lynch from Massachusetts has introduced legislation in the form of H.R. 1351 to do exactly what needs to be done to remedy these financial inequities. The top legislative priority of the NPMHU is to take whatever action we can to promote this legislation, and to work with our sister postal unions, and with the full force of organized labor, community leaders, the media, and all postal stakeholders and allies, to pass this legislation in the Congress and to have President Obama sign this into law.

All four of the postal unions, with the active support of postal management groups, have organized a Day of Action—set for September 27, 2011—to engage all postal employees, the whole of organized labor, community and civic groups, the media, and all postal stakeholders and allies across the postal industry. This Day of Action consists of holding rallies in each Congressional district across the country. These events are being organized to not only raise public awareness and support for legislative action to correct the congressionally mandated benefit funding requirements, but to demonstrate that public support to each of the 435 members of the United



States House of Representatives—more than 200 of whom already have co-sponsored H.R. 1351. For more information on this Day of Action, and how you can help, please visit [www.saveamericaspostalservice.org](http://www.saveamericaspostalservice.org)

To further raise public awareness on this issue, the NPMHU has joined forces with two of its sister postal unions, the American Postal Workers Union (APWU) and the National Association of Letter Carriers (NALC), to develop a television ad and to purchase a nationwide media buy. This television ad will be aired repeatedly on CNN, MSNBC, and Fox News over the coming weeks. In this 30-second spot, we seek to enlighten the public that it is far more than declining mail volume that has created this postal financial crisis—and to reinforce the message that Congress helped create this problem, and that Congress can take action now to fix it.



**Please join with other USPS employees, together with friends, families and supporters, to take part in the Day of Action scheduled for September 27, 2011.**

## USPS ANNOUNCES EFFORT TO CLOSE MAIL PROCESSING PLANTS

As this bulletin was going to print, the Postal Service announced its list of 257 mail processing facilities to be studied for possible closing or consolidation in 2012. Most of these facilities will be the subject of an Area Mail Processing study by postal management, as well as input from the mailing public, before final decisions about closing or consolidation are made. A smaller number of facilities that do not handle originating or destinating mail will be studied as “non-AMP sites,” according to the Postal Service.

Postal managers have provided stand-up talks to employees in all facilities, with the message dependent on whether and how the particular facility may be affected by this so-called Network Optimization process.

As noted, at this point these are studies only. This will be an ongoing process that not only will involve input from all interested stakeholders, including the NPMHU and its Local Unions, but also hearings and other possible reactions from Congress, proceedings before the Postal

Regulatory Commission, and discussions at the bargaining table during National negotiations. The National Office is fully prepared to assist Locals, Branches, and others that may determine that a particular closing or consolidation should be opposed, and will work with all of the Local Unions on behalf of the membership that may be affected.

**More information will be circulated as it becomes available.**

**Please Post!!**

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