



# MAIL HANDLER UPDATE

**NATIONAL POSTAL MAIL HANDLERS UNION**

NATIONAL HEADQUARTERS: 1101 Connecticut Avenue, N.W. • Suite 500 • Washington, D.C. 20036 (202) 833-9095



John F. Hegarty  
National President



Mark A. Gardner  
Secretary-Treasurer

## USPS REACTING TO FINANCIAL DISTRESS

### Congress Not Dealing With RHBF And Pension Overpayments

### House Republican Leaders Blame Postal Employees

**A**s the September 30, 2011 end of the 2011 Fiscal Year fast approaches, the Postal Service claims that it will be unable to meet all of its financial obligations on that date if Congress does not act to eliminate or substantially reduce the required payment of \$5.5 billion into the Retiree Health Benefits Fund. As previously reported, it is imperative that Congress acts to halt these annual USPS payments, as there already is more than \$42 billion in the RHBF, and no other government agency or private entity is required to make such overpayments.

If this year's \$5.5 billion payment into the RHBF is not waived or delayed, the USPS is projecting a loss for the entire FY2011 of more than \$8 billion, with a loss of \$5.6 billion already reported through the nine months ending June 2011. Moreover, even if the RHBF payment is not required, the Postal Service is still facing a multi-billion dollar loss for the year ending in September.

In response to these potential losses, primarily caused by the continuing slowdown in the American economy and the decreasing volume of first-class mail, the Postal Service continues in

its efforts to downsize. The USPS is still pressing Congress to allow for five-day delivery, and PMG Patrick Donahoe is now publicly forecasting a reduction to three-day delivery over the next two decades. Also recently, the Postal Service announced plans to close almost 3,700 smaller post offices and other facilities, and has asked the Postal Regulatory Commission to issue an advisory opinion on that subject. And, the Postal Service has indicated that it will be seeking major cuts and reductions in ongoing and upcoming collective bargaining negotiations with the NPMHU and both carrier unions.

Meanwhile, on Capitol Hill, the Republican leaders of the relevant house committees march ahead with their efforts to destroy collective bargaining for postal employees, force rapid downsizing of the mail processing network, and reduce workers compensation benefits for injured federal and postal employees. Their latest "postal reform" bill, H.R. 2309, would establish new commissions to oversee the USPS Board of Governors and would authorize the abrogation of current and future collective bargaining agreements if the Postal Service were unable to bargain concessions

directly with the unions. The focus of this misguided bill, as previously stated, is to blame postal employees who are faithfully serving the American people, while trying to absolve the Congress from its responsibilities for the recent financial decline of the Postal Service.

A more appropriate solution to these issues is found in Representative Stephen Lynch's pending bill—H.R. 1351—which has obtained bipartisan support from more than 180 Members of Congress. If enacted, this bill would address the Postal Service's current overfunding of the RHBF, as well as its past overpayments to the CSRS and FERS retirement systems. It also does not seek to hinder the collective bargaining process, so that the parties to each National Agreement would be able to reach mutually acceptable solutions to the Postal Service's long-term financial issues.

If you have not already done so, you are encouraged to write to your representatives in Congress and urge them to support H.R. 1351.

### Committee on the Future Meeting

The Committee on the Future of the National Postal Mail Handlers Union met in Pittsburgh during the third week of July. This Committee serves as a strategic planning group for the NPMHU, as it engages in in-depth discussions on a host of matters confronting the Union today, and assists the National Executive Board as it formulates strategies going forward. While the Committee's agenda is wide ranging, its primary focus at this meeting

was a full review and examination of the financial troubles facing the Postal Service, how the USPS revenue and mail volume downturn likely will affect Mail Handlers, and how the NPMHU might position itself to better react to the new realities that this ongoing economic downturn have presented.

The Committee also examined a host of other matters, from upcoming collective

bargaining issues to continuing postal automation. The group also traveled to both the Pittsburgh NDC and L&DC to review operations, to meet with Local Union leaders and members, and to gain a fuller understanding of postal automation programs -- including a detailed look at the Automated Parcel and Bundle Sorter (APBS).

### Michael Hora Appointed to National Staff



**E**ffective Saturday, August 6, 2011, Michael Hora will join the staff at the NPMHU's National Office as a member of the Contract Administration Department (CAD). Brother Hora is currently serving as the Local President of Local 321, in Denver, Colorado. He will leave that position, and move to Washington, DC, to start his new assignment.

"I am very pleased to announce the appointment of Michael Hora," said National President John Hegarty. "It is a testament to Mike that from the deep talent pool of dedicated Local Union officers and representatives from around the country, he was selected to serve in this position."

President Hegarty continued: "This appointment comes at a critical time for the NPMHU, and Mike's addition to the National CAD will

give us additional resources and insight as we face the challenges going forward."

Brother Hora has served since early 2002 as the President of Local 321, representing mail handlers throughout the State of Colorado. He has been a mail handler for more than twenty-six years, and has served the NPMHU in a wide variety of positions over those years. Prior to his election as Local President, he was Local Vice President and Branch President of the Denver Air Mail Center, and he also served for many years as a Local 321 shop steward and arbitration advocate.

At the National level, Mike has been a member of the NPMHU's Committee on the Future for the past four years, and he served on the Field Negotiating Committee in preparation for both the 2006 and 2011 national negotiations. He also served on the Resolutions Committee for the 2004 NPMHU National Convention, and the Constitution Committee for the 2008 NPMHU National Convention.