



National Association  
of Letter Carriers

Fredric V. Rolando, President

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# NALC Bulletin

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## Contract talks extended into 2012



NALC President Fredric Rolando

The NALC and the Postal Service announced Dec. 16 that the two parties had agreed to extend contract negotiations until midnight on Jan. 20, 2012.

“This extension will allow us to keep working on important economic, health care, workplace and other contractual issues,” NALC President Fredric Rolando said. “We’re encouraged that progress is still being made, and we want to take all the time necessary to reach an agreement that serves the interests of America’s city letter carriers, of the Postal Service and of the American public.

“We are committed to achieving a win-win contract at this crucial time in the history of the Postal Service,” he said.

The negotiating period for a new agreement initially had been set to expire at midnight on Sunday, Nov. 20. A first extension moved the deadline to Dec. 7; a second took it to Dec. 16.

## Congress postpones pre-funding payment

With just two weeks to go before year’s end, Congress approved an omnibus spending bill that will keep the federal government operating through September.

Letter carriers noted that this measure included a sensible provision to again move the deadline for the Postal Service’s 2011 future retiree health benefits pre-funding payment, to August. And perhaps even more significantly, the bill included language to keep the Postal Service delivering mail six days a week.

The legislation was awaiting President Barack Obama’s signature as this *NALC Bulletin* was being prepared.

“The nation’s letter carriers applaud Congress and the president for acting swiftly, for avoiding partisan bickering and for not shutting down the government,” NALC President Fredric Rolando said. “And we are encouraged that Congress took wise steps toward preventing a financial catastrophe for the USPS.”

But this bill is a temporary win, Rolando said. “Congress can still take legislative action in 2012 that could close post offices, end Saturday mail delivery and lay off hundreds of thousands of postal employees—moves that could risk damaging a \$1.3 trillion mailing industry that supports about 7.5 million jobs.”

Rolando also noted that none of these actions on Capitol Hill addresses the heart of the Postal Service’s financial problems: the 2006 postal reform mandate that the USPS spend \$5.5 billion a year to pre-fund future retiree health benefits, an onerous requirement that no other government agency or private enterprise bears.

“We’re not looking to diminish in any way the health benefits of future retirees,” he said. “Rather, Congress simply needs to adjust this pre-funding mandate to keep it from unnecessarily ripping apart one of America’s most cherished institutions.”

## Penalty Overtime Exclusion for 2011

This is a reminder that during a four-week period (two consecutive pay periods) in December, the application of penalty overtime is suspended. (See Article 8, Sections 4 and 5 of the National Agreement.)

The Postal Service has designated the Penalty Overtime Exclusion period for 2011 to be Dec. 3-30 (Pay Period 26-11, Week 1 through Pay Period 1-12, Week 2).

## Closings moratorium announced

In response to a request made by more than 20 senators, the Postal Service announced on Dec. 13 that it had agreed to delay closing or consolidating any post offices or mail-processing facilities until at least May 15.

“This is a positive step, provided the parties use the time wisely to put together a positive plan for the future, a plan that includes ways to grow the business as well as efficiencies that make sense,” NALC President Fredric Rolando said. “That requires maintaining our universal delivery network, which is vital to the ability of the Postal Service to adapt to an evolving society and to meet the needs of the public and America’s businesses, something we’ve been doing for more than 200 years.”

Sen. Bernie Sanders (I-VT), one of the senators who called on Postmaster General Patrick Donahoe to implement the delay, agreed. “This moratorium will give Congress the breathing room it needs to enact comprehensive postal reform to protect universal service while ensuring the Postal Service will succeed in the 21st century,” he said. Sanders’ Postal Service Protection Act, S. 1853, is awaiting further action in the Senate.

### G20 postal services report

## USPS ranked No. 1 in the world



A review of the performance of universal postal service providers found that the United States Postal Service has the best overall ranking among mail-delivery agencies in the G20 group of the world’s wealthiest nations.

The study by Oxford Strategy Consulting (OSC) determined that, despite increasing competition from digital communications, postal services retain a key role in societies across the globe, and that the expansion of e-commerce means there is an even greater need for postal services to be fast, efficient and reliable.

“For more than 200 years, letter carriers have embraced advances in communications technology,” NALC President Fredric Rolando said. “But that can only improve it so much—someone still has to actually deliver the goods, and no one does that better than the letter carriers who already visit every household and business address in America six days a week.”

The OSC ranking, released Dec. 15, provides a benchmark of universal postal service providers’ performance over the last three years across three key areas: access to vital services, resource efficiency, and performance and public trust.

The USPS topped the ranking due to its high operating efficiency and the American public’s faith in its performance. The OSC report also found that the Postal Service delivers more than five times more letters per full-time delivery employee than Germany’s privatized provider, Deutsche Post, which ranked No. 5 overall on the survey.

“People tend to think the Internet has made the postman redundant,” said the report’s author, OSC Director William Scott-Jackson. “But postal services provide the backbone for e-commerce deliveries.

“If you could live anywhere in the world, and were sending a present to someone this Christmas,” Scott-Jackson said, “you’d want to be in the U.S.”

In letter delivery, the USPS reigns supreme, delivering close to twice as many letters per delivery employee as Japan Post, its closest competitor.

The report found that, for many rural customers, postal mail is the only viable means of receiving or sending goods and of engaging in e-commerce. It also showed that there is room for growth for USPS in the parcels business. Many Postal Service stakeholders agree, saying that a major path toward growing the USPS lies in increasing its share of the package delivery market.

Rank	Service	Citizens per P.O.	Letters per delivery employee	Parcels per delivery employee
1	USPS	8,409	268,894	2,633
2	Japan Post	5,213	103,146	7,795
3	Australia Post	5,573	166,776	6,633
4	Korea Post	4,065	41,082	8,919
5	Deutsche Post	6,085	47,670	4,476

The full report is available at [oxfordstrategicconsulting.com](http://oxfordstrategicconsulting.com).

## 68th Biennial Convention: Minneapolis

Just a quick reminder that the NALC’s 68th Biennial Convention next summer will take place in **Minneapolis July 23-27**. For the latest updates and news, go to [nalc.org](http://nalc.org).



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