



NALC Fact Sheet

Department of Legislative and Political Affairs — National Association of Letter Carriers, AFL-CIO
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Oppose Postal Privatization (H. Res. 47)

Nearly 425 million pieces of mail are delivered to over 161.4 million addresses six days a week by the U.S. Postal Service. USPS's service obligation allows communities large and small to benefit from the same level of service, regardless of wealth. It also allows USPS to partner with private shippers, which would be unable and unwilling to service much of the country without help.

With founding principles in the U.S. Constitution, USPS has remained a national treasure since its formation in 1792. This self-sustaining, independent establishment of the federal government does not receive any taxpayer funding and relies solely on revenue derived from the sale of postal services and products.

The Postal Service is the core of U.S. mailing industry

- With 644,000 employees, USPS is at the center of the \$1.58 trillion mailing industry that employs over 7.3 million Americans (4.6 percent of all jobs nationwide).
- USPS's universal network plays a crucial role in the function of private shippers such as UPS, FedEx, and Amazon, which partner with USPS because it provides unique 'last-mile delivery' to every business and residential customer in the country six or seven days a week. This reliable, efficient service is too costly for private shippers to maintain alone.
- USPS's massive infrastructure guarantees that no matter where you are in the country—urban, suburban, or rural—USPS will deliver to you.
- USPS delivers more than half of all business-to-consumer and consumer-to-consumer packages each year.

International impacts of privatization.

- Throughout the European Union, postal privatization and profit maximization efforts resulted in disinvestment, lower service quality, and higher prices (despite more competition) as well as drastic cuts to both employment and wages.
- Privately-owned post offices only operate in areas deemed lucrative, resulting in large sections of unserved rural, suburban, and even low-income urban areas.
- Between 2010 and 2013, only a few years after the EU began the process of postal privatization, prices in France increased by 13 percent, in Italy by 17 percent, and in the UK by 50 percent.

- Despite job gain predictions, postal privatization led the Royal Mail (UK) to shed 33 percent of its jobs and the Portuguese post to cut over 26 percent. Employment in the wider postal sector is down 26 percent in France and 31 percent in Belgium.

Privatizing the Postal Service would have far-reaching negative consequences nationwide.

- Privatization would jeopardize the jobs of 644,000 postal employees, over 25 percent of which are military veterans, and impact the 7.3 million Americans in the mailing industry.
- Service could cease for America's rural and low-income communities, negatively impacting nearly all 50 states in some form, but especially large, less-populous regions.

Financial losses are due to Congress, not USPS

- In 2006, Congress passed the Postal Accountability and Enhancement Act, a postal reform measure that included a mandate on USPS to "pre-fund" tens of billions of dollars for retiree health benefits decades in advance -- a crushing financial burden that no other enterprise in America faces.
- This pre-funding burden, which continues to cost USPS billions annually, accounts for 84 percent of losses since 2007 and 100 percent of losses between 2013 and 2018.

USPS is much more than a delivery service

Letter carriers provide far more than the delivery of mail. They are members of the community, the eyes and ears of their neighborhoods, and often the only source of daily contact for the elderly and disabled. They often serve as first responders for lost children and the victims of crimes, accidents and fires. And they provide the first sense of normalcy after hurricanes, floods and other natural disasters.

USPS is one of the nations' largest employers of U.S. military veterans and remains the most popular government entity in the U.S. (with a 91 percent approval rating).

Postal privatization imperils far more than its supporters reveal. It is not the answer to the USPS's manufactured financial crisis and it would not benefit the American public.

NALC opposes postal privatization in all forms and supports H. Res. 47, which calls on Congress to ensure that the Postal Service remains an independent establishment and not subject to privatization.