

NALC launches campaign to 'Save Saturday Delivery'



President Fred Rolando tells the members of the Illinois congressional delegation that the work they're doing is vital in the fight to save six-day delivery.

Since March, the standard story the news media has repeated about the Postal Service has been a fairly simple one—that the Postal Service faces dire economic losses, and the only possible solution is to cut out Saturday mail delivery.

It has become a hot topic for the nation: Should the Postal Service drop a day of delivery? Should letter carriers be sidelined on Saturdays? And everyone has had an opinion, from our patrons to congressional representatives to the carrier at the next case over.

NALC warned all who would listen to reject this storyline, because it's nothing but pure fantasy. As NALC President Fred Rolando said back in January when the USPS first decided to gamble on five-day delivery, "The time will soon come when every member will need to step up and do their part to help save our Service."

That time is now. And the way that you can join the fight is by joining the "Save Saturday Delivery" campaign.

"This fight cannot be won in Washington alone," Rolando said. "We need every member to help us prevail,

because cutting service during an economic downturn is the most short-sighted thing we could do and will likely start a death spiral which could destroy the entire Postal Service. We must stop the Service from making such a mistake."

Better than fiction

There are so many things wrong with Postal Service management's story, it's hard to know where to begin. But, here are two of the biggest fabrications:

FICTION: USPS' financial troubles are largely the result of losing business to online bill payment and e-mail.

FACT: The Postal Service, with the help of NALC, has made great strides at keeping current with declining volumes. If not for a retiree health benefit pre-funding requirement, which is required of no other business or agency in America, the Postal Service would have been profitable for every year of the past decade, except in 2009, the worst year of the Great Recession when most businesses faced huge losses.

Instead, USPS is required to put close to \$6 billion a year aside through 2016 to prepay the health benefits of future retirees for the next 75 years. Every other company and government agency pays off these types of benefit obligations on a yearly, as-needed basis. But in 2006, Congress required the Postal Service to do it immediately, which forced the Service deeply into the red when, under normal circumstances, it would be solidly in the black. Current estimates show that the Postal Service would be profitable this year, if it weren't for this unfair pre-funding requirement (see story, page 5).

FICTION: The Postal Service needs to cut Saturday mail delivery to save itself.

FACT: Cutting Saturday delivery would harm the USPS' core business, destroy one of its major advantages it has over its competitors, and push businesses to search for alternative

H.Res. 173 co-sponsors add up

A strong push by letter carrier legislative activists to gather support for H.Res. 173, a House of Representatives resolution calling for keeping six-day delivery, is paying off.

At press time, 218 members of Congress had signed on as co-sponsors of the non-binding resolution. The results demonstrate the effectiveness and commitment of letter carrier activists nationwide who contacted their representatives and urged them to support the measure.

The Postal Service cannot go to five-day delivery without congressional approval. Even if the House never votes on it, signing up an impressive

number of representatives as co-sponsors to H.Res. 173 would send a strong signal that Congress isn't willing to allow the Postal Service to drop Saturday service.

The resolution is a tool for letter carrier activists to use to educate their members of Congress about the issue, especially those legislators who still don't understand the unique status of the Postal Service, such as the fact that it receives no taxpayer funding. By assembling a list of legislators who understand the problem and have committed to supporting a strong, full-service Postal Service, the resolution could serve as a launching pad for other necessary legislation. ✉



NALC has put together a toolkit on how to 'Save Saturday Delivery.'

delivery methods. Also, such a cut would not address the main issues of the Service's financial problems.

Not only is the Postal Service forced to set aside close to \$6 billion each year, it is also owed close to \$75 billion from the Office of Personnel Management. That's how much OPM overcharged the Postal Service for pension costs during the transition from the Post Office Department to its current status as an independent government agency, according to a study performed by the USPS Office of the Inspector General. If these funds were returned to the Postal Service, it would then have more than enough resources to cover its future retiree health costs and find new ways to thrive despite the changing times.

This is where letter carriers come in.

"This renewed drive to 'Save Saturday Delivery' taps into our union's greatest resource—our members," Rolando said. "We're asking our members to take advantage of our established and highly successful grass roots network to convince our congressional representatives that there is a better way to help save the Postal Service."

The solution relies on simple math. "If we're going to ensure a viable Postal Service over the long term," Rolando said, "we need Congress to pass legislation that refunds the \$75 billion OPM overcharged the Postal Service, and then use that money to fully fund the health benefits for all of the Service's future retirees."

This would allow Congress to repeal the current pre-funding schedule that costs some \$5.6 billion a year.

But if the 12-year-long fight for postal reform is any indication (*see the January 2007 Postal Record, available online at nalc.org*), convincing Congress to act in the Postal Service's best interests—especially in an election year—will not be a walk in the park, especially with billions of dollars at stake. Every member must stand up and be counted.

Rubber hits the road

The Save Saturday Delivery campaign calls on all NALC members to engage their House and Senate representatives through personal meetings, by writing letters and by calling their offices, all in support of preserving mail delivery service six days a week.

In addition, the campaign asks members to engage in **Saturday for Saturdays**, where President Rolando challenges all NALC members—active carriers who are off duty, off the clock and out of uniform, and retired members who have no such restrictions—to visit businesses that are open on Saturdays. Retirees can seek suggestions from their branch leaders and active carriers on whom to contact.

Once these businesses are identified, urge them to go to the Postal Regulatory Commission's website and send it comments in support of maintaining Saturday delivery. The PRC is conducting its own review of the USPS delivery modification plan and its analysis will carry a lot of influence with Congress.

The message is getting through

It's working: The media and the public are hearing the message from letter carrier activists nationwide that dropping Saturday mail service is a bad idea. More and more media outlets are weighing in against the five-day delivery plan. Better yet, some are quoting members of Congress who oppose the idea.

The Mitchell (South Dakota) *Daily Republic* newspaper quoted Rep. Stephanie Herseth Sandlin (D-SD), who expressed strong arguments for saving Saturday delivery. Cutting Saturday mail service, said Sandlin, "would be devastating to our most remote and rural communities" since many senior citizens and veterans depend on receiving medications by mail, and harsh winters in her state prevent many customers from collecting their mail in town. "We need to provide the peace of mind that Saturday deliveries will continue," she said.

Modesto, California Branch 1291 letter carrier Stephen Manchester refutes many of the fallacies behind the Postal Service's moves to do away with Saturday delivery in an opinion column published in the *Modesto Bee*. "Reducing service and ending one of the advantages we have over our competitors are not going to help make us solvent," Manchester wrote. "It's the start of a downward spiral."

Rockford, Illinois Branch 245 e-Activist and Carrier Corps member Jerry Pyfer supplied some hard numbers for readers of the editorial page of his local paper, the *Register Star*. "Congress required the service in 2006 to prefund its retiree health plan fund to 80 percent," he wrote. "Over the past three years, the Postal Service has paid \$12.4 billion into the fund. Its budget shortfall was \$11.7 billion." ✉

Postal Commission gets earful

At seven field hearings across the country scheduled through the end of June, the Postal Regulatory Commission (PRC) heard from anxious postal customers and angry letter carriers about the Postal Service's five-day delivery proposal.

At the hearings in Dallas and Memphis in May, speakers reminded commissioners of just how important six-day mail service is to a wide variety of customers, from the elderly and disabled receiving medication, to people paying bills or voting by mail, to rural newspapers.

At the Dallas hearing, Phil Major, owner and editor of the *Wise County Messenger*, echoed the views of hundreds of local publications across the country who count on Saturday delivery to reach their readers. "We are the center for community news: births, deaths, marriages and graduations," Major told the PRC. "No other medium can serve the role of local news providers as we do." He said his newspaper spent more than \$280,000 in postage last year, but would seek alternative ways to deliver it if Saturday service ends.

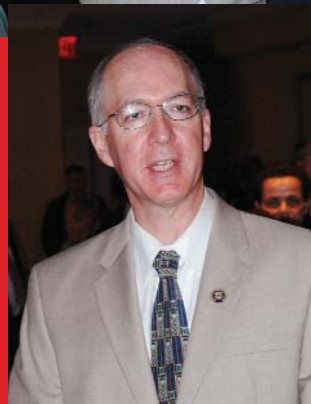
In Memphis, Joseph Adams, publisher of the local newspaper *The Lebanon Democrat*, told the PRC that dropping Saturday service would severely disrupt life for his customers. "Folks who die after midnight on a Friday could be buried before their relatives read about the death in my Monday edition," said Adams. Even a Memphis-area postal supervisor told the panel that eliminating Saturday delivery would probably do more harm than good.

Even if your patrons couldn't get to a hearing, they can still make their voices heard. The PRC is accepting comments from the public—go to nalc.org/saturday to find out how to submit comments. ✉

Illinois congressional reception



Illinois letter carriers held their congressional reception in Washington on May 20 after a long day of lobbying their congressional representatives on the need to save Saturday delivery.



Top: Rep. Melissa Bean (D-8th)
Above (from l): Rep. Deborah Halvorson (D-11th), Rep. Bill Foster (D-14th) and Rep. Janice Schakowsky (D-9th)

"When the public hears us say, 'Save Saturday delivery,'" Rolando said, "they'll naturally ask us 'Why?' or 'How?'"

"This campaign helps us start a conversation with our residential and business customers about the need to save six-day mail delivery and lays out ways letter carriers can do their part to accomplish our goal."

In addition to rallying the support of businesses on our routes, all members can talk to friends and family members about contacting the PRC in support of saving Saturday delivery. When contacting the PRC, here are some things they need to consider in their comments:

- ◆ Many people depend on Saturday delivery—for example, seniors who need mail-order prescription drugs, and businesses large and small whose operating models depend upon mail delivery on every day that their doors are open.
- ◆ Ending Saturday delivery does little to save money. In fact, the proposal would only conserve 4 percent of costs while eliminating 17 percent of daily deliveries.
- ◆ Eliminating Saturday delivery should be

a last resort, not the first one. The Commission and the Postal Service should spend their time figuring out new ways to promote the use of the mail as the recession ends.

The PRC has a comment form on its website, and you can find instructions on how to link to it at nalc.org/saturday.

The Commission plans to make a recommendation to Congress about the Postal Service's proposal by the end of the year. And unless Congress intervenes before then to keep the USPS from making a major mistake, the PRC's sentiments will probably carry a lot of sway with Congress as it considers how best to proceed.

It's not an overstatement to say that the future of the Postal Service, and all of those it employs, is at stake.

"Letter carrier jobs are on the line," Rolando said. "It is up to us to alter the terms of the debate in Washington and throughout the country."

"I firmly believe that if we work together, we can overcome these difficult times and look forward to a more prosperous future. I am confident that our union activists will provide the leadership necessary to make this campaign a success, and that we will prevail in our fight to save Saturday delivery." ✉

Economy looks up

The nation's economy is finally climbing out of the deep slide of last year. Now the question is how much longer jobless workers have to wait for their turn to join the recovery—and how quickly renewed economic growth will boost mail volume.

Job losses have stopped, and employers are beginning to hire new workers in the wake of the stimulus law President Obama signed in February of last year to pump up the economy. A recent Congressional Budget Office report said the stimulus is working even better than expected by creating or saving an estimated 1.2 to 2.8 million jobs. But the increase in new jobs in May was modest—payrolls grew by only 41,000, not counting temporary U.S. Census jobs. The number of new jobs still needed to bring employment to healthy levels is at least 11 million.

“Watching the economy today is like watching an oil spill in the Gulf of Mexico,” said NALC President Fred Rolando. “Like capping the oil flow, the first task for the economy was to stop losing more jobs, and it looks like we’ve done that. But the process of cleaning up—creating new jobs and getting back to full health—is slow and frustrating.”

Mail volume slow to pick up

The Postal Service can only hope that economic growth means an increase in mail volume, as businesses ship more parcels, ads and business mail. Carriers can see the economy at work every day through the mail, like having their finger on its pulse. As with job growth, though, recovery from last year's sharp drop in mail volume is agonizingly slow. Current estimates show that the number of pieces mailed—102 billion in the first seven months of fiscal year 2010—was slightly higher than Postal Service projections, but still 5.7 percent lower than the same period last year.

Postmaster General John Potter's plan to drop Saturday delivery hasn't helped (see page 2). Potter and the

postal management crew at L'Enfant Plaza talk as if the plan to end Saturday service is a done deal, even though it would require congressional approval. As a result, customers are already turning to delivery alternatives—for every day of the week, not just Saturday.

The national “Save Saturday Delivery” campaign launched last month is helping to assure customers that Saturday service is still alive and they can continue to depend on full service from the USPS. “We’re getting the word out that this is not a done deal, and we’re working to rebuild our customer base,” said President Rolando.

An additional burden

The economic downturn and the drop in mail volume it caused couldn't have come at a worse time for the Postal Service. As part of the postal reform law passed in 2006, Congress required the Postal Service to pay most of the costs of insuring its future retirees now, rather than waiting until they retire. The payments come to more than \$5 billion a year through 2016. The retiree health pre-funding requirement was more about federal budget accounting than good business sense—most private companies don't set aside cash toward future retiree health benefits unless times are good. They certainly don't do it in the middle of a recession.

Burdened by this additional cost—a cost that its private competitors do not have to pay—the USPS has failed to make a profit since the payments began in 2007. The crisis has led to some radical, unwise money-saving ideas, like dropping Saturday delivery. But the retiree health pre-funding requirement masks the fact that, even in the middle of this economic crisis, the Postal Service has earned more money than it spent on operations. If it weren't for the health fund prepayment, the USPS would show a profit on its balance sheet in every year except 2009. The Postal Service averaged about \$2.3 billion in

“If it weren't for the health prepayment, the USPS would show a profit on its balance sheet in every year except 2009.”

profits from 2003 to 2006, without the pre-funding requirement, and profitability would have continued through 2007 and 2008 if the retiree health pre-funding had not been imposed in those years. Preliminary numbers show that the USPS would even be in the black this year without the burden of the prepayment.

“This recession has been a proving ground for the Postal Service and letter carriers,” said President Rolando. “It demonstrates that, with dedicated workers, the Postal Service can thrive even in tough times. If we weren’t hobbled by unreasonable financial restraints and busy fighting bad ideas from management, we would come out ahead.

“We need Congress to give the Postal Service relief from the retiree health pre-funding requirement,” he added. “Correcting the OPM’s misallocation of USPS pension costs would generate more than \$75 billion—funds that could cover all future retiree health costs and make any further pre-funding payments unnecessary.”

Along with efforts to save Saturday delivery and get relief from Congress from the burden of pre-funding retiree health benefits, NALC is working with our allies in the AFL-CIO to back efforts to create new jobs and get the economy, and the mail, running at full speed again. ✉

Get the message?

Make sure you’re still an e-Activist



Are you an e-Activist?

If you believe the answer is “yes,” then you should have received a test e-mail message sent from the NALC’s e-Activist Network on July 1, confirming your membership.

If you didn’t receive the message, then your union needs you to sign up again.

Since the NALC launched its e-Activist Network in 2003, tens of thousands of active and retired carriers have joined the rolls of the union’s legislative activists, receiving valuable and timely e-mail messages from Headquarters on subjects such as postal reform, elections and, more recently, our ongoing campaign to “Save Saturday Delivery.” Over the last seven years, NALC members who heeded the call to electronic activism have helped persuade Congress to pass bills vital both to letter carriers and to the preservation of the Postal Service.

But in the years since the network’s inception, many members who have changed their e-mail addresses may have forgotten to make the appropriate update to their NALC e-Activist accounts. Also, junk e-mail (so-called “spam”) filters, not to mention the occasional technical glitch, have marked as invalid a number of otherwise working e-mail addresses.

Wired for Change

Since 2003, the NALC has used an AFL-CIO-provided e-mail contact system, Union Voice, made by a company called Get Active, to manage the e-Activist Network. But in June, the federation switched providers and began using a different online system, Wired for Change, created by a company known as Salsa Labs. Most members won’t notice any difference whatsoever, but this new system will help the NALC streamline the e-Activist notification process, and it provides the union with new tools to communicate with you. (Rest assured, the NALC took the necessary steps to safeguard your privacy and made sure your contact data on the old system was properly destroyed.)

However, when NALC transferred e-mail addresses to Wired for Change, we only moved over the ones that the Union Voice software had flagged as valid, the addresses that its computers could verify were indeed receiving e-Activist messages. But because of the filters, software hiccups and so-called “bounces” mentioned above, there’s a chance that some members have somehow been dropped from our e-Activist list. ✉

Who will be king of the ring?

New COLCPE contest pits state against state

There have been some classic matchups in fighting history: Ali vs. Frazier, Hagler vs. Hearns and Holyfield vs. Tyson. Will the next one be California vs. New York? Or Michigan vs. Illinois?

The answer will come in next February's special COLCPE issue of *The Postal Record*, as NALC pits state versus state in the latest COLCPE competition.

NALC President Fred Rolando announced the new contest to encourage even more active and retired letter carriers to contribute at the "Gimme 5" level to the union's political action fund, the Committee on Letter Carrier Political Education (COLCPE).

This new competition creates a friendly rivalry among pairs of states that are in the same "weight class."

"This time around, we'll be leaning heavily on the leadership of our state chairs," said NALC Political Director Tucker McDonald, who helped craft this latest competition.

"You'll see matchups like Florida against Texas, New Mexico versus New Hampshire," McDonald said. "We even created a special category, pitting Puerto Rico against the District of Columbia."

Results will be tabulated from all contributions given through the end of November, and the state in each pair with the highest percentage of "Gimme 5" contributors in their respective category will be declared the contest winner.

That winning state association will then conduct a raffle to draw, at random, the names of three "Gimme 5" automatic contributors in their state. Each raffle winner will receive a \$200 American Express gift card.

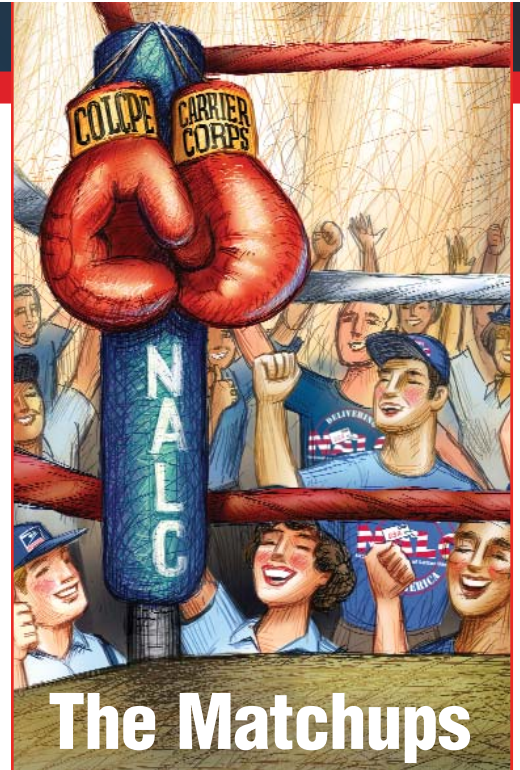
Further, the top three states will receive a plaque and \$500 in American Express gift cards that can be used as prizes in future COLCPE raffles in those states.

The goal, as always, is to try to teach NALC members about the importance of contributing to COLCPE, whose funds are then put to use to support candidates, regardless of party affiliation, who themselves support the legislative priorities of letter carriers.

COLCPE money also helps finance get-out-the-vote and other political activities. Contributions to COLCPE are entirely voluntary, and absolutely no union dues money goes to support political candidates.

"Gimme 5 for COLCPE" means that active carriers are automatically contributing \$5 per pay period by electronic funds transfer (EFT) or by using one of their three payroll allotments. For retirees, that translates as \$5 per month directly from annuity payments or by EFT. (More than \$5 is welcome, of course.) This steady, dependable flow of contributions helps the union more effectively plan and budget its resources.

State associations can begin tracking their progress on nalc.org in early July. ☒



The Matchups

- Hawaii vs. Alaska
- Mississippi vs. Alabama
- South Dakota vs. North Dakota
- Louisiana vs. Rhode Island
- Utah vs. Oregon
- Idaho vs. Delaware
- Kentucky vs. Tennessee
- New Hampshire vs. New Mexico
- Vermont vs. Montana
- Michigan vs. Illinois
- Iowa vs. Kansas
- Minnesota vs. Washington
- Wisconsin vs. Indiana
- West Virginia vs. Nebraska
- Oklahoma vs. Nevada
- Pennsylvania vs. New Jersey
- Missouri vs. Georgia
- Arkansas vs. South Carolina
- Virginia vs. Maryland
- North Carolina vs. Arizona
- Ohio vs. Massachusetts
- Colorado vs. Connecticut
- Wyoming vs. Maine
- Puerto Rico vs. District of Columbia
- Florida vs. Texas
- California vs. New York

The winning continues

As mentioned in the May *Postal Record*, two COLCPE raffles will also take place at the Anaheim convention in August. The top prize for "Gimme 5 for COLCPE" contributors is a trip for two to the 2011 NCAA Final Four, which includes a pair of tickets to the Final Four and national championship, airfare, a three-night hotel stay and a per diem for expenses. A second raffle will be held for lump-sum donors who aren't automatic givers, with a chance for one lucky letter carrier to win a 42-inch flat-panel high-definition television. Although the deadline for both contests was June 30, last-chance signups to qualify for each will be available at the Legislative Department's booth at the Anaheim Convention Center. ☒