President's Message

Unity and solidarity are the answer to political divisions



Fredric V. Rolando

hortly after the election. I sent a letter of congratulations to President-elect Donald Trump, pledging our commitment to work with his new administration to strengthen the Postal Service and our country. This was no ordinary election, and the division it has created within our country will take time to heal. As I often say, the membership of the NALC more closely mirrors America's electorate than does any other union. That's because we serve the American people in every corner of our country. We live and work in all 435 congressional districts, red and blue alike. Any

divisions that occur in our country naturally occur within our union. It cannot be helped.

Fortunately, that partisan and geographic variety is also a strength. Our diversity, political and otherwise, is a tremendous asset to us when dealing with a politically divided Congress. We need to generate support from every point on the political spectrum to protect our jobs, our rights and our employer. But to be successful, we must be united. Although tens of thousands of NALC members voted for the two leading candidates, there can be no finger-pointing or recriminations within our union. So before taking on the consequences of the election, I want to make a special plea to both sides of the political divide.

For those who voted for Secretary Hillary Clinton, don't fall into the trap of ascribing bad motives to everybody who voted for Trump. The new president tapped into a lot of legitimate anger and a real desire for change. Living standards really have stagnated for more than 40 years, particularly in the battleground Midwestern states.

For those who voted for Mr. Trump, don't dismiss the real racism, sexism and xenophobia revealed during the campaign. His campaign really did cross some horrible lines on these issues, using fear and division to advance itself. We cannot tolerate such politics in America—and we cannot pretend that it didn't happen.

All of us, as Americans, must hold the new administration accountable for upholding our most sacred values of freedom, equality and justice. These values, and the democratic traditions we hold dear, are far more important than partisan differences. Meanwhile, we can heal any divide among NALC members by focusing on our common interests, as employees and retirees, in the legislative and regulatory fights ahead.

Elections have policy consequences

All elections have consequences. In the present case, there could be immediate effects. On Inauguration Day, by tradition, the new president signs many executive orders on regulatory and administrative matters that do not require action by Congress. One of Trump's orders is expected to freeze federal government hiring. It is not known whether the Postal Service would be exempt from this order, even though the agency does not receive a dime of taxpayer money. We are working with our lawyers and lobbyists to urge the incoming administration to specifically exempt the Postal Service from any such hiring freeze.

The consequences of the election on the legislative front also are uncertain. On the one hand, many of the cast of characters in Congress have not changed. Sen. Ron Johnson (R-WI), chairman of the Senate Homeland Security and Governmental Affairs Committee, has been re-elected and is expected to continue to serve as chairman. On the House side, there is no reason to believe that the bipartisan efforts to advance postal reform will end. Indeed, we will continue to work with House leaders to address flaws in the bill passed by the Oversight and Government Reform Committee. That bill, H.R. 5714, contains many of the proposals supported by our coalition of postal unions, USPS leaders and major mailers. However, we remain concerned about the bill's proposed cuts to door delivery services and about the need to protect retired letter carriers in special circumstances from the proposed requirement to enroll in Medicare Part B.

On the other hand, the election of Trump could dramatically alter the agenda of the 115th Congress, which takes office next month. Since Trump did not respond to our candidate issues survey early in its campaign, we do not know his views on the Postal Service or postal labor issues. Nor do we yet know who his domestic policy advisers are. So it is difficult to say whether President Trump will become a forceful presence in the debate over postal reform—or whether he will defer to leaders in Congress.

For now, we will continue to work with our coalition to seek progress on postal reform, even during the "lame duck" session of Congress that has convened after the election. There is a small chance that Congress will vote on postal reform during this brief session. More likely, Congress will limit its agenda to keeping the government open by enacting a continuing resolution that maintains spending at fiscal 2016 levels through the holiday season and into next year, after the new Congress convenes. In 2017, the Republicans will control both houses of Congress and the White House. That means that the GOP budgets of recent years, which have called for a 5.5 percent increase in FERS and CSRS pension contributions by employees (i.e., a 5.5 percent pay cut for letter carriers) and cuts to federal employee health benefits, pensions and pension COLAs, now have a real chance to become law. There also are early reports that the new Congress will once again take up major health care legislation—including proposals to turn the Medicare program into a private-sector voucher plan for future retirees. We will need all of our members—across the entire political spectrum—to step up to help defeat any such proposals.

Oversight and governance impact

Another major ramification of this election will come in the area of political appointments. The new president will appoint new leaders to run the gamut of federal agencies that affect active and retired letter carriers. These agencies include those that regulate our collective bargaining, including the National Labor Relations Board (NLRB) and the Federal Mediation and Conciliation Service; those that regulate health and safety, including the Occupational Safety and Health Administration (OSHA) and the Office of Workers' Compensation Programs (OWCP); and those that govern the Postal Service, including the USPS Board of Governors and the Postal Regulatory Commission (PRC).

All of these bodies can dramatically affect our standard of living and working conditions. But for now, let's focus on the Board of Governors and the PRC.

The Board of Governors serves as the Postal Service's board of directors, a body that oversees and directs the executive management of the agency. As such, its vision for the agency and the ideology of its members are crucial to the health and well-being of the Postal Service. The board's positions on postal employee collective bargaining, privatization, deregulation, universal service, Saturday and door delivery, and the public service mission of the Postal Service are extremely important to the interests of letter carriers, as both employees and citizens.

Despite this importance, as of the middle of this month, the board will be entirely vacant. Incredibly, there will be *nine* vacancies. So President Trump will be in a position to nominate all nine governors, five Republicans and four Democrats. (Under the law, the president's party gets a majority of the seats and the president must consult the leaders of Congress before making appointments.) We hope the new president will choose wisely, but we must be prepared to fight for a board that supports our vision for the Postal Service. The PRC is the Postal Service's regulator. It enforces the rate-setting regulations mandated by law, those governing both market-dominant products (letter mail and publications) as well as competitive products such as parcels. The new president's appointments to the PRC may be even more important than those to the Board of Governors, at least in the short term. That's because this month, the PRC will initiate an important review of the rate-setting system, as mandated by the 2006 Postal Accountability and Enhancement Act. That review will decide whether the current system, which limits increases to the rate of inflation (the consumer price index, or CPI), is working well or, if not, how it should be changed. The future financial health of the USPS is at stake.

Presently, there are three vacancies on the five-member commission, though two commissioners are permitted to serve an additional year after their terms expired (as they did in October). Again, in the new year, NALC will have to fight to ensure that the right nominees are appointed.

Appointments to the Board of Governors and the PRC require Senate confirmation, so we will need to work with all senators on these important appointments, even as we reach out to the new administration to offer our views on these key governing bodies.

The challenges posed by the results of the 2016 election could not be more significant. Our futures, and the future of the Postal Service, hang in the balance. We need each other, and our union, more than ever. In 2017, unity and solidarity must trump any political divisions that may linger from 2016. So let's stick together and work for a better tomorrow.



Collective-bargaining update

As we go to press after the election, we are continuing to engage the Postal Service in negotiations for a new contract. We continue to have productive discussions in many areas of our National Agreement, including increased CCA pay and benefits, step advancements for former transitional employees, and the issue of financially rewarding all letter carriers for their contributions to the operational success of the Postal Service.

We are continuing these discussions because the path to a new agreement remains open. As long as that path remains open and we continue to make progress, we will continue to pursue it. However, we are fully prepared to pursue our goals through interest arbitration if progress toward a good contract stalls or if the path to an acceptable agreement closes.