

APWU CONGRESSIONAL TESTIMONY

**American
Postal
Workers
Union,
AFL-CIO**

WILLIAM BURRUS
PRESIDENT

Before The

**SUBCOMMITTEE ON FEDERAL
FINANCIAL MANGEMENT,
GOVERNMENT INFORMATION,
FEDERAL SERVICES, AND INTERNATIONAL
SECURITY**

TESTIMONY OF WILLIAM BURRUS

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**AMERICAN POSTAL WORKERS UNION,
AFL-CIO**

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Mr. Chairman and members of the Committee. On behalf of the American Postal Workers Union, thank you for providing me this opportunity to testify on behalf of more than 300,000 dedicated postal employees we are privileged to represent. I commend the Committee through your leadership, Mr. Chairman, for fulfilling your responsibility of oversight of this important institution.

We begin a new era in the long and proud history of a Postal Service that predates the founding of our country. Over the past four years, we have debated the future of the Postal Service, and now, the long struggle to achieve reform has been concluded with the passage of the Postal Accountability and Enhancement Act. We now turn our attention to its implementation.

As you may recall, our union opposed postal reform because we viewed it as a veiled effort to undermine collective bargaining through regulatory restrictions and rate caps. We did not prevail, and we now lend our best efforts to making it work.

In this new world of postal reform, each institution must now find its rightful place. You legislate, unions represent, and managers manage. When these responsibilities overlap, and they do, the system can break, and more often than not, service and workers suffer. As inviting as it may be, when you are asked to intervene with legislative action in areas best left to other parties, I request that you resist the temptation to do so. To borrow a phrase from postal critics, we ask, with deep respect, that you “stick to your knitting.”

In debate preceding the passage of postal reform, the record was littered with forecasts of gloom and doom for hard-copy communication. Predictable rate increases within the CPI, coupled with regulatory oversight, were declared essential to “save” the United States Postal Service. After much legislative give-and-take, we are now proceeding with implementation of a new business plan. But none of the uncertainties that were cited to justify postal reform legislation have been resolved. The gloom-and-doom scenarios never reflected reality, and the uncertainties that prompted these dire projections remain unaffected by reform.

Although the record is closed and the bills are now law, on behalf of the APWU members, I assert that we will never accept as fair the changes included in postal reform legislation that limit compensation for postal employees – and postal employees only – who are injured in the performance of their work. This was an injustice and our union will not rest until it is reversed.

Your overview of the United States Postal Service is occurring at a watershed moment in the history of this vital American institution. With the passage of the PAEA, the Postal Service is facing new challenges, including working within an annual rate cap and finding a way to support itself by managing services that compete directly with private-sector companies. The Postal Service faces these challenges under rules that have yet to be written by the Regulatory Commission, a newly created body with awesome powers and responsibilities.

The recent Commission decision regarding the USPS request for rate adjustments is a positive sign. It indicates that the Commission intends to serve as an independent reviewer of the postage-rate structure. Under the leadership of Chairman Blair, commissioners gave careful consideration to the record, buttressed by the positions of many interveners, and they arrived at fair conclusions.

I commend the commissioners for their thoughtful and just decision to recommend a first-class rate unburdened by excessive workshare discount subsidies. The American Postal Workers Union is proud that we were the only intervener to propose a 41-cent first-class stamp, rather than the 42-cent stamp sought by the Postal Service. And we are pleased by the Commission's conclusion.

The Board of Governors and the Commission are also to be commended for conceiving and approving the Forever Stamp. The very concept is a reflection of new and innovative thinking.

We also applaud the Commission for rejecting the radical proposal referred to as "de-linking," which would separate the rate for single-piece first-class letters from the rate for first-class workshared letters. This proposal, if adopted, would have set the stage for a continual decline in the uniform rate structure, culminating in one rate for major mailers – who have the capability to barcode, transport, and sort their mail – and another rate for individual citizens.

The Commission must be watchful far into the future and resist the demand to erode the very foundation of our mail system: universal service and uniform rates. The British postal system has announced plans to begin "zone pricing" that could lead to higher rates for the delivery of mail to rural areas. But this disparity is not one that we would tolerate in America.

Throughout the debate on postal reform, the American Postal Workers Union was a vocal critic of excessive workshare discounts, and we applaud the recent recommendation of the Rate Commission to initiate change. This is a start, and we hope to work with the Commission in the appropriate review of a whole range of discounts to determine their relationship to the cost-avoided standard.

My union has a long history of engagement in the USPS effort to consolidate the processing network, and in communities throughout the country we have called upon elected public officials to join us. I am not aware of a single congressional representative who has rejected our appeals to require the USPS to seek meaningful community input prior to making a final decision. The record is clear: With your help, we have been successful in preserving service, protecting local postmarks, and defending community identity.

The APWU has also been a consistent advocate for postal efficiencies. We did not appeal for your assistance when postal officials engaged in a massive investment in

automation designed to enhance productivity. More than \$20 billion has been invested in the automation of mail processing, and as a result of this investment, the number of craft employees has been reduced by more than 80,000.

But there is a line between efficiencies and service. Highly-publicized experiences in Chicago, Boston, and New Mexico demonstrate that postal management has not yet found the right balance. This “chase to the bottom” for savings cannot justify denying the American public a service that is required by law. Our union and our nation’s citizens reject the Circuit City business model as one to be copied for mail services. We shall need your oversight to hold the Postal Service accountable.

APWU members are proud to be a part of the most efficient postal service in the world. We intend to be a part of a team effort to preserve this legacy, including working with this committee and other members of Congress who have an interest in an efficient Postal Service.

In closing, Mr. Chairman, I want to take this opportunity to speak directly to the Committee about a unique matter pending before the Postal Service, and to seek the Committee’s assistance in its resolution. For many years, I have been advocating that the Postal Service issue a commemorative stamp honoring the millions of slaves whose work in bondage contributed so much to building this country.

I have made some progress in these efforts, and the Postal Service has agreed that a stamp will be issued in 2008 honoring those human beings who suffered so much for so little reward. Unfortunately, we may be in disagreement over the image to be depicted.

The Stamp Committee is proposing to depict a ship transporting slaves across the ocean. I ask simply, “Do we honor the oppressed or the oppressors?”

Tens of millions of human beings completed their life journey without notice, and this stamp presents an opportunity to display their image – to tell their story in a stamp. After 400 years, it’s the right thing to do.

I thank you, Mr. Chairman, for your leadership and that of the members of this oversight committee. As we embark on the future under a new business model, we shall need your attention and your wisdom. Thank you for your efforts.

I would be pleased to respond to any questions you may have.