

For Immediate Release  
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## **APWU PREVAILS, COMMISSION LIMITS POSTAGE INCREASE**

APWU President William Burrus praised the recommended decision of the Postal Regulatory Commission today that would raise the price of a first-class stamp only two cents, instead of three cents as the Postal Service requested. In doing so, the commission agreed with the union that individual citizens should not be forced to subsidize major mailers and suffer a postage increase to 42 cents.

Of equal importance in the decision was the commission's affirmation of the APWU position that "workshare" discounts should not exceed the costs the Postal Service avoids when large mailers perform bar-coding, presorting, drop shipment, and other mail-preparation activities. The newly enacted postal reform legislation includes a prohibition against excessive discounts, and the Postal Regulatory Commission ruling is consistent with the new law.

"Although the rate commission's recommendation does not fully eliminate excessive discounts, the principle of universal service at uniform rates will be preserved," said APWU President William Burrus. "Postal workers not only provide first-class service, we opposed the rate increase to 42 cents and we won."

The APWU also opposed the recommendation by the USPS and large mailers to separate the actual costs of service for business mail by "de-linking" rates for large mailers from the rates charged to single-piece mailers. (Statistical evidence was offered on behalf of the union by Kathryn Kobe of Economic Consulting Services.) The commission expressed that "because the de-linking approach does not equitably balance the interests of all mailers within a subclass," and does not follow established principles of rate design, "the Commission does not adopt it."

"This trifecta victory of the American Postal Workers Union is a win for every citizen of our country," Burrus said. "We have denied the large mailers further subsidization of their postage by individual customers and small businesses. "I applaud the Postal Regulatory Commission Chairman Dan Blair, Vice Chair Dawn Tisdale, and Commissioners Mark Acton, Ruth Goldway, and Tony Hammond for a courageous and correct decision."

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*The APWU is the world's largest postal union, representing more than 300,000 postal workers in the Clerk, Maintenance and Motor Vehicle crafts.*