

Burrus Assails Commission's Work as 'Fundamentally Dishonest'

Recommendations Threaten Consumers, Workers

"The presidential commission has declared war on American postal workers and on service to the American public," APWU President William Burrus said today after the final public meeting of the Presidential Commission on the U.S. Postal Service.

Seven months in preparation, the commission's full report will be delivered to President Bush next week. The commission adopted the recommendations of four specialized subcommittees, with two of the special committees releasing their proposals last week and the other two doing so today. Burrus said that they appear to be nothing more than thinly veiled attacks on universal mail service and collective bargaining.

"From what we've seen so far, the report is fundamentally dishonest," the APWU president said. "The commission says it wants to improve service, then it includes a proposal to broaden USPS powers to close local post offices. They say they want to maintain the USPS monopoly. But then say they want to create a regulatory board to 'refine and clarify' the postal monopoly. They say they favor collective bargaining, but they adopted a list of recommendations that would destroy it.

"It would have been more honest," Burrus added, "if they had just said the Postal Service should not have collective bargaining at all."

The commission proposes giving total control of wages to a three-member politically appointed regulatory board. The new Postal Regulatory Board (PRB) would determine whether postal pay was comparable to the private sector and impose a cap on compensation for new employees. In addition, if the board determines there is a 'compensation premium' for current employees, the regulatory board would be authorized to reduce their pay.

Despite strenuous objections from Norman Seabrook, the only labor representative on the panel, the commission voted to recommend "pay for performance." Seabrook, president of New York City's Correctional Officers Benevolent Association, said a proposal to offer productivity incentives to unionized workers was "dangerous" and would foster a "good ol' boy network" based on favoritism.

Burrus denounced the idea as well. "How can you reward work floor employees for production?" he asked. "The workers don't control production. The machines operate at a set speed and employees have little, if any, ability

to affect productivity. Likewise, the efficiency of retail clerks is determined by the number of customers and the conditions at their stations rather than factors that they can control."

In another aggressive anti-worker action, the commission approved amending the Postal Reorganization Act to eliminate the protection against cutting fringe benefits. Under commission recommendations, health benefits and retirement benefits, including retiree health benefits for all current employees, would be subject to collective bargaining. "The commission seems to be unaware of the reasons for the postal strike of 1970," Burrus said. "Many postal employees have worked a lifetime for these benefits, which are guaranteed by law. They will not stand for this and no conscientious elected representative could possibly support it."

In other actions, the commission has endorsed large-scale outsourcing of mail processing, retail services, transportation, and motor vehicle maintenance. The panel also has recommended that postage discounts be expanded to apply to small mailers "particularly as new technologies are developed that reflect lowest combined private sector-postal costs."

The panel also adopted a recommendation that would cut compensation to injured workers. The proposal would institute a three-day waiting period for benefits, limit benefits to "two-thirds of the maximum weekly rate," and would permit the Postal Service to force employees receiving workers compensation to retire as soon as they become eligible. Currently, injured employees with dependents receive three-quarters of their pay.

"The commission relied on their experience over seven months," Burrus told the assembled news media in Washington after today's meeting, "and in many instances ignored the combined experience found in 240 years of American postal service.

"If adopted, the recommendations would be a disaster for American citizens who rely on the Postal Service as well as to postal workers. This should energize all the postal workers. The APWU will use every tool at our disposal to ensure that none of this becomes law."

(The text of the adopted recommendations can be found on the commission's Web site at www.treas.gov/offices/domestic-finance/usps, via the "Final Report and Recommendations" link.)

'Moe Biller' Conference Focuses on Postal Future

In a lively discussion on postal reform, a diverse group of union officials, mailing industry executives, consumer leaders, members of Congress, and current and former postal policy-makers gathered at the second annual Moe Biller Labor Issues Conference to deliberate the future of the American mail system.

The conference topic this year was: "The Future of Postal Services: Is Legislative or Regulatory Change Essential?" It opened with a remarks by Rep. John McHugh (R-NY), Chairman of the House Special Panel on Postal Reform and Oversight. McHugh has led several efforts to pass postal reform during the last decade. He said that despite polls showing the public is very satisfied with the mail system, the USPS is in need of many reforms. One major problem, McHugh said, is that Congress is not likely to act until there is a crisis. "When things are going to hell, that's when we'll deal with it," he said. Nonetheless, he said he hopes the president's commission will provide an impetus for the Congress to act soon.

Sen. Tom Carper (D-DE) and Rep. Danny Davis (D-IL) also shared their views. Both mentioned the importance of protecting postal workers in the rush to reform.

Carper said that the postal reform bill he recently introduced in the Senate "would not make postal workers pay for the Postal Service's problems" and that he would work to preserve postal workers' pay and benefits. "I do not believe that collective bargaining should be a victim of postal reform."

"We should assure that the top goal is to serve," Carper added. "Our goal should be first-class service for the public."

Rep. Davis agreed with the senator, saying that "All postal customers, no matter how small, no matter how remote, should be equitably served." Davis said that preserving equal treatment for postal workers as well would be among the most important factors for him to consider in any reform proposal.

The conference featured panel discussions on which, if any, legislative and regulatory reforms are needed and achievable in the current political environment; how prices should be set; and whether worksharing and other privatization initiatives are, in fact, good for the American mailing system and postal consumers. Panelists included former U.S. Rep. William L. Clay Sr., Chairman of the



Sen. Tom Carper (D-DE), told conference attendees, "I do not believe that collective bargaining should be a victim of postal reform."

Consumer Alliance for Postal Services; Gene Del Polito, President of the Association for Postal Commerce; Susan Alvarado, a former member of the Postal Service Board of Governors; Ken McEldowney, Executive Director of Consumer Action; George Omas, Chairman of the Postal Rate Commission; Wolfgang Pordzik, President of Deutsche Post World Net, U.S.A.; Michael Riley, former chief financial officer of the USPS; Dr. Robert Campbell, author of *The Politics of Postal Transformation; Modernizing Postal Systems In The Electronic And Global World*; and Joel T. Thomas, Executive Director of the National Association of Presort Mailers.

The annual Moe Biller Labor Issues Conference was created by Moe's many friends in the labor movement after he retired as APWU's long-time president in 2001. The topic of the inaugural conference, held early last year, was "New Safety and Health Issues: The Implications of Bioterrorism in the Work Place." That first lecture series focused on how various government agencies can better respond to protect workers and the public.

"Bringing people together from all sides to have a candid and open discussion of these issues is a wonderful way to honor Moe and his many achievements during the 64 years he devoted to the labor movement," said APWU president William Burrus. "Moe's very sorry that he couldn't be with us this year. We wish him the best."



Rep. Danny Davis (D-IL), left, makes a point on "Postal Reform" during panel presentation at the second annual Moe Biller Labor Lecture Series. The conference was staged at the Brookings Institution in Washington, DC.

Early Retirements: 'All' Means All

Responding to reports that the Postal Service may be backing away from its commitment, APWU President William Burrus reminded members that under the terms of the Collective Bargaining Agreement, voluntary early retirement must be offered to all eligible union-represented employees.

"I am aware that postal management has informed some employees that they may not be offered early retirement," he said. "The union intends to enforce the agreement with management. If necessary, we will pursue this matter vigorously."

Eligible employees have begun receiving letters from management inviting them to complete a form indicating they are interested in voluntary early retirement. An employee will be eligible if he or she is or will be age 50 or

older as of Nov. 1, 2003, with at least 20 years of creditable service as of Oct. 31, 2003. Employees of any age are eligible if they have or will have at least 25 years of creditable service as of Oct. 31.

The effective date for retirement will be no sooner than Oct. 31, 2003.

Depending on the number of employees who elect to retire with this opportunity, an additional opportunity for retirement may be set for February 2004. If a supplemental opportunity is established, the date for computing creditable service will be moved beyond Oct. 31, 2003, to the last service day prior to the date of retirement. For example: If Feb. 1, 2004, is established as a date for termination of employment, the eligibility date will become Jan. 31, 2004.

Sen. Carper Criticizes Commission

Sen. Tom Carper (D-DE) criticized the presidential commission on the Postal Service, saying today that its recommendations on worker pay and collective bargaining would hurt workers and stretch out contract disputes.

A key speaker July 22 at the Moe Biller Labor Lecture Series, Carper said in a press release a day later that the commission's recommendations would unnecessarily open up pay standards and collective bargaining procedures that have benefited both the Postal Service and its employees. "Moreover, if implemented, the recommendations could result in lower pay for workers and an increased number of contract disputes over pay and retirement benefits."

Carper said the Postal Service should use the boom in employee retirements expected in the coming years to right-size its workforce through attrition and early retirement of

workers. Similar recommendations are made in Carper's postal reform legislation, the Postal Accountability and Enhancement Act (S.1285). "But the commission's recommendations, specifically those relating to re-examining how postal workers' salaries compare to similar jobs in the private sector, are unnecessary," he said.

"I am disappointed that the commission has advocated using postal reform as an excuse to roll back the benefits and protections postal employees have fought for over the past three decades," Carper said. "Postal employees should be seen as an asset, not a liability."

"Since the Postal Service's financial difficulties worsened," he noted, "postal unions have agreed to contracts with modest, reasonable pay increases without going into arbitration."