



American Postal Workers Union, AFL-CIO

Mark Dimondstein, President
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LEGISLATIVE PRIORITIES

115th Congress

White House Budget Targets Postal Workers

The White House introduced its proposed Fiscal Year 2019 budget to Congress on February 12th. This non-binding proposal begins an annual, months-long government funding process and also showcases the Administration's funding priorities, setting the tone for budget negotiations.

For postal and federal workers, this budget is largely a reintroduction of last year's failed attacks on our pay and benefits, but takes them even further. It:

- Increases employee FERS contributions 1% a year for each of the next six years;
- Eliminates FERS Cost of Living Adjustment (COLA), and reduces CSRS COLAs by 0.5%;
- Eliminates the special retirement supplement;
- Reduces retirement benefits by using a "high five" salary average formula, rather than the current "high three" average;
- Lowers the G-fund interest rate to provide worse returns on Thrift Savings Plan investments;
- Increases the share postal and federal workers pay for care under the FEHBP;
- Slashes Postal Service personnel costs and reduces mail service to the American people to achieve \$44 billion dollars in postal-specific savings;
- Decreases FECA compensation for injured workers and institute a new waiting period before they can receive benefits;
- Cuts \$237 billion from Medicare.

Postal and federal workers have already contributed enormously to deficit reduction – and now they want more. While budget after budget diminishes workers' livelihoods in the name of austerity, they ask nothing of the wealthiest Americans. Instead, the budgets advanced by anti-worker politicians preserve, protect, and expand big tax cuts for America's richest few.

Each of these proposals would be severe cuts to dedicated postal employees, both active and retired.

"We've been down this road before, and once again we cannot allow the budget to be balanced on the backs of working people," said President Mark Dimondstein.

As justification for attacking our paychecks and retirement security, the White House cites the need to reduce the federal deficit; however, the White House and its allies seemed unconcerned with the deficit when they passed a \$1.5 trillion bill to finance tax cuts for the wealthy elite.

"Just as we feared when we fought against the disastrous tax proposal, the White House is coming after our hard-earned pay and benefits to 'fix' the deficit they are growing," said Legislative and Political Director Judy Beard.

Many of the Administration's disastrous proposals were incorporated into last year's House budget, as part of a \$32 billion dollar cut targeted at federal and postal worker pay and benefits. Postal workers, active and retired alike, rallied last year against the budget attacks and stood arm-in-arm with our sisters and brothers in the Federal-Postal Coalition to defend our livelihoods. We flooded Congress with tens of thousands of calls on our coordinated Day of Action against the budget, and thanks to our activism, we were victorious. Congress ultimately abandoned the House budget and instead adopted the Senate budget which excluded these terrible provisions.

As this year's budget process begins anew, we will bring that same vigilance and action to succeed.



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