

APWU CONGRESSIONAL TESTIMONY

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

WILLIAM BURRUS
PRESIDENT

Before The

**SENATE COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS**

SUBCOMMITTEE

**FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT
INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL
SECURITY**

AND THE

**U.S. HOUSE COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM**

SUBCOMMITTEE

**FEDERAL WORKFORCE, POSTAL SERVICE, AND THE
DISTRICT OF COLUMBIA**

**"Having Their Say: Customer and Employee Views on the
Future of the U.S. Postal Service"**

**TESTIMONY OF WILLIAM BURRUS, PRESIDENT
AMERICAN POSTAL WORKERS UNION, AFL-CIO**

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Chairman Carper, Chairman Lynch, and members of the subcommittees: Thank you for providing this opportunity to share the views of the American Postal Workers Union on the difficulties currently facing the Postal Service and on postal management's plans to address them. The request that oral presentations be limited to five minutes restricts my remarks to a summary of our positions on a wide range of issues, but we welcome the opportunity to speak on the subjects of concern.

The APWU has analyzed the current state of hard-copy communication, and we reject the projection that is currently in vogue – that mail is destined to perpetually decline. Our evaluation signals that, in fact, mail volume will experience growth in Fiscal Year 2012. I ask you to make note of our prediction and I suggest we revisit the issue in 2013: *Let's see if the APWU's forecast was right.*

Virtually every other study of mailing trends concludes that mail volume will continue to decline, and this projection serves as the basis for recommendations for radical changes to the USPS structure and to the services we offer.

If we are right in our prediction that volume will grow in the relatively near future, those dire predictions must be discarded as the alarmist projections they are.

What to Do, What Not to Do

After much soul searching, the postal community has concluded that the payment schedule for pre-funding future retiree healthcare liabilities is driving the Postal Service to the brink of insolvency, and must be modified. Correction of the Postal Service's overpayment to the Civil Service Retirement and Disability Trust Fund would more than satisfy this obligation. There seems to be unanimous agreement within the postal community that the pre-funding obligation is the primary source of the USPS' financial difficulties and that it must be corrected. I urge lawmakers to find the appropriate methods to do so.

I would be remiss if I did not include in this summary what not to do: Drastic reductions in service must be removed from consideration. This includes the poster child for service reductions, the elimination of Saturday delivery. We should not even engage in serious discussion of this proposal.

The reason is simple: No service-oriented business can grow by reducing service. The very concept must be abandoned. To the contrary, we believe the USPS can and must expand the services it offers.

In addition, we believe the USPS must eliminate excessive worksharing discounts. These discounts deprive the Postal Service of desperately needed revenue and subsidize major mailers at the expense of small businesses and individual citizens. They are illegal and self-defeating. (I want to digress for a moment and commend Chairman Lynch for holding the first-ever hearing on this crucial topic last month.)

Flawed Business Model

Finally, I cannot miss the opportunity to remind policymakers that the business model that governs the United States Postal Service was a creation of the Postal Accountability and Enhancement Act of 2006 (PAEA). Now, less than four years after its adoption, many of the groups that supported the PAEA are again denouncing the USPS business model as severely flawed.

Those who advocated the passage of the PAEA must take responsibility for the results, and their recommendations must be evaluated in light of their miscalculation of the effect of the law. The GAO, the Office of Inspector General, congressional committees, mailers' associations and others "drank the Kool-Aid" of "postal reform" and now are offering solutions to problems that they created.

Ironically, it seems that hardly a week goes by without these same agencies issuing reports that seek to substitute their judgment for those of postal management. Frankly, their attempts to micromanage the USPS are counterproductive.

I have submitted for the record some of the written testimony the APWU has provided at recent hearings and forums, which expand on our views on these and other important topics.

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

Thank you.

Attachments:

Testimony of William Burrus before the House Federal Workforce Postal Service and the District of Columbia Subcommittee. *"The Price is Right, or is it? An Examination of USPS Workshare Discounts and Products that Do Not Cover Their Costs,"* May 12, 2010;

Testimony of William Burrus before the Senate Financial Services and General Government Subcommittee. *"Proposals for Addressing the Current Financial Situation Facing the United States Postal Service,"* March 18, 2010;

Testimony of William Burrus before the Senate Federal Financial Management, Government Information, Federal Services. *"The U.S. in Crisis,"* Aug. 6, 2009.