

# POSTAL NEWS

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## 1. Christopher W. Shaw

March 1, 2009

Q. What's the big deal about cutting mail service to five days a week instead of six?

A. The U. S. Postal Service remains the one universal means of communication. Cutting a day would be a unilateral break with a long-standing obligation. Millions of people live in households that do not have either Internet access or telephone service. Thankfully, our postal system continues to serve all Americans on a democratic basis six days a week. The fact that the postal service offers six-day delivery encourages patrons to use it. Cutting costs in the short-term would create greater problems by decreasing the value of the mail. It is instructive that competitor FedEx called this proposed service reduction "meritorious."

Q. Some argue the 42-cent first class rate is still a bargain. Wouldn't it be wiser to just raise the price of mail?

A. The 42-cent stamp you or I use can cost almost a dime more than what large corporate mailers pay to send a letter. Corporate mailers receive discounts for pre-sorting their mail. The idea is that if they save work for the postal service they deserve a break. In reality, individuals and small businesses end up subsidizing them because the amount they save on postage is greater than the amount of work pre-sorting saves the postal service. This ill-advised practice costs billions of dollars a year.

Q. How likely is it that lawmakers would lift the requirement that the agency deliver mail six days a week?

A. Congress was understandably troubled by the suggested abandonment of the six-day delivery model. Members know their constituents depend on the postal service and will surely ask some tough questions.

Q. If mail delivery had to be cut back, which day of the week would make the most sense to eliminate delivery?

A. Questions of service standards call for input from the postal service's owners: the American people. An independent, non-profit Post Office Consumer Action Group would provide a direct connection between postal officials and the American people.

Q. The post office also has proposed a legislative change in the way retiree health benefits are funded. In this age of bailouts, shouldn't the agency get some relief?

A. With the federal government providing billions to the financial sector, one might imagine the postal service could use relief too. The postal service is the nation's second largest civilian employer and part of the fabric of our life. All Americans benefit from this public service six days a week. Let's keep it that way.

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## **2. Brown to Invest 1.9 Billion Pounds in U.K.'s Royal Mail Network**

By Caroline Hyde

Feb. 28 (Bloomberg) -- U.K. Prime Minister Gordon Brown said his government will spend 1.9 billion pounds (\$2.7 billion) on the country's post office network, to maintain the "universal service" obligation.

Brown, speaking at a televised Labour Party event today in Bristol, southwest England, said he would invest in the Royal Mail Group Plc, the state-owned postal service, and guarantee a 25 billion-pound (\$35.9 billion) pension fund.

The government is asking lawmakers for the authority to sell around a third of the 360-year-old Royal Mail to an outside investor such as TNT NV of the Netherlands to prepare the postal service for Europe-wide competition. Opposition to the Postal Services Bill means Brown could face the biggest rebellion in Parliament since he took office in 2007.

"I do say to you that guaranteeing a 25 billion pound pension fund, spending 1.9 billion pounds on the post office network, maintaining a universal service obligation can be achieved if we make the investment that is necessary to secure the Royal Mail for the future," Brown said. "And that is what's behind our proposals to get someone to help us invest so that we can prepare the Royal Mail for the international and national challenges ahead."

Under the Postal Services Act of 2000, the Royal Mail is required to provide "universal service," making at least one delivery every working day to all individual U.K. households.

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### **3. Royal Mail: A part-privatised, utterly wrecked postal service**

The moment Lord Mandelson published a document entitled 'The Future of the Universal Postal Service in the UK', it seemed clear that our postal service no longer had a future, writes Melissa Kite.

Melissa Kite

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Whenever ministers promise to "save" something by taking it apart it makes me nervous. Call me cynical, but the moment Lord Mandelson published a document entitled "The Future of the Universal Postal Service in the UK", it seemed clear to me that our postal service no longer had a future, would soon cease to be universal, and would certainly not be based in the UK.

Maybe I should give the Prince of Darkness a chance to set out how he is going to "save" the Royal Mail by carving it up into little bits and selling the best parts to foreign parcel firms. But I just feel we've been here before. However he emotes about "modernisation" and "renewal", we know that a Labour part-privatisation ends with a conversation like this:

"Hello, you're through to Royal Mail Direct, how may I help you?"

"I got a note saying I'd missed a parcel."

"Oh that will be Parcel Direct you're wanting. Hold the line, please." (Boyzone sing in the background, 20 minutes elapse)

"Hello, Parcel Direct."

"I've missed a parcel delivery."

"Do you have your seven-digit customer number? Right, I've got those details up for you now. Your parcel was sent to our European Central Sorting Office for holding."

"Can I pick it up?"

"Are you in Rotterdam?"

"No, I'm in Ealing."

"Well, that's probably not your best option in that case. I can have it resent. It should be there a week next Tuesday, between 7am and 6pm. Our driver will call when he's five minutes away."

"But I've got to go to work."

"Would you like to arrange delivery for another month?"

"No, I'll wait in."

"That's all arranged for you then. Would you be interested in hearing about some of our other products and services? We've got a very good deal on broadband at the moment."

"No thanks."

"Would you like me to send you a quote for our new satellite TV package?"

"Not really."

"Can I ask who your gas and electricity suppliers are?"

"Look, I just want my parcel delivered."

"I'm afraid I'm going to have to report you if you continue to take that tone..."

\* The Obama children must be seriously fed up. They were promised a puppy when their father was on the campaign trail. Then he became President and the breathless anticipation of puppydom reached fever pitch. His victory speech was arranged around a reference to the new mutt "coming with us to the White House", but puppy came there none. Instead we've had such machinations about size and breed they make his attempts to pull the US economy out of recession look footling.

First it was going to be a Labradoodle, a cross between a Labrador and a Poodle. Now, Michelle says they are "leaning" to a "Portuguese water dog". She explains that "from the size perspective they're sort of middle of the road, not small but not huge." Guys, please. I know you've got a lot on your minds but you could have had Nasa design a space dog by now. Just ring a pet shop and get the girls a cuddly thing that barks before this whole puppy purgatory scars them for life.

\*If our skins get much thinner we are in danger of becoming see-through. We are suffering an epidemic of hurt feelings. The boss of a firm called Ivell Marketing & Logistics has sacked an employee for moaning on Facebook that her job is boring: it was "disrespectful". Is this the attitude that made Britain great? Surely a more robust way of dealing with a sulky teenager's complaint that all she does is shred paper would be to inform her that she is now also responsible for making tea.

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