

POSTAL NEWS

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The Day: More Postal Volunteers Needed. July 29, 2009.
Kildee peeved that Flint might lose postal mark, jobs. July 29, 2009.
French postal reform move set to stir more protest. July 29, 2009.

FG/CH News

July 29, 2009, 9:33 am

1. The Day: More Postal Volunteers Needed

By Lily Q

With Part 1 of The Local's Post Office Project well underway, it's time to get going on Part 2: the survey. We've put together a quick and easy set of questions to gently pester post office patrons with as they exit the building.

Now, you're probably thinking: "This survey sounds so painless and maybe even fun! I've always wanted to play a part in gauging customer service at neighborhood post offices. Why do the people who run The Local get to have all the fun distributing such an exciting and informative survey?!"

Well guess what, we don't get to have all the fun. In fact, the whole thing may very well fall apart without a few of you volunteering for one-hour-and-forty-five-minute survey shifts standing outside the post office in the snow, rain, heat and gloom of day collaring customers.

Because the offices are open six days, we'd like to cover each one twice at a different time of the day.

Shifts will be:

9-10:45
10:45 -12.:15
12:15 - 1:45
1:45 - 3:15
3:15 - 5

and

8 - 9:45 on Saturday at the 11205 and 11238 post offices if some brave soul wants to get that one done.

For those of you inclined to participate in this civil service, e-mail bklocal@nytimes.com (ATTN: Lily Q) with a couple of time slots and your preferred postal station (addresses listed below).

11217- 542 Atlantic Ave. (9-5 M-F and 9-1 Sat)

11205- 524 Myrtle Ave. (8.45-5 M-F, 8-1 Sat)

11238- 950 Fulton St. (9-5 M-F, 8-1 Sat)

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2. Kildee peeved that Flint might lose postal mark, jobs

By Todd A. Heywood 7/29/09 2:47 PM

As the United States Postal Service struggles with losses estimated at \$7 billion this fiscal year, it is attempting to make operational changes to save money — but that has one Michigan lawmaker quite upset.

U.S. Rep. Dale Kildee, a Democrat from Flint, has written a letter to the Postal Regulatory Commission — which oversees postal operations — and asked it to reconsider relocating 30 Flint-based mail-sorting jobs to a new \$100 million facility in Pontiac, the Flint Journal reports.

And the loss of those jobs in Flint could lead to the city losing its official postmark on outgoing mail.

Kildee's letter to PRC Chairman Dan G. Blair said he believes the planned consolidation of Flint jobs in Pontiac "is based on an unsound ... process with inconsistent information."

All of this comes as the Government Accountability Office has labeled the USPS as a high-risk federal agency in need of major reform.

The Associated Press reports:

"New technology is profoundly affecting services in both the private and public sectors, including traditional mail delivery. Compounded by the current recession, the volume of mail being sent is dropping substantially," Gene L. Dodaro, acting comptroller general, said in a statement.

And the USPS is not arguing against the GAO assessment:

The post office issued a statement saying: "The GAO High Risk List announcement accurately reflects our current financial reality. Securing the fiscal stability of the Postal Service will require continued review of retiree health benefit prefunding, as

well as gaining flexibility within the law to move toward five-day delivery, to adjust our network as needed, to develop new products the market requires and to work with our unions, mailers, stakeholders and Congress to meet the challenges ahead.”

Postal officials have already asked Congress for permission to eliminate Saturday delivery.

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3. French postal reform move set to stir more protest

Wed Jul 29, 2009 9:29am EDT

By Sophie Hardach

PARIS, July 29 (Reuters) - France took the first step towards reforming its state-owned postal service on Wednesday, a move that unions and opposition parties fear may lead to the popular operator's privatisation.

France's cabinet signed off on the proposal at its last meeting before the summer break, saying the change of status to a public limited company was necessary to prepare for the sector's liberalisation in 2011, under European Union rules.

"In this context, La Poste will need big investments in the next years in order to modernise and develop and guarantee a high quality of service," Economy Minister Christine Lagarde and Industry Minister Christian Estrosi said in a statement.

A heated parliamentary debate over the change, part of President Nicolas Sarkozy's reform agenda, is expected for the autumn.

The government has promised La Poste will remain 100 percent publicly owned and that its key functions -- providing a postal service across the country, six days a week, at steady prices -- will be guaranteed.

But thousands of postal workers have taken to the streets in protest over the past year, calling the plan a sell-out of an institution that most French want to remain public.

La Poste said last year it was considering opening up its capital to outside investors to raise funds needed to compete with rivals like United Parcel Service (UPS.N) and privatised German post office operator Deutsche Post (DPWGn.DE).

Once considered a somewhat tranquil sector, postal services across Europe have faced an overhaul as the market moves towards liberalisation.

Germany has ended Deutsche Post's monopoly status and tax advantages, while Britain was planning to sell up to a third of state-owned Royal Mail until poor market conditions forced it to put the plan on hold earlier this month.

But to many in France, the state-owned postal system is an example of tax-funded public service at its best, with La Poste carriers in blue and yellow delivering letters and parcels to even the most remote areas.

Any thoughts of privatisation were swept away by the financial crisis that erupted last year.

Under European Union rules, however, the sector has to open up in 2011, and La Poste's leadership has said it needs 3 billion euros (\$4.24 billion) to make La Poste more competitive, for example adapting to the Internet and other new forms of communication.

The operator employs about 300,000 people and runs a savings company where most French hold an account. The government says that if it does not modernise, foreign companies will move in and take over once the sector opens to competition.

The opposition Socialist Party has called for a referendum on the future of La Poste, arguing that there has been no debate over the status change and that neither EU rules nor business objectives actually require such a step.

(Editing by Ron Askew)

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Postal Service in crisis
by The Oregonian Editorial Board
Tuesday July 28, 2009, 5:10 PM

A federal watchdog agency rings the alarm bell -- again -- over the system's viability

Associated Press

For the fourth time this year, the Government Accountability Office has warned that the U.S. Postal Service must slash its costs*, and each time, it has raised the volume of its warnings. This week it says the very viability of the postal system is at stake.

The post office has a fairly simple problem that's not that different from that which plagues the automobile industry: Fewer customers and a lot of stubborn overhead costs.

If the postal service is to be able to pay its way, the GAO says, it will have to lose tens of thousands of employees, shrink its network of post offices and distribution centers, and negotiate cheaper pay and benefit packages with its unionized work force. And this is on top of the postal service's proposal to drop one day from its delivery schedule and to underpay its health care benefit obligations this year.

In a country beset by recession and struggling to enact sweeping reforms to the health care and energy industries, the postal system is pretty far down the list of fiscal emergencies. But the postal service tipped from profitability three years ago to accelerating losses, estimated to reach \$7 billion this year. The country faces a significant choice: Is it going to require the postal service to pay its own way, or is it going to limp along with a heavy government subsidy, much as Amtrak?

The right, if painful, course would be to insist that the postal service align its size and capacity with the declining demand for its services. Mail volume has been dropping sharply for the past couple of years, and the GAO reckons it's not coming back. The postal service itself estimates it will handle 175 billion pieces of mail this fiscal year - a drop of about 28 billion pieces in a single year. Simply put, fewer people send letters each year, and each year more businesses convert customers to online or autopay billing. These are irreversible trends.

At the same time, the postal service has 727,000 employees working at 38,000 facilities nationwide. It recently offered early retirement deals to 150,000 of them, but all but 3 percent elected to stay on their jobs.

And why wouldn't they? The GAO points out that the postal service pays very well, even by the standards of federal agencies. It shoulders the entire cost of life insurance premiums, for example, although most agencies pay about one-third of the premium costs. Postal employees also have a lighter health care cost burden than most federal agencies.

The postal service also has 74 district offices and nine area offices, thousands of acres of real estate with a big backlog of maintenance needs. It's going to have to jettison some of that property, though no community wants to see its post office disappear.

But the postal service is the perfect laboratory for the federal government to enact all the big changes it wants for the rest of the country. It can reshape health care benefit packages to give employees an incentive to keep costs down. It can burn less imported gasoline by eliminating vehicles and days of delivery. It can cut its use of electricity by closing facilities.

These are things the government wants to encourage all of us to do. The least it can do is to let the postal service show us the way.

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*Here are links to the first, second and third GAO warnings this year. All links are to HTML summaries, with links to the full reports as pdfs.

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Posted by phosphorus on 07/28/09 at 11:08PM

I see one complication to all this. Right now we have a huge debate over health care and possible government programs. Well, prescription drugs are one of the most important items that are routinely delivered by the post office. Put another way, the post office is a vital link in our health care system, especially for senior citizens and people that lack transportation options. I'm with the VA and my wife is with Kaiser and both of them extensively utilize the mail to distribute drugs of all kinds, including insulin, antibiotics, heart and cholesterol medications and pain medication. If this was just about junk mail, the solutions would be obvious, but ensuring that people are not cut off from life and health-saving drugs is extremely important and we can't lose sight of this in the rush to cut costs.

Inappropriate? Alert us.

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Posted by ednumrich on 07/28/09 at 11:27PM

As someone who has worked the "Christmas Rush" with the Postal Service, please be aware that postage fees for so-called "junk mail" subsidize first-class mail. You wouldn't want to guess what those prescription packages would cost if it wasn't for "junk mail".

Ed Numrich

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Posted by sadoggie on 07/29/09 at 6:46AM

The same government that runs the post office may soon run health care. Add Amtrack, social security, the IRS and welfare to what the government does and we should really think hard about giving them 1/6th of the economy for them to foul up too.

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Posted by danchadwick on 07/29/09 at 9:40AM

the us postal service is one of the most poorly run establishments in history.

this should be privatized and it should be the example of waste and filth that comes from any government program.

I cant believe this idiot is actually telling us that the PO should be the example and should lead the way.

The Oregonian sucks. Sure glad I cancelled my subscription

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Posted by dtoutma on 07/29/09 at 11:06AM

Yes, Postal Service benefits packages are better than most federal agencies. I thought about that for a moment last winter, when my carrier was slogging through unshoveled sidewalks for seven miles every day and dropping off my medications. I thought about it as I watched the thermometer climbing this morning, and my dog's tongue nearly dragged the ground.(He's only a dachshund, not that far from the

ground.) My mail should be here shortly, and frankly, even stuff coming from across the country gets here pretty quickly, and efficiently.

E-mail has really hit the first class mailings business. Revising the business model may indeed need to "catch up", As phosphorus also points out, if YOU don't get your medications because YOUR post office is closed, will YOUR falling over make a sound in the woods?

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Posted by ndally13 on 07/30/09 at 2:43AM

Something that was not mentioned in the editorial piece regarding the offer of an early retirement.

There was absolutely NO incentive offered to the employees. Why would anyone retire early from a good paying job with good benefits in this economy?

Had they offered an incentive, no doubt many might have retired.

They are possibly putting together another offer for early retirement for those who qualify. This offer might actually offer some form of incentive.

Postal workers work very hard in all types of weather, and under very difficult leadership in some offices.

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Posted by rglass39 on 07/30/09 at 1:21PM

Your editorial about Postal Service benefits is ill-informed.

Benefits are in lieu of pay; a comparable job would be such as a UPS driver. Their pay and benefits are much higher than any Letter Carrier's. Our Union, the National Association of Letter Carriers, has worked hard for a long time for a living wage and working conditions. Compare ours to UPS.

When USPS offered early out retirements, they offered no incentive at all; in fact, they kept in place penalties for leaving early.

I am 52 years old, and have worked for USPS for 30 years. But because I am not yet 55, there is a 2% reduction per year in retirement pay. If I were to retire at 55, I will only get 60% of my base pay. For 33 years on the job.

In addition, life and health insurance would be solely my financial responsibility, no contributions from USPS. And then I'd have to wait 7 years for Social Security benefits.

I simply cannot afford to retire with the piddling amount USPS has "offered". And my children need to go to college; how can I pay for that?

Also, the reason why the USPS retirement fund was underfunded was because the fund was raided years ago to make up for Federal budget shortfalls. "Creative accounting".

Your editorial gives the impression that Postal Service workers are living high on the hog while feeding at the public trough; it just ain't so.

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Posted by PDXDraco on 08/03/09 at 9:06PM

As a letter carrier we are constantly being asked to improve our performance and increase productivity. All this at the cost of customer service, which many of us still

try to provide in spite of what our supervisors and managers tell us. If I'm to take a pay cut, they had better start off with the upper echelon first who receive "productivity pay increases" (bonuses) and are receiving another pay increase by cutting routes at stations. They receive \$1,000 per route that is removed from a station. As they cut more and more routes and carrier workforce, they have still not begun to reduce upper management. It seems they are actually increasing it.

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