



National Association
of Letter Carriers

William H. Young, President

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Message from President Young:

Regarding Testimony by PMG Potter to Congress On Impact of the Economic Crisis on USPS and Possible Cutback of Six-Day Mail Delivery

NALC Urges Carriers to Remain Steadfast in Face of Speculation



There are no plans to eliminate six-day delivery. NALC is working with the Postal Service and other postal organizations on a common-sense approach to overcoming the economic crisis. Neither the American public, nor the postal industry, nor the key leaders of Congress, nor the NALC support any reduction in service.

Making the reduction of days of delivery *THE* answer is a red herring that the media has misleadingly laid at the doorstep of Jack Potter, the postmaster general. While Potter asked Congress for the flexibility to temporarily and selectively reduce the frequency of delivery if conditions worsen dramatically, he made it absolutely clear that eliminating a day of delivery was the last thing he wants to do. As NALC has done, Potter called on Congress to enact sensible financial reforms to correct the

schedule for pre-funding retiree health benefits. That would protect retiree benefits while freeing up current funds to help the Postal Service overcome the devastating effects the financial meltdown has had on the U.S. economy.

The United States Postal Service is a critical part of the country's financial infrastructure. In a time of national financial crisis — with tens of millions of citizens under distress, millions of jobs disappearing, millions of homes being foreclosed, retail enterprises shutting their doors, factories closing — the very last thing this nation needs is to fracture the service that binds the nation together. The continued appearance of letter carriers delivering the mail to the doorstep of every home and business and bank and credit card company six days a week is absolutely essential to economic recovery.

Existing law requires USPS to do something no other agency of the federal government, no state or municipal government, and no private company in the Fortune 500 (or as far as we know, anywhere) is required to do: to pre-fund its retiree health obligations. Not only that, it requires that it pre-fund 80 percent of these costs over the next eight years — even though the very few companies that voluntarily pre-fund these benefits amortize them over 30, 40 or 50 years. While it certainly makes sense to gradually pre-fund such long-term obligations, it makes no sense to maintain such an onerous schedule.

In 2006, Congress mandated pre-funding to the tune of \$5.5 billion to \$5.7 billion per year over the next 10 years. The Postal Service has already paid \$32.6 billion into a special fund for this purpose. On top of this, USPS pays about \$2 billion per year for its share of current retiree health premiums. To avoid unnecessary service cuts, Congress should enact H.R. 22, a bipartisan bill that will allow USPS to pay for its current retirees' health premiums out of the existing retiree health fund. Such a change would save USPS \$2 billion a year while it continues to build up its retiree health fund for the future. Indeed, if H.R. 22 was enacted, USPS would still be pre-funding its future retiree health obligations at a greater rate than any company in America.

NALC will vigorously resist any legislative attempt to slash the number of days of delivery.

Members should consult upcoming *NALC Bulletins* and future issues of *The Postal Record* for the latest information on this important issue.

William H. Young
President

Food Drive Registration at 962 USPS' Priority Mail Supporting 2009 Effort

Hundreds of branches are still registering for the 2009 NALC "Stamp Out Hunger" Food Drive on Saturday, May 9, prepared to surpass last year's 73.1 million pound record and making a significant impact to help more than 35 million hungry Americans during this nation's economic crisis.



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As the *NALC Bulletin* went to press, registration forms had been received from 962 branches. Branches that have not done so can still register by quickly sending in the form they were mailed in December with a letter from President Young.

The Postal Service has announced that its Priority Mail service will lead the way in supporting the drive this year and its logo will be included on all food drive promotional literature.

Along with the Postal Service action, a letter of support has come in from Greg Bicket, new chief executive officer of Valpak Direct Marketing system, which annually distributes over 40 million envelopes during the spring promoting the NALC food drive.

"This year, our nation's families have an even greater need and our employees, franchise owners and sales representatives will be working together to try to quench that need by raising awareness and motivating Valpak customers," Bicket said in a letter to President Young. "Our support of the Stamp Out Hunger food drive is our way of saying 'thank you' to the men and women who work tirelessly to deliver America's mail."

In mid-February, those branches that have registered for this year's drive will receive a food drive packet including a coordinators manual, a new food drive video on DVD, forms for ordering FREE Campbell Soup-Postal Service postcards, the official NALC poster, and other items.

Officials of the food drive partners — NALC, U.S. Postal Service's Priority Mail, Campbell Soup, Valpak-Cox Target Media, United Way of America, AFL-CIO, and Feeding America, formerly known as America's Second Harvest, the nation's food bank network — will assemble at NALC headquarters later in the month to complete plans for the drive.

In the first 16 years of the drive — held annually on the second Saturday in May — nearly 1 billion pounds of non-perishable food — over 909 million pounds — were collected and delivered to local community food banks and pantries in the nation's largest one-day food drive.

Questions regarding the food drive should be directed to Drew Von Bergen, national coordinator, at (202) 662-2489 or at vonbergen@nalc.org.

Room Reservation Details Announced For April National Training Conference

Secretary-Treasurer Jane E. Broedel announced January 30 details about room reservation for the National Training Conference and Rap Session scheduled for April 25-26 at the Luxor Las Vegas hotel in Nevada.

In addition to the training sessions and Rap Session, a welcoming reception will be held on the evening of April 24.

Tower Deluxe rates at the Luxor are set at \$130 per night (single/double), plus taxes and fees, currently 9 percent, but subject to change. A charge of \$30 will be added for each guest over double occupancy, with a maximum of four (4) guests per room.

To make an online hotel reservation, go to <https://resweb.passkey.com/go/NALC09P>. You may also call (877) 848-2527 or (702) 262-4450. Please be sure to mention the group code NALC09P when calling to ensure you get the group rate.

Book by March 30 to reserve a room. For more information, go to <http://www.luxor.com/>.

Shuttle and taxi service are available at McCarran International Airport, located about two miles from the hotel. For additional information on ground transportation, visit the McCarran website: http://www.mccarran.com/03_index.asp.

No COLA Accumulations as Inflation Wanes

There was no projected accumulation yet for the fourth regular cost-of-living adjustment (COLA) under the 2006-2011 National Agreement, nor any projected accumulation toward the 2010 retirees' COLA.

The fourth COLA is based on inflation between July 2008 and January 2009 and would be payable in the second full pay period following release of the January 2009 Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

There also was no accumulation yet towards the 2010 retiree COLA following release of the December CPI-W. The 2010 retiree COLA will be based on the increase in the average CPI-W between the third quarter of 2008 and the third quarter of 2009.

There will be no 2009 cost of living adjustment for Federal Employees Compensation Act (FECA) participants because of no inflation during the past year. The FECA COLA adjustment is based on the increase in the CPI-W between December 2007 and December 2008, but the Index declined from 205.777 to 204.813 during that period according to a January 16 announcement by the U.S. Bureau of Labor Statistics.

FECA COLAs are applicable only in cases where death or disability occurred more than one year prior to the adjustment's effective date.