

# National Association of Letter Carriers



# National Rural Letter Carriers' Association

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June 18, 2007

The Honorable \_\_\_\_\_  
United States Senate  
Washington, DC 20510-0803

Dear Senator \_\_\_\_\_

On behalf of the nation's 325,000 letter carriers, we write to respond to the misleading letter sent to you by the Postmaster General of the United States concerning S. 1457, the Mail Delivery Protection Act, a bill introduced by Sen. Harkin and co-sponsored by 25 members of the Senate.

Contrary to the assertions made by Mr. Potter in his June 13 letter, the bill would not override our collective bargaining agreements and would not interfere with the existing collective bargaining process. Rather, the legislation restores the status quo that existed before the Postal Service decided to begin outsourcing urban and suburban mail delivery with the recent creation of Contract Delivery Service.

S. 1457 would permit the Postal Service to renew and create new Highway Contract Routes (HCRs), the contract routes the USPS has traditionally used in rural areas to transport mail in bulk between rural post offices, as it has for decades. HCR contractors do perform incidental deliveries on their routes, but their main function is to transport mail in bulk – a function specifically authorized by existing law. The legislation would, however, prohibit the Postal Service from attempting to evade other public policies firmly established by the Postal Reorganization Act of 1970 (PRA), as amended and reaffirmed by the Postal Accountability and Enhancement Act of 2006 (PAEA). These policies include a preference for Veterans in hiring and the right of collective bargaining for workers employed by the Postal Service. Neither the contractors employed by the Postal Service nor any association to which they belong are afforded these rights or covered by these policies. The creation of CDS contractors was designed specifically to evade these obligations.

The Postmaster General's letter makes a number of outrageous and misleading claims. It claims S. 1457 would "eliminate an important tool needed by the Postal Service to continually introduce greater efficiencies into its operation." The attached slide from a management training program being used to promote contracting out letter carrier work illustrates the kind of "efficiencies" the Postal Service has in mind: "no health insurance, no retirement, no life insurance, no ties to union agreements," etc.

The letter also seems to suggest that the decision to create CDS was driven by the CPI rate index contained in the postal reform legislation adopted in late 2006. CDS was created before postal reform passed. Moreover, Congress adopted the price index system in response to USPS complaints that the existing rate-making system was costly and inefficient. Not once in the 12-year debate over postal reform did the Postal Service tell anyone that passage of reform would lead to widespread outsourcing. The large bipartisan majorities in Congress who voted for postal reform did not intend it as a green light for the USPS to outsource letter carrier work and to add to the tens of millions of Americans without health insurance or adequate pension protection. And we do not believe Members of Congress support reducing the number of letter carrier jobs open to the tens of thousands of American veterans who have served in either Iraq or Afghanistan.

But perhaps the most outrageous claim in the letter is the assertion that "99 percent of our contract delivery services are

performed by small, minority- or women-owned businesses.” Combining unlike categories (company size, race and gender) is a cute device to get a large percentage to cloud the issues and to mislead your reader, but it is really beneath the Postmaster General to do so in a communication sent to all 100 members of the Senate.

It is not accurate to assert that the individual contractors who bid on part-time, low-wage, no-benefit CDS contracts to deliver mail in urban and suburban neighborhoods are “small businesses.” In fact, they are exploited workers, working in urban and suburban neighborhoods alongside career postal employees who enjoy decent pay and benefits. There are tens of thousands of minorities and women who would love to work as career letter carriers for the U.S. Postal Service. These workers deserve the same pay and benefits as career postal employees.

It is true that the USPS has long used contractors to transport mail. But to suggest that delivery has been contracted out since 1785 is misleading. The Post Office began city delivery with career employees in the 1860s and rural free delivery began in the early 20th Century. What happened before that may be interesting as a historical matter, but is largely irrelevant.

Contractors do go through background checks, but to suggest that they are subject to the same level of oversight as career letter carriers is to be blind to reality. Once a contract is signed, very little supervision occurs and the widespread use of sub-contractors leads to a total loss of accountability. It is noteworthy that all three postal management associations -- the National Association of Postal Supervisors, the National League of Postmasters and the National Association of the Postmasters of the United States – oppose the expansion of CDS. Dale Goff of NAPUS testified during a recent oversight hearing that “with contractors, you get what you pay for” while Ted Keating of NAPS warned that contracting out delivery “would be the death of the Postal Service.”

Our unions are now preparing for interest arbitration to resolve our collective bargaining agreements. We are seeking to protect the jobs of existing bargaining unit letter carriers, whom we have the legal right and obligation to represent. However, contractors and their associations do not have collective bargaining rights and Congress has the right to place limits on outsourcing as a policy matter. Indeed, during the debate over postal reform, the House of Representatives voted 379-51 against an amendment that would have tested privatized delivery in 20 American cities. Yet the Postal Service ignored this vote and proceeded to expand CDS anyway. It should not be allowed to evade the will of Congress.

Left unchecked, the Postal Service will assign a growing portion of the two million new deliveries created each year to contractors. It may even seek to outsource existing deliveries. In fact, the Postmaster General has dubiously asserted the right to contract out entire delivery units (indeed entire cities and states). If Congress does not act, we could have tens of thousands of contractors and a two-tier delivery service in America in the not too distant future. S. 1457 would block the Postal Service from adopting such a misguided strategy.

The public policy issues at stake regarding contracting out core government functions are serious ones. One needs look no further than our sad experience with outsourced maintenance services at Walter Reed Hospital. We believe that CDS is a similarly penny-wise and pound foolish program that will seriously undermine the Postal Service's status as the “most trusted agency” in the federal government, as a recent national survey concluded. That is why we urge you to support the enactment of S. 1457.

Sincerely,

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William H. Young  
President  
National Association of Letter Carriers

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Donnie Pitts  
President  
National Rural Letter Carriers Association