

Testimony of David Wilkin
President, Local 309, National Postal Mail Handlers Union

Before the Postal Regulatory Commission

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Madame Chairwoman, my name is David Wilkin. I am the President of Local 309 of the National Postal Mail Handlers Union. My Union represents over 1,000 mail handlers and their families throughout Upstate New York. Mail handlers, as you know, work in the large processing plants, and usually are the first and last hands to touch and process the billions of pieces of mail that enter the postal system every year.

I am grateful for the opportunity to address the Commission on the extremely important issue of five-day delivery. If implemented, we believe that five-day delivery could lead to the demise of the Postal Service as we know it, by crippling local business, especially small businesses such as your local restaurant, community newspaper, or hardware store.

Like the rest of the country, the Buffalo area and Upstate New York have been hard hit by the recent economic downturn. The Postal Service also is not immune to this recession. It therefore is understandable that postal management is looking for ways to cut costs. But cutting costs by cutting service does not make sense in the current environment. If processing and service are reduced by eliminating Saturday delivery, the Postal Service would lose its competitive advantage because it no longer would be the only processing and delivery system in the country that delivers on weekends *without imposing a surcharge on its customers*. You cannot say that about Fed Ex, UPS, or other carriers.

Eliminating Saturday delivery would not only cost the Postal Service vital revenue, but it would also hurt Upstate New York as it tries to recover from the ongoing economic downturn. Upstate businesses rely on the Postal Service to process and deliver their mail, without additional fees, six days a week. If the Postal Service wants to survive, it should not force the American public to look elsewhere for the services it currently provides. That makes no business sense whatsoever.

The economy has finally started to show growth over the last three quarters. The Postal Service also has experienced a slow return of advertising mail, commensurate with the slow but steady economic recovery. In addition, the Postal Service has been working diligently to maximize the effectiveness of the automated sorting equipment it has put into place over the last three decades, by closing facilities and consolidating their operations where it makes business sense. This is another reason why we should not be entertaining the thought of eliminating Saturday mail delivery; the Postal Service has changed its business to manage its human and mechanical resources most effectively.

To be sure, these changes have been hard on the people that my Union represents. Many mail handlers have been forced to relocate their families or increase the length of their workday commute. But these are dedicated career employees. We feel a strong sense of mission. We are committed to seeing that the Postal Service remains viable, and that it can fulfill its core mission of uniting this great country from coast to coast.

If the Postal Service isn't functioning at its full capacity of six days a week the American public and businesses will look elsewhere to find alternative means to deliver their communications and goods, and the Postal Service could fall into a downward spiral of lost volume, lost revenue, and lost jobs. This is more than a hypothetical concern. Recently, for example, the highly regarded "Economist" magazine announced that, as a direct result of the 5 day delivery initiative, it will be launching a thirteen-week pilot program to remove that magazine from the postal mail stream and have it delivered by a private vendor. If this proves to be a successful endeavor, it will most surely encourage other magazines, newspapers, and other businesses to embrace these alternative delivery options, to the detriment of the Postal Service.

We understand that the Postal Service must act to meet the ongoing financial crisis, but cutting service is not the way to accomplish this goal. Rather, Congress should step up and meet its responsibility. The Postal Service has a heavy burden of indefensible financial payments imposed on it by Congress. For example, the Postal Service may have been over-charged by the government for pension costs, possibly by as much as 75 billion dollars. If these funds were returned to the Postal Service, it would be a turning point in the financial well-being of the Postal Service for years to come. In fact, the Postmaster General told Congress that if these excessive overpayments were returned to the Postal Service, five day delivery would come right off the table.

Similarly, Congress has imposed unjustified annual payments into the Retiree Health Benefits Fund. It is unfair and unreasonable for Congress to continue to require these payments from the Postal Service.

These financial issues directly impact the Postal Service's ability to carry out its core mission, and they have a negative impact on the people who have dedicated their working lives to moving America's mail. It is unfair to the American people who rely on us to faithfully process and deliver their mail. Although neither rain, nor snow, nor dark of night will stop the mail, government impositions are a different story entirely.

In closing, the overriding concern of the Mail Handlers Union is the continued viability of the Postal Service and the preservation of our mission as the center of the communications hub of America. This great institution must be saved.

Thank you again for this opportunity to express our views.