On page 7 of his comments Murray Comarow writes "The wage arbitration issue was placed before the president in a March 2, 2001 letter signed by all nine governors. The pertinent paragraph states:

The [Postal Reorganization] Act established a system of collective bargaining followed by compulsory arbitration that mitigates against a negotiated settlement and which moreover, has often placed some 80 percent of our total costs in the hands of a third-party arbitrator with neither understanding of nor responsibility for our role and mission."

It may come as a surprise to Comarow and the governors to realize that 80 percent of total costs have never been in the hands of a third-party arbitrator. Their phony 80 percent figure also includes the wages of managers who can't take their pay issues to arbitration.

I'm a postal service mail handler who believes the President's Commission on the United States Postal Service should unanimously recommend to the president that a regulator be legally empowered to subpoena postal service data so the public can have honest records. Without this authority the governors and others like Comarow may never provide the public with honest accounting.

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While reading the requested comments of the invited board regarding the USPS, the AFL/CIO representative tried to make an interesting link between universal service and Saturday delivery.

Universal service is delivery to all addresses within reasonable timeframes. It may take longer to get to a rural route in Wyoming than to a downtown New York City address. That just makes good common sense. But by no means does Universal service mean Saturday delivery, and I would imagine that 95% of Americans could care less if they only got mail Monday through Friday, especially if it meant that the USPS could save 1/6 of its delivery labor. 1 less day = 1/6 of the cost.

As for the general principle of universal delivery with monopolistically subsidized cost, it is the only way to serve all Americans.

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In the statement from EMA Foundation, on page 9, the authors write “Individual arbitrators have virtually unlimited discretion to prescribe contract terms, guided only by the undefined statutory directive that the Postal Service pay wages comparable with those in the private sector, which has functioned as a one-way ratchet, contributing to spiraling wage increases.” The current city carrier craft (NALC) contract covers wages from November, 2001 through November, 2006. The annual raises are: 1.8%, 1.5%, 1.2%, 1.3%, and 1.3% for a total of 7.1% over 5 years. These meager gains were accepted by an 88% majority of carriers voting for a negotiated contract in preference to the “spiraling wage increases” they could expect from an arbitrator.

On page 50, the authors claim that the Postal Service has "an extraordinarily low quit rate" and elaborate in footnote #122: "…the APWU full- time employee quit rate averaged less than one percent per year from 1991-2000. Although no current private sector data were available, the most current BLS data reported that the quit rate in the manufacturing sector was approximately 15 percent in 1981 (a year when the quit rate for full-time Postal Service employees was only 1.5 percent)." These figures may or may not be accurate (or relevant in the case of the "manufacturing sector" comparison), but they are definitely misleading. Missing from this discussion is the fact that no craft employee is initially hired on a full-time basis.

The overwhelming majority of career craft employees are hired as part-time flexible employees. Additionally, for the first ninety days of their employment, these employees have a probationary status and can be dismissed "without cause" – they have no appeal and no contract protection. If they are not fired, but quit during this time (and many do), they will not show up in the above-cited "quit rate", for they are not yet full-time employees.

After 90 days, employees are considered career employees, but in most instances are still not yet full-time employees. Each postal installation has a complement of regular and part-time flexible employees in each needed craft. New employees enter their craft's seniority roster on their 90th day, almost always as a part-time flexible (PTF).

They move into regular positions in seniority order- when senior people retire, quit, or transfer and also when new regular positions are established (think 1.7 million new delivery points each year). The length of time required for the transition from PTF to regular status varies according to individual circumstances, but most often it takes years.

In my case, I was a PTF for eight years. I know several people who were PTFs for 15 years or more. I also know a lucky few who "made regular" in 6 months. The point here is that if I had quit at any time in my first eight years, I would also not have shown up in the "quit rate." I wonder what the "quit rate" is for people who have already worked in the same job for eight years…

On page 67, the authors address the issue of trying to close smaller "money losing" offices: "Residents of rural communities, along with their elected representatives, generally oppose the closing of rural post offices, which are often regarded as linchpins of local community life." The more important argument in favor of these post offices should be economic.

Closing these post offices will impose real costs on all those who must then use more distant, less accessible offices. The difference between traveling to a post office 1 mile away versus a post office 10 miles away is a real economic cost- one which may be borne by hundreds or thousands of patrons when a rural or other small office is closed. If the USPS is to be regarded as a public service, the added costs to abandoned patrons should be factored into office closing calculations.

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The USPS Inspector General comments:

"Although the Postal Service has made tremendous strides over the past two years in reducing labor costs, an additional $ 2 billion in cost savings could have been realized since 1990, primarily by reducing work hours. The Postal Service's investment in technology resulted in $ 3 billion in cost savings during this same period, but it has been unable to achieve expected returns on these investments through reduced labor costs in part because of the terms of national union agreements that prevent it from reducing staff."

To the contrary, the terms of the national union agreements have not prevented the Postal Service(USPS) from reducing staff to realize labor cost savings from their investment in technology. The USPS could have reduced staff by replacing non regular workers with regular workers every time non-managerial jobs were abolished as a result of automation. The USPS could also have reduced staff by offering voluntary early outs with a monetary incentive to regular workers every time non- managerial jobs were abolished as a result of automation. Granted, this would have taken approval from outside the USPS. But the USPS could have tried more frequently to seek outside approval to offer voluntary early outs with a monetary incentive to regular workers. The last voluntary early out with an incentive to regular workers was offered in 1992. Since that time I've known regular workers who would have opted for a voluntary early out if a monetary incentive had been offered when non-managerial jobs were abolished as a result of automation.

I believe additional staff reductions could be realized by offering voluntary early outs to managers and other unions. If the mail handlers union was offered voluntary early outs I'd jump on it immediately. I wouldn't hang around hoping for the USPS to offer an incentive. The USPS couldn't offer me enough.

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As for the general principle of universal delivery with monopolistically subsidized cost, it is the only way to serve all Americans.

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This is to rebut the public comments provided by the National Association of Letter Carriers, AFL-CIO. That organization erroneously states, "postal reform must protect universal service, which embodies six-day delivery to every household and business in America and represents the core economic value of the USPS network". Preserving six-day delivery might be in the best interests of Letter Carriers, but it is not in the best interests of either the financially challenged U.S. Postal Service, or the American public. To imply that it somehow represents the core economic value of the USPS network is misleading. Universal service can be redefined without six-day delivery, and the resulting cost savings would be significant. Reduction in delivery from six-days to five-days represents the single most sensible step in improving the financial health of the Postal Service. The change would reduce employee complement, and in turn, would reduce the cost of employee compensation/benefits, which continues to represent the greatest share of Postal Service expenses. The reduction in delivery frequency would also have little, if any, negative impact on the vast majority of citizens.

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This is to rebut the public comments provided by the National Association of Postal Supervisors. That organization erroneously states, "Any redefinition of universal service that sacrifices the current frequency of delivery will erode American support for and confidence in the postal system, which in turn will damage its financial health". Six-day delivery might protect the interests of those who supervise Letter Carriers, but it is not in the best interests of either the financially challenged U.S. Postal Service, or the American public. Universal service can be redefined without six-day delivery, and the resulting cost savings would be significant. Reduction in delivery from six-days to five-days represents the single most sensible step in improving the financial health of the Postal Service. The change would reduce employee complement, and in turn, would reduce the cost of employee compensation/benefits, which continues to represent the greatest share of Postal Service expenses. The reduction in delivery frequency would also have little, if any, negative impact on the vast majority of citizens. Saturday delivery should be eliminated to improve the efficiency and financial health of the postal system