

# *Iowa State Association of Letter Carriers*



## *President's Report*

April 2012

Greetings Brothers and Sisters,

The rallies across Iowa and the rest of the country sent a message to our Senators – don't dismantle the Postal Service; S.1789 is deeply flawed and must not be passed in its current form. The amendments required to make this bill acceptable would change the original intent of the bill.

S. 1789 ties the future of Saturday service to profitability, but continues to require retiree health pre-funding at a level that makes profits impossible, thus guaranteeing the end of 6 day delivery. Pre-funding of retiree health benefits is favored over quality of service and jobs.

The loss of Saturday delivery in 24 months undermines the future existence of USPS as a viable agency. It puts 80,000 postal jobs at risk. That's good middle class jobs that can be preserved without any cost at all to taxpayers.

This bill mandates phasing out door-to-door delivery for 35 million households and businesses which equals more job cuts.

The USPS has a staggering amount of funds –well over 100 BILLION dollars in the form of overpayments to CSRS, overpayments to FERS and the payments already made to prefund retiree health care costs.

So let's ask: Why is the USPS broke? The problem is the Postal Service's wealth has been misallocated in the form of overpayments into retirement funds. The Postal Service's wealth has been, and continues to be mis-invested into prefunding retiree health benefits instead of providing first class, universal, 6 day a week service.

The Postal Service needs to invest in its own infrastructure - a huge fleet of aging delivery vehicles for instance - that would create or preserve even more jobs in the US.

The economic playing field for the USPS has been placed out of balance by the mandated prefunding of retiree health benefits and can only be corrected by Congressional action to rescind that mandate and allow the USPS to access its funds.

Congress must act before it's too late to save the Postal Service. Doing nothing is not an option – not for Congress and not for us.

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We must continue to call and write to our Senators and tell them that S.1789 is unacceptable. We must continue to make COLCPE work for us with automatic contributions. We must continue to stay informed about our future by being signed on as e-activists. We cannot go about our day to day business and ignore what is going on around us.

We all need to pay attention to what is going on with postal reform and contact our Senators and Representatives to tell them we need common sense solutions to the burdens placed on the Postal Service. [www.nalc.org](http://www.nalc.org) has the latest legislative updates.

Our spring training session is happening soon – April 29 to May 1 at Adventureland Inn in Altoona. Hope to see you there.

In Unionism,

Jim Beach

President

Iowa State Association of Letter Carriers, AFL-CIO

[www.iowalettercarriers.org](http://www.iowalettercarriers.org)