

Postal Service Distributes Two White Papers to Congressional Decision Makers

— by George Prusak, President CPWU

The last article I wrote was just before the vote for ratification of the new contract. I informed the membership I was against the ratification for various reasons. The new NTFT Jobs, PSE's, Postmaster being allowed to perform bargaining unit work in certain offices and the contract not being 100% complete, just to name a few.

Well, the contract was ratified by an overwhelming majority of the members of this union and I will abide by their decision and do my best to enforce the current Collective Bargaining Agreement.

The new Agreement was the topic I was going to write on, but in light of new circumstances that are coming into play, that topic will have to wait for another day.

The thing that is pressing is what the USPS is doing to stick it to us now.

You should have had a stand-up on August 11th or 12th regarding where the USPS wants to go in regards to the size of the USPS as a whole. Staffing, including layoffs, cutting out OPM and getting rid of our Federal Medical Insurance and other things that do nothing but hurt the employee.

This is part of a concerted campaign by top postal management to convince Congress to slash postal employees' health and pension benefits and override layoff protection provisions in the postal unions' contracts.

Three months after we formally ratified a collective bargaining agreement, the Postal Service sent a clear message it intends to use the financial crisis caused by the deep recession and the crushing congressional pre-funding mandates to strip postal employees of our bargaining rights.

The USPS developed their plans without any discussion or negotiation with APWU or any of the other unions.

In addition to the stand-up talk, the Postal Service issued a press release to the media and distributed two "white papers" to congressional decision makers. One paper, "Postal Service Health Benefits and Pension Programs," asks Congress to allow USPS to set up its own health plan and

pension plans outside the FEHBP and FERS/CSRS systems for all other federal employees. The other paper, "Workforce Optimization," takes the extraordinary step of asking Congress to void the layoff protection provisions of the various postal labor contracts.

Although the stand-up talk claimed that the postal unions had been "briefed," the reality is quite different. The USPS developed their plans without any discussion or negotiation with APWU or any of the other unions. Not surprisingly, the health and pension proposals would dramatically cut employee benefits below those earned by other federal employees. Let me be clear: we would never agree to any benefit plan unilaterally designed by postal management.

The issues of layoff protection and health benefits are specifically covered by our contract. Each of them has historically been covered in collective bargaining between APWU and USPS. The Congress of the United States does not engage in contract negotiations with unions and we do not believe they are about to do so.

Getting you, our member, involved in this battle is a critical move that is needed.

Of course, pension benefits for federal employees, including postal employees, are set by law. But rather than advocating brainless and dim-witted proposals, we believe USPS and Congress should focus on pending legislation (H.R. 1351) that would allow the USPS to recover massive surpluses in its CSRS and FERS pension accounts. Under the bill, which has 181 co-sponsors from both parties, the surpluses would be used to cover the unfair burden of pre-funding future retiree health benefits – a burden that no other company or agency bears and which accounts for 100 percent of the Postal Service's losses over the past four years.

What should be crystal clear is that the legislative arena is where our battle is at this moment in time. What good is attempting to get agreement on contract language when, at the same time, the USPS is attempting an end run to Congress in an effort to overturn language Donohoe signed and pledged to honor less than three months ago?

"This is the very definition of bad faith bargaining and you can rest assured

Voice of Colorado

July, August, September, 2011
VOLUME 37, No. 3

that we will fight this effort with all means available to us," according to our Industrial Relations Director, Mike Morris. He also states that President Cliff Guffey has directed our legal staff to explore all avenues to challenge this USPS double-cross initiative.

Getting you, our member, involved in this battle is a critical move that is needed. This should be your number one priority. You need to engage with your elected members of Congress. Call them, write them, visit their town hall meetings. Tell them to support HR-1351 which would provide desperately-needed financial relief to the USPS. The bill instructs the Office of Personnel Management (OPM) to recalculate the Postal Service's payments to the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS) using updated methodology. Independent actuarial studies have concluded that as a result of improper funding formulas, the USPS has overpaid CSRS by \$50 billion to \$75 billion. FERS overpayments are estimated at \$6.9 billion

The measure says that "if overpayments are found during OPM's recalculation, any surplus would be transferred to the USPS." OPM also would be required to immediately repay the USPS money it overpaid into its FERS account. The Postal Service could use these funds to meet its retiree health benefits funding obligations.

If you don't know who your elected officials are, go to the following web link: <http://capwiz.com/apwu/home/>

I know this has been a long-winded article, but it is as important as anything could get. Union Solidarity to all. CPWU

INSIDE THIS ISSUE:

Same Struggle	pg 2
Leading U.S. Corporations Enjoy Free Ride on Taxes	pg 2
Postal Jobs, Pay, Benefits Threatened by Congress	pg 3
Pop Quiz: What Would CO Look Like Under Rep. Ryan's Radical Tea Party-Inspired Budget?	pg 3
It's Time to Act	pg 3

Postal Shorts

Preparing for Privatization:

An APWU delegation meeting with an aide to Iowa's Senator Grassley learned the real reason why Congress required USPS to pre-fund retiree health benefits to the tune of \$84 billion by 2016. Grassley's aide said Congress wanted to know that if USPS was privatized, sold, or disbanded, that taxpayers wouldn't have to pay our health benefits. Unfortunately, the mounting debt caused by these unnecessary payments is now used as justification for right-wingers to call for privatizing USPS. CPWU

– Reprinted from Rapid Dispatch

Some Numbers

Two simple numbers to illustrate the point of the previous item. Over the past four years, the Postal Service paid \$21.9 billion to pre-fund these health care costs. The USPS cumulative losses over the same period of time: \$20 billion . . .

CPWU – Reprinted from 101 Facts

New Members of Congress

Forty percent of the newly elected members of the US House of Representatives are millionaires. Sixty percent of the new Senators are millionaires. No wonder they're not looking out for our interests as workers. CPWU

– Reprinted from 101 Facts

VOICE OF COLORADO

COLORADO POSTAL WORKERS UNION
 American Postal Workers Union, AFL-CIO
 5423 Pecos Street, Denver, CO 80221-6400
 Office 303-459-4313, Fax 303-459-4420
 website www.cpwu.org

A Proud Member of the Postal Press Association

State Officers

George Prusak, Pres. CPWU
 P.O.B. 1150, Broomfield, CO 80038
 303 459-4313

David Steinbach, Vice Pres.
 P.O.B. 630211, Littleton, CO 80113
 303 549-0406

Jill Taulbee, Sect./Treas.
 P.O.B. 470998, Aurora, CO 80047
 303 902-9272

Vicki Carious,
 Dir. of Educ./Organization
 Colorado Springs Area Local
 PO Box 15828
 Colorado Springs, CO 80235
 303-459-4313

Ron Gorman, Associate Editor
 303 480-5465
 Denver, CO 80221-6400

Wanda Gorman, Proofreader

Trustee

• Chuck Bader • Jeanie Columbia • Gail Kirby

The Voice is published quarterly. Send copy and address change to Ron Gorman, editor, Voice of Colorado, 5423 Pecos St., Denver, CO 80221-6400.

Editorial Policy

The Voice encourages letters to the editor. We ask, however, that they be legible. The writer's name, address & local must be included and must be signed. Name will be omitted upon request. The managing editor reserves the right to edit all material submitted. No material will be printed that contains libelous statements or personal attacks on APWU officers or members. Opinions expressed are those of the writer and not necessarily those of the editor or officers of the CPWU.

**Deadline: October, November, December Issue
 October 21, 2011**

SAME STRUGGLE

by Paul Felton

Congressman Darrell Issa of California chairs the House Committee that deals with postal issues. He is no friend of postal workers. Issa has introduced a bill, HR-2309, that threatens our jobs, wages and benefits. It calls for the creation of a special board which will take over the Postal Service (in effect, putting USPS in "receivership") if the Postal Service is "delinquent" in meeting its financial obligations.

What does this mean? A few years back, Congress passed legislation forcing USPS to put \$5 billion every year into a special fund for retiree health benefits far into the future.

No other government agency has this requirement. Without this \$5 billion a year obligation, USPS would not be in the red. The same law made it harder for USPS to raise the price of stamps. So, USPS is being squeezed.

Postal management announced that due to its financial situation, they will stop paying into the FERS retirement fund. So, Mr. Issa's bill represents a real danger.

Under HR-2309, the board that would take

control has the power to close Post Offices, to rip up the negotiated union contract and rewrite it to include layoffs, lower wages and a cut in our benefits. This board could overrule the wishes of both parties that negotiated a contract in good faith.

In other words, Congress ensures that USPS loses money; then they use that as an excuse to attack postal employee wages, benefits and job security.

This is similar to Michigan Governor Rick Snyder's Emergency Financial Manager (EFM) legislation. First he cut revenue sharing to every city, town and school district in the state. Then he said, if any city, town, or school district has a "financial emergency," the state will appoint a manager who can dissolve your local government, rewrite any laws he doesn't approve of, and rip up or rewrite any union contract without regard for the wishes of the parties that negotiated it. See, first I cut off your cash flow, then I blame you for having a financial emergency and I attack – the public employees.

Continued on page 4
 See Same Struggle

Leading U.S. Corporations Enjoy Free Ride on Taxes

CTJ Study Finds 12 Big Companies Shirking Taxes; Most Pay Nothing

DIRTY DOZEN PAID NEXT TO NOTHING IN TAXES			
Company	U.S. Profit	Fed Tax	Fed Rate
GE	\$7.7	-\$4,737	-61.3%
American Electric Power	\$5.9	-\$545	-9.2%
Dupont	\$2,124	-\$72	-3.4%
Verizon	\$32,518	-\$951	-2.9%
Boeing	\$9,735	-\$178	-1.8%
Wells Fargo	\$49,370	-\$681	-1.4%
Fed Ex	\$3,023	-\$23	-0.8%
Honeywell	\$4,903	-\$34	-0.7%
IBM	\$8,861	\$1,001	3.8%
Yahoo	\$1,663	\$145	8.7%
United Technologies	\$7,935	\$791	10.0%
Exxon Mobil	\$19655	\$2,783	14.2%

While the Chamber of Commerce bleats about the dangers of "deficit" government spending, a dozen highly profitable U.S. companies are paying nothing, or nearly nothing to the tax man.

A study by Citizens for Tax Justice (CTJ) finds that 12 companies – all household names – reported \$171 billion in pretax U.S. profits and, as a group, paid less than 1.5% of that in taxes over the past three years. The vast majority of those companies had at least one year in which they paid no taxes. If those companies were paying at the rate that law says they should – 35% – they would have forked over almost \$60 billion in taxes for that period, boosting government revenues by some 12 percent.

When news accounts of the CTJ study

surfaced, apologists for corporate tax dodgers – including the Tax Foundation – complained that the figures used came not from IRS returns, but from company accounting statements in their annual reports. That brings up another interesting point: if companies had to pay taxes on the figures they report to shareholders would their tax obligations increase?

CTJ's findings are part of a larger ongoing review of tax avoidance by the entire list of Fortune 500 companies. "These 12 companies are just the tip of the iceberg of tax avoidance," said Bob McIntyre, director of CTJ. He said eliminating tax subsidies to corporations should be the cornerstone of the government's deficit fighting strategy. CPWU

– Reprinted from Label Letter

Postal Jobs, Pay, Benefits Threatened by Congress

The Postal Service is in danger of financial collapse, and could close its doors as early as July 2012. A battle is raging on Capitol Hill over what to do about it, and one thing is clear: Our jobs, our pay, and our benefits are in jeopardy! Two very different plans are under consideration in the House of Representatives.

House Resolution 1351

A bill introduced by Rep. Stephen Lynch (MA), the ranking Democrat on the Committee on Oversight and Government Reform, would address the cause of the USPS financial crisis without cutting pay and benefits, eliminating collective bargaining rights, or slashing service. H.R. 1351 would:

- Allow the USPS to use billions of dollars in pension overpayments to meet its financial obligations – including the congressional mandate to pre-fund the healthcare benefits of future retirees.
- Leave workers' collective bargaining rights intact. It would make no changes to wages, benefits, or protection against layoffs.

IT'S TIME TO ACT!

"The choices are clear," said APWU President Cliff Guffey. "But the word on Capitol Hill is that Chairman Issa won't allow Rep. Lynch's bill to come up for a vote!

"APWU members must let their U.S. representatives know that we adamantly oppose H.R. 2309 and that we urgently support H.R. 1351.

"We must demand that Rep. Issa stop blocking H.R. 1351," he added.

"We can't win the battle to defend the Postal Service and protect jobs without you! We are asking local union officers to organize APWU members to visit their U.S. representatives to discuss our concerns with them," Guffey said. "If you don't hear from your local officers, ask them why.

"In the meantime, I urge you to call Congress to voice your opposition to H.R. 2309 and your support for H.R. 1351." The phone number for the Capitol Hill switchboard is (202) 224-3121.

If the APWU doesn't do it, who will?

House Resolution 2309

H.R. 2309, introduced by Rep. Darrell Issa (CA), the Republican chairman of the Committee on Oversight and Government Reform, and co-sponsored by Rep. Dennis Ross (FL), the Republican chairman of the Subcommittee on Federal Workforce, U.S. Postal Service and Labor Policy, would:

- Do nothing to correct USPS overpayments to its pension accounts.
- Do nothing to correct the congressional mandate that requires the USPS to pre-fund the healthcare benefits of future retirees. (No other government agency or private company bears this burden, which costs the USPS \$5 billion annually.)
- Force postal workers to make up the difference:
 - Ensure that Postal wages are "comparable" to the private sector. (*Rep. Ross claims postal employees enjoy a "compensation premium" of 34%.*)
 - Empower a board to unilaterally cut wages, abolish benefits, and end protection against layoffs.
- Create a commission that would order:
 - \$1 billion worth of post office closures in the first year, and
 - \$1 billion worth of facility closures in the second year.

Would that include your office or your facility? Would that wipe out your job?
- Increase employees' costs for healthcare and life insurance, and eliminate the right to bargain over these crucial benefits.

Rep. Issa says his bill is designed to avoid a "bailout," but the USPS doesn't rely on taxpayer funding, and doesn't need a bailout. As noted above, the federal government is holding billions of dollars in excess postal payments to FERS (the Federal Employees Retirement System) and CSRS (the Civil Service Retirement System). APWU

For more information, visit www.apwu.org.

– Reprinted from APWU News Bulletin

POP QUIZ: WHAT WOULD CO LOOK LIKE UNDER REP. RYAN'S (R-WIS.) RADICAL, TEA PARTY-INSPIRED BUDGET?

- A. A typical 65-year-old in CO would spend \$5,771.94 more per year out of pocket for health care by 2022 because Medicare's promise would be replaced with underfunded vouchers. (The national average is a \$6,359 increase.)
- B. At least 245,730 CO residents would lose Medicaid health care (at least 15 million nationally).
- C. \$4.2 trillion in new tax cuts would be handed out mostly to corporations and the rich.
- D. All of the above.

If you answered D, all of the above, you're right. The House Republican budget would do all of those things.

All but four House Republicans voted for this radical proposal. The Senate will consider it this week.

How many Senate Republicans will vote to give even more tax cuts to Wall Street and the wealthy and pay for them by cutting deeply into services for seniors, children and low-and middle-income working families?

Let's make sure every U.S. senator knows this "right-wing social engineering" bill – which is what former GOP House Speaker Newt Gingrich recently called Rep. Ryan's budget – is not used as a starting point for a debate over America's future.

– Reprinted from AFL-CIO America's Union Movement

HISTORICAL QUOTE:

In every single democracy in the world you will find a vibrant, vital labor movement. The reason is that in a democratic society, where you have a system of checks and balances, a labor movement is absolutely indispensable . . . There will always be unions as long as there are bosses . . .

– Douglas A. Fraser, 1991

Same Struggle

Continued from Page 2

There is a bill in Congress that would make postal workers pay more for our health benefits; this was sponsored by Senator McCain of Arizona (and there's a similar provision in Issa's 2309 bill). That provision is similar to provisions found in bills making their way through state legislatures. There's even a bill in Congress that would stop letting unions get your dues deducted from your paycheck. This is similar to a law in Wisconsin that was clearly intended to destroy the unions there.

Let's put it simply. There's an organized attack on public employee rights in close to 20 states and at the national level. We have to fight back at both levels. It is the same struggle.

Congressman Lynch of Massachusetts has introduced HR-1351 which would relieve the Postal Service of the financial burden arbitrarily placed on it by Congress a few years back. I urge every member to contact their representative. Your message is simple: Pass 1351 and defeat 2309!

There have been reports that USPS might not be able to make payroll in the not-so-distant future if HR-1351 doesn't pass.

While the Democrats are friendlier than the Republicans, I would not take anyone's vote for granted. I would like to think that no harmful legislation will pass as long as the Democrats have a majority in the Senate and a Democrat occupies the White House. The state of New Jersey, with a Democratic majority legislature, recently passed some anti-union legislation. It was done mostly with Republican votes. A majority of Democrats voted with labor, but enough Democrats defected to allow the Republicans to prevail. And given President Obama's history of compromising with the Republicans, we cannot even take his veto for granted. So, everyone should contact your Congressman, regardless of their party affiliation. **CPWU**

- Edited from the Michigan Messenger

TELL CONGRESS: FIX POSTAL FINANCES

APWU members are encouraged to contact their members of Congress and urge them to support H.R. 1351, an important measure that would restore financial viability to the Postal Service.

This bill would correct the overfunding of the Postal Service's pension accounts, and would allow the agency to use any surplus to meet its retiree health benefits pre-funding obligation.

As of early June, the bill had 133 co-sponsors. APWU President Cliff Guffey urged members to encourage their U.S. representatives to support this critical measure.

"If your members of Congress have not co-sponsored this bill, please call them and urge them to do so," he said. "If they have signed onto this measure, thank them for their support."

A similar bill, S. 1010, introduced by Sen. Tom Carper (D-DE), would permit the USPS to use overpayments to its pension accounts to meet its pre-funding obligations, but it also contains several negative provisions. The proposed legislation would give the Postal Service authority to close post offices solely for financial reasons, and would require arbitrators to consider the financial health of the USPS when contract negotiations end in arbitration. The APWU will continue to work with senators and their staff to address the issues in this measure that are of concern to our members. **CPWU**

- Reprinted from the American Postal Worker

What's Cooking?

Easy Slow Cooker Pot-Roasted Steak

- 1 1/2 lb. boneless beef top round steak (1 inch thick)
- 1/2 teaspoon paprika
- 1/4 teaspoon pepper
- 1 cup julienne cut carrots
- 1 jar (4.5 oz.) sliced mushrooms, un-drained
- 1 can (10 3/4 oz.) condensed cream of mushroom soup
- 2 tablespoons dry onion soup mix (from 1 oz package)

Spray slow cooker with cooking spray. Sprinkle beef with paprika and pepper; cut into 4 serving pieces. Place in slow cooker.

In medium bowl, mix carrots, mushrooms, soup and soup mix; pour over beef.

Cover; cook on low heat setting 5 to 6 hours

Serve steak topped with gravy and vegetables

- Reprinted from the Hi-Lites

Remember Labor Day



September 5th

Non-Profit Org.
U.S. Postage
PAID
Denver, CO
Permit No. 3696

*Voice of
Colorado*
Colorado Postal Workers Union
5423 Pecos St.
Denver, CO 80221-6400



Proudly printed by a union printer