

APWU NEWSservice

WILLIAM BURRUS, President ROY BRAUNSTEIN, Editor

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American Postal Workers Union, AFL-CIO

Postal Reform Update:

GAO Asked to Investigate Big Mailers' Discounts

APWU is grateful that Sen. Daniel K. Akaka (D-HI), and Reps. Henry A. Waxman (D-CA) and Danny K. Davis (D-IL), have asked the General Accounting Office (GAO) to investigate whether postal rates subsidize big mailers. The GAO is Congress' investigations and accounting agency, and Akaka, Waxman and Davis are influential members of committees that have jurisdiction over the Postal Service.

"We are concerned with recent reports that the United States Postal Service may be offering 'work-sharing' discounts to mailers that exceed the cost-savings realized by the Postal Service," the congressmen told GAO Comptroller General David M. Walker in their May 15 letter.

"Given the Postal Service's severe financial problems, it is important that no worksharing discounts be

offered when the size [of] the discount exceeds the cost-savings to the Postal Service."

The congressmen requested that GAO determine if, and to what extent, major mailers' discounts are justified by examining "the adequacy of the costing data and formulas used by the Postal Service to make avoided-cost calculations, as well as the economic assumptions underlying such calculations."

In investigating the discounts, the congressmen asked GAO to "visit a range of mail processing facilities that receive mail subject to worksharing discounts and consult with officials of the Postal Rate Commission, postal management and the American Postal Workers Union, as well as other postal stakeholders."

It remains to be seen how swiftly the GAO will conduct its study and respond to the congressmen's request.

Burrus Opposes Postal 'Reform' Commission

APWU President William Burrus wrote President Bush on May 14 to urge him to reject requests from the big mailer's lobby to create a presidential commission to shape the Postal Service's future. President Burrus' letter coincides with stepped-up efforts to implement the Postal Service's "Transformation Plan." A copy of President Burrus' letter to President Bush is reprinted below.

On May 13, the Senate Governmental Affairs Committee held a hearing on the Postal Services's Transformation Plan. Only Postmaster General John E.

Potter and David Walker, Comptroller General of the GAO, were invited to testify. Unfortunately, neither addressed the discount issue that APWU has consistently raised, and we will continue to challenge the Postal Service's practice of subsidizing big mailers through giveaway discounts for pre-sorting their mail.

APWU is closely monitoring postal reform efforts and will remain a forceful advocate for the interests of postal workers in Congress as the postal reform debate takes place in Washington, DC. We will post updates on the APWU website www.apwu.org as developments occur.

Cost-of-Living Inches Up

The consumer price index rose in April to 523.7. After the third month of the six-month cost-of-living adjustment period, employees have accrued the following amounts toward the second cost-of-living adjustment under the 2000 Collective Bargaining Agreement:

Per Year:	\$280.80
Per Pay Period:	10.80
Cents Per Hour:	13.50

The Postal Service will begin paying the second adjustment effective Sept. 7, 2002 (pay period 2002-20).

Due to a falling consumer price index, employees did not receive any increase from the first cost-of-living adjustment period. This was anticipated, and was announced when Arbitrator Stephen B. Goldberg

released his ruling on the Collective Bargaining Agreement on Dec. 18, 2001.

Lump-Sum Tax Withholdings Prompt Questions

Many members have inquired about the large tax deductions that were withheld from the \$499 COLA lump-sum payments that were issued March 15, 2002, as a result of the collective bargaining decision by Arbitrator Goldberg.

The lump-sum tax deductions were governed by a special Internal Revenue Service Rule (Publication 15, Circular E, Employees Tax Guide, Page 12), which required the Postal Service to withhold a flat 27 percent for federal taxes. Additional deductions were withheld for state and local taxes.

The back pay due on May 23, 2002, is not covered by this rule and normal tax withholding rates will apply.

Basic Arbitration Training Conference

The Research and Education Department of the American Postal Workers Union will conduct a weeklong Basic Arbitration Training Conference to acquaint local and state union officers and stewards with the techniques needed to effectively prepare a case for basic arbitration. (See information below about weeklong Advanced Arbitration Training Conference). Students will be required to attend classes daily, meet with the members of their assigned team during evening hours, complete homework assignments, and participate in a mock arbitration case.

Registration

To register for the conference, participants must submit a written request from their local or state president (on local or state letterhead) authorizing their attendance, and must pre-register prior to the conference deadline, Friday, June 7, 2002. No walk-ins will be allowed. Space is limited. Therefore, it is imperative that students register early.

Arrival and Departure

All participants should plan to arrive at the hotel on Monday, June 24, 2002 no later than 2 p.m. to register. Classes will begin promptly at 3 p.m. on Monday. The conference will adjourn no later than 11 a.m. on the following Sunday morning.

Curriculum

Participants must be in attendance for the entire week to receive certificates. Instructors will be APWU national officers and business agents. Classes are: Introduction to Arbitration, Preparing the Case, Identifying and Framing the Issues, Threshold Issues, Exhibits and Stipulations, Opening Statements, Rules of Evidence, Objections, Direct Examination, Cross Examination, Closing Statements and Finality of Awards.

Hotel Accommodations

To secure the hotel rates listed below, please inform the hotel that you are with the American Postal Workers Union. Check-in time is 4 p.m.

Date: Monday, June 24, through Sunday, June 30, 2002

Hotel: Radisson Plaza - Warwick Hotel Philadelphia
1701 Locust Street
Philadelphia, PA 19103

Phone Number: (215) 735-6000

Toll Free Phone Number: 1 (800) 333-3333

Room rate: \$118 + 14 percent tax, single/double occupancy (A full American breakfast is included)

Parking: \$24 per night (subject to change)

Deadline to register for hotel rooms and conference is: Friday, June 7, 2002

Advanced Arbitration Training Conference

The Research and Education Department of the American Postal Workers Union will conduct a weeklong Advanced Arbitration Training Conference. The conference is designed to acquaint arbitration advocates who are currently arbitrating with the advanced techniques needed to prevail in arbitration. Students will be tested daily.

Prerequisite: To register for the conference participants must meet one of the following criteria:

- Must be a certified national advocate.
- Must be a local certified advocate who is currently arbitrating cases.
- Must have previously attended a Basic Arbitration Training Conference.

Registration

To register for the conference, participants must mail a letter from the local or state president (on official letterhead) authorizing their attendance along with the registration form and check.

All participants must pre-register prior to the conference deadline, Friday, Aug. 9, 2002. No walk-ins will be allowed. Space is limited; please register early.

Arrival and Departure

All participants must arrive at the hotel on Tuesday, Sept. 10, 2002, no later than 2 p.m. to register; classes will start promptly at 3 p.m. on Tuesday. The conference will adjourn no later than 11 a.m. on the following Sunday morning.

Curriculum

Participants must be in attendance for the entire

program. Certificates will be awarded based on class performance. Instructors will be APWU national officers and business agents.

Classes

Rules of Contract Construction, New Evidence / New Arguments, Major Mistakes Made by Arbitration Advocates, Just Cause Concepts and Challenges, Writing an Effective Brief, Due Process, Witnesses (special situations), Nexus, Latin in the Hearing, Affirmative Defense, Framing Multiple Issues and Threshold Strategies.

Hotel Accommodations

To secure the hotel rates listed below, please inform the hotel that you are with the American Postal Workers Union. All hotel rooms must be guaranteed by credit card, check or money order. Refunds will be granted if reservations are canceled 72 hours in advance of the arrival date. Check-in time is 4 p.m.

Date: Tuesday, Sept. 10 through Sunday, Sept. 15, 2002.

Hotel: Holiday Inn on the Bay
1355 Harbor Drive
San Diego, CA 92101


Direct Phone Number: (619) 232-3861

Toll Free Phone Number: 1 (800) 877-8920

Room Rate: \$99+10.5 percent tax, single/double occupancy

Parking: Currently is \$15 overnight, with in-and-out privileges.

Deadline to Register for Conference and Hotel Rooms is Friday, Aug. 9, 2002.



American Postal Workers Union, AFL-CIO
1300 L Street, NW, Washington, DC 20005

May 14, 2002

The Honorable George W. Bush
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

On behalf of 370,000 postal workers, I am writing to request that you reject recommendations to create a Presidential Commission on postal reform. Under the circumstances, we do not believe a commission is the appropriate forum to consider an issue as important as the future of our nation's universal mail service.

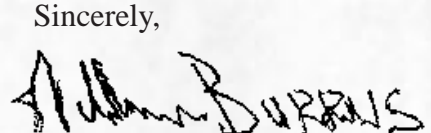
A bill proposing "reform" of the Postal Service will be introduced in Congress soon. It is unlikely Congress will have sufficient time this year to give the issue due deliberation and enact legislation, however, so the advocates of reform have turned to the executive branch to advance their self-serving goals. APWU members, who reside in every community throughout the nation, implore you to reject this course of action.

The American Postal Workers Union does not believe that the Postal Service is in need of reform. Apparently, the American people share our view - opinion surveys repeatedly show they are highly satisfied with the affordable, dependable, universal postal service they currently enjoy. Mounting deficits are the cause of the Postal Service's current problems.

Frankly, we believe the Postal Service could solve its financial difficulties by discontinuing the massive subsidies it grants major mailers through heavily discounted postage rates. These annual subsidies are larger than the Postal Service's yearly deficits. If the postage discounts were adjusted to reflect only the costs the Postal Service avoids by accepting presorted mail, postal "reform" would be unnecessary. Incredibly, the Postal Service refuses to take this simple step.

Unless it addresses this fundamental problem, a Presidential Commission cannot solve the Postal Service's financial difficulties without proposing drastic modifications to its universal service mandate.

The members of our union strongly oppose the creation of a Presidential Commission. Thank you for taking our views into consideration.

Sincerely,

William Burrus
President

REGISTRATION FORM FOR BASIC AND ADVANCED ARBITRATION CONFERENCES

PLEASE TYPE OR PRINT

Please check which seminar you plan to attend

Basic Advanced

Name _____	Social Security Number _____
Street Address _____	City _____ State _____ Zip Code _____
Local _____	Phone (home) _____ (work) _____
Hours of work _____	

Mail this form with a check or money order for the **\$125 registration fee**, made payable to
Basic Arbitration Training Conference or Advanced Arbitration Training Conference to:
APWU Research and Education Department
Attn: Joyce B. Robinson, Director
1300 L Street, NW, Washington, DC 20005

*Special Note: Included in the \$125 conference registration fee is a dinner, two coffee breaks daily, and a graduation breakfast.