

States News Service

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THE POSTMAN ALWAYS BEGS TWICE

The following information was released by the Center for Individual Freedom (CFIF):

Posted by Troy Senik

In case you missed the news, the United States Postal Service still clinging to the hope that e-mail thing is a fad released yet another series of dismal financial numbers today. From the Hill:

The U.S. Postal Service announced Thursday that it lost \$3.3 billion in the first three months of the fiscal year as the agency continues to hemorrhage money.

The majority of the losses, some \$3.1 billion, occurred because the USPS had to pre-fund its retirement plan.

The USPS might run up against its debt ceiling this fall, forcing action on the bills.

[Congressman Darrell] Issa noted that USPS has said that even if it no longer needs to pre-fund its employee benefits, it will still reach its debt limit in the fall.

Keep in mind that the USPS lost \$8.5 billion in 2010 and an estimated \$9 billion last year. Rather than continuing the regular embarrassment of having the postal service show up on Capitol Hill rattling its tin cup, it's time to embrace serious reform in the form of privatization. As the **Cato Institute's** Chris Edwards has written:

Reforms in other countries show that there is no good reason for the current mail monopoly. Since 1998, New Zealand's postal market has been open to private competition, with the result that postage rates have fallen and labor productivity at New Zealand Post has risen. Germany's Deutsche Post was partly privatized in 2000, and the company has improved productivity and expanded into new businesses. Postal services have also been privatized or opened to competition in Belgium, Britain, Denmark, Finland, the

Netherlands, and Sweden. Japan is moving ahead with postal service privatization, and the European Union is planning to open postal services to competition in all its 27 member nations.

Enough fiddling at the margins. America is a first-rate nation. We need not be delivering the mail with an efficiency traditionally reserved for the third world.