



## CHANGE OF SUBJECT

OBSERVATIONS, REPORTS, TIPS, REFERRALS AND TIRADES  
BY ERIC ZORN

Wednesday, March 03, 2010

### More postal matters

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From "[Testimony of Chairman Ruth Goldway, Postal Regulatory Commission \(.pdf\)](#) Before the U.S. House of Representatives Committee on Oversight And Government Reform Subcommittee on Federal Workforce, Postal Service and the District of Columbia, November 5, 2009":

**To individual Americans, the Postal Service is a part of daily life taken for granted until taken away. The regular visit of a letter carrier and the convenience of a local post office are of tremendous value to the customers and communities they serve....**

**There is an enormous difference between a gradual annual volume decline of 2 or 3 percent in single piece First-Class Mail and a 13 percent drop across the entire spectrum of the mail. In fact, single piece First-Class letter volume, which was down 8.5 percent through the third quarter, is a relative bright spot compared to the rate of overall volume decline and a nearly 16 percent drop in standard mail volume...**

**The Postmaster General also has asked Congress to lift statutory restrictions that currently prevent the Postal Service from reducing the frequency of mail delivery service from six to five days per week.**

**Caution must be exercised with regard to these initiatives. Cuts made to address near-term financial difficulties may have harmful long-term consequences for universal service and the vitality of the mail system.**

**From a market perspective, the Postal Service could lose its greatest strategic advantage – ubiquity.**

**Reducing service is detrimental to mail growth and to public perception of the value of the mail system.**

**Importantly, it may also undermine the justification for the postal monopolies.**

**Those of us in the mailing community have confidence in the value of the mail as an important channel of communications and commerce, and believe that mail, letter carriers and post offices serve a vital role in our communities.**

**The mail will come back. How far it comes back, however, may well depend on how deeply service is cut while mail is down.**

From an [August 2009 report \(.pdf\)](#) by the Government Accountability Office:

**USPS projects for fiscal year 2009: -- a net loss of \$7 billion, even if it achieves record savings of more than \$6 billion; -- an increase in outstanding debt to a total of \$10.2 billion; and, -- despite this borrowing, an unprecedented \$1 billion cash shortfall....USPS continues to pay a higher share of employee health benefit premiums than other federal agencies. Finally, USPS has high overhead (institutional) costs that are hard to change in the short term, such as the costs of providing universal service with 6-day delivery, a network of 37,000 post offices and retail facilities, and a delivery network of more than 149 million addresses.**

From a [letter \(.pdf\)](#) last June by William Burrus, president of the American Postal Workers Union / AFL-CIO in response to a delivery-cutback proposal:

**The American Postal Workers submits in the strongest possible terms our insistence that the Postal Service refrain from conversion to five-day delivery. The consequences of the proposed change far outweigh the expected monetary benefits associated with delivery reduction. Six day delivery is deeply ingrained in the American culture and the role of the government in the communications system.**

**Voluntary modification will have untold consequences, some which can be anticipated and adjusted accordingly while others will be irreversible changes that are unknown at this time but will be of equal importance. If enacted, history will record this act as the first step in the dismantling of the United States mail system.**

From "Privatization" by Chris Edwards of the Cato Institute, February 2009:

**The way ahead is to privatize the USPS and repeal the company's legal monopoly over first-class mail. 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.**

From "[Finding a Brighter Future -- The mail in 2010 and Beyond,](#)" a January, 2010 report from the National Association of Letter Carriers"(.pdf):

**NALC strongly opposes the elimination of Saturday delivery. Of course, for us, it is a matter of jobs. No surprise there. But more than that,**

**we are deeply skeptical about the accuracy of the projected \$3.8 billion in cost savings the Postal Service has promised with a move to five-day delivery—a skepticism shared by the Postal Regulatory Commission in its universal service cost study. The USPS has not adequately considered the inevitable loss of business and revenue that would occur as a result of reducing service and the impact of diminishing the value of the postal network on companies like eBay, Netflix and Medco and others that will develop in the future when the economy recovers....**

**Some countries, including Sweden and the Netherlands, completely privatized their postal services. While neo-conservatives herald these developments as victories for free-market economics, the results of the changes have been disastrous—both for postal workers and for users of the mail.**

From a Tribune news article dated December 15, 1987:

**The Postal Service lost \$223 million in the fiscal year that ended Sept. 30... Possible major effects...include ... Seeking congressional permission to eliminate delivery on Saturdays. ...closing 10,000 to 12,000 small post offices, primarily in rural areas...Another rate hike i**

From an Associated Press article dated October 16, 1992:

**Postmaster General Marvin Runyon said Thursday that he backs continuing Saturday deliveries but wonders whether home delivery could be cut from six to four days a week....**

**His suggestion was to eliminate Tuesday and Thursday mail for home deliveries, keeping deliveries on Monday, Wednesday, Friday and Saturday. Business deliveries would remain six days a week.**

From Bob Greene's column of April 9, 2001:

**The U.S. Postal Service is thinking about ending Saturday deliveries -- and shutting down post offices in rural and remote areas, and raising the price of stamps even more ...because it finds itself in almost exactly the position the railroads were in after commercial jet travel became commonplace....**

**Something quicker came along: regularly scheduled jets. We said we loved the railroads -- but we headed to the airports. We gave the railroads our hearts, but not our money.... This country will feel different --diminished--without Saturday mail.**

**But the country already feels different. Fax machines, privately owned overnight delivery services, and -- most significantly -- the huge growth in e-mail have transformed the way that we write to each other.**

Posted at 05:03:53 PM in [Webliographies](#)

Selected for you by a sponsor:

**Tom Brokaw unhurt in NYC highway wreck that kills 1** (*USATODAY.com in Life*)

**Simple Ways to Make Someone's Day** By **Karen L. Smith** (*Real Simple*)

### You might also like:

**Mailing it in on Saturdays?** (*Chicago Tribune*)

**Struggling US Postal Service Considering Dropping Saturday Delivery, Rate Hikes** (*Chicago Tribune*)

**Questions about postal service's cash fix, Saturday delivery, and closing your post office** (*Chicago Tribune*)

**Stepping into a controversy** (*Change of Subject*)

### Comments



You can follow this conversation by subscribing to the comment feed for this post.

I stand corrected - First Class Mail is not dropping the fastest.

Posted by: [KXB](#) | Wednesday, March 03, 2010 at 05:24 PM

"Those of us in the mailing community have confidence in the value of the mail as an important channel of communications and commerce, and believe that mail, letter carriers and post offices serve a vital role in our communities.

The mail will come back. How far it comes back, however, may well depend on how deeply service is cut while mail is down."

I suppose that Western Union felt the same way, but they finally conceded to reality.

"Effective 2006-01-27, Western Union will discontinue all Telegram and Commercial Messaging services. We regret any inconvenience this may cause you, and we thank you for your loyal patronage."

Posted by: [Wendy C](#) | Wednesday, March 03, 2010 at 06:33 PM

I like the way Bob Greene put it. No doubt, it will feel different, but life will go on, and we will find other things to be emotionally attached to. It is a human thing to form attachments to patterns in life, to the arrangements of things around us, on a scale large and small. I resist every time my wife re-arranges furniture or changes the color scheme, but afterwards I like the change.

Posted by: [Boris Gendelev](#) | Wednesday, March 03, 2010 at 11:54 PM

The Internet should be the Postal Service's best friend. After all, goods bought on line have to be delivered somehow.

Posted by: [James Reyes](#) | Thursday, March 04, 2010 at 03:22 AM

Fedex and UPS are the somehows :-)

Posted by: [Boris Gendelev](#) | Thursday, March 04, 2010 at 06:28 AM

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