

The Demise of the Postal Service

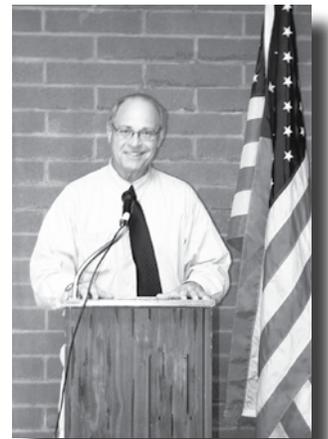
By Frederick Wolfmeyer, President

On June 14, 2016, your local union sponsored a protest rally regarding improper staffing on the machines in automation at the main plant. Many of you participated along with many of our union sisters and brothers from several different labor organizations: Jobs With Justice, SEIU, CWA, Glazers, CBTU, Teachers, Letter Carriers, Hillis Area Local of the APWU, AIL, St. Louis Labor Council, IBEW, and many others. This show of solidarity was and is impressive and accomplished exactly what we wanted it to and that is putting our issue in front of the American people. This event was covered by KSDK News Channel 5 and KTVI/KPLR Channels 2 and 11. The story was picked up by *Postal Reporter* and on June 15, our rally made the news in Washington, D.C., and across the country. Just this week, the national APWU union put our event on their national website. Good publicity with photos of several of our members shown along with the news story.

What will be accomplished? Honestly, we do not know. As many of you know from speaking with me when I come over to the workroom floor, the union has spoken with management about this issue at several labor/management meetings; spoken with the plant manager in one-on-one meetings; and have filed many grievances on this issue and postal management has done nothing. After attending the National Presidents' Conference a few weeks ago, I was told by many presidents and national officers that our day of action was great and now they plan to do the same to

bring attention to their improper staffing. This is good and I encourage them to have rallies and protests, but again what did we accomplish? After walking through the plant this week, it appears that the service is ignoring our efforts again and is still staffing with one person to a machine.

This does not discourage me and do not let it discourage you. The management team that is in place here is here simply taking a strategy from their superiors at L'Enfant Plaza in Washington D.C. Post office closures, plant consolidations and closures, delayed mail, false concerns over safety issues, delays in resolving grievances or paying settlements, failure to lease or purchase needed transportation equipment, changes to the delivery standards, and continuous violations of the collective bargaining agreement only solidify the facts what the Postal Pulse survey revealed about the Postal Service, facts that most of us already knew. Management does not listen to the employees; management does not encourage their employees; management fails to reward their employees; and worst of all, management does not care about their employees as people. These are the facts that came from the survey, and yet management wants all of you to become engaged. When was the last time you saw a supervisor or manager engaged? Many go about violating the agreement believing that grievances will take a long time to work their



We Have a New Union Contract!

See pages 6-7

way through the system so they simply continue to rack up violations because there is no incentive to do the right thing. Our plant manager knows that the automation machines should be staffed with two people, but what has he done? Nothing. He also knows that his supervisors, whether Form 50 or acting, should wear ID badges, but the 204-Bs rarely do and his lead MDO never does or perhaps I should use his words, "I wear my badge most times." Well the sign at the employee entrance says ALL employees must wear their ID badges at ALL times.

With these kinds of attitudes, is it a wonder that contract violations are so numerous? And if this is just one plant on one management team in the country, one must realize that these same attitudes pervade the entire management group right up to and including headquarter's management. There is apparently no desire in Washington to turn this company around nor do they have a desire to abide by the contract, but there is a desire to outsource and privatize. Look, if management truly cared about you or

the results of their survey, they would do something. Proper staffing on the machines would be a priority. If management would show the employees that yes they are willing to make an effort to do at least one thing properly, perhaps the employees might decide to become engaged. Secondly, management could start speaking to the employees like they are human beings instead of cattle. (Imagine that, a supervisor speaking to you as if they cared about you.) Unfortunately, this will never happen because most managers/supervisors just follow orders, and many are here only to get their résumé punched, and then they will move on to do the same thing elsewhere. In 2010 we had an influx from Milwaukee and/or the Lakeland District and the USPS usually makes a change after about every two years, so we are overdue for a change. When that change occurs, this management team will take their failed policies and bad attitudes to their new location and the incoming will bring theirs here and round and round we go with the never-ending cycle of ineptitude.

Articles in magazines such as US News And World Report have in the past reported on the "Dumb Down Theory" style of management they believe is used in the Postal Service. Basically as one manager or supervisor is promoted, they give a nod to whom they want as their successor. The person chosen to succeed them is usually not as smart as they are so the downward spiral starts. Then when those two are promoted, the new successor is not as smart as they are and as it continues, each new supervisor or manager gets dumber and dumber until you arrive at a management team similar to what we have now. As this Dumb Down Theory spreads along with the push to privatize, the demise of the Postal Service cannot be far behind.

We will continue the struggle and believe me at many times it is just that, a struggle. We must remain united and fight our fight with solidarity. Our new contract is just around the corner. Perhaps when the arbitrator rules, we will have better tools and we might just win the battle. Have a safe and happy summer.

Taking it to the Streets June 14 Picket





How Secure is the Post Office

It seems to be happening every day. We see news footage of terrorists blowing up airports, restaurants, clubs, you name it. Security experts want to add more layers of security at the outside perimeter of airports. People are having second thoughts about gathering in large groups because it might give a terrorist a golden opportunity. The world is becoming a scary place.

What is the post office doing about security? Well, at the main plant, not much. If you want to get into the building, the dock is the way to go. Anyone can simply go around the gas pump and walk to the dock and climb on up, enter the plastic drapes and you're inside the building. Don't worry about having an ID. Most of the supervisors, 204Bs, and MDOs don't wear any identification, so people will think you must be a member of management. You can then proceed to do whatever mayhem you came to do and exit the way you came in. The way the managers respond to the phone and radios,

unless it's the latest gossip, they won't know anything happened until a clerk comes and tells them.

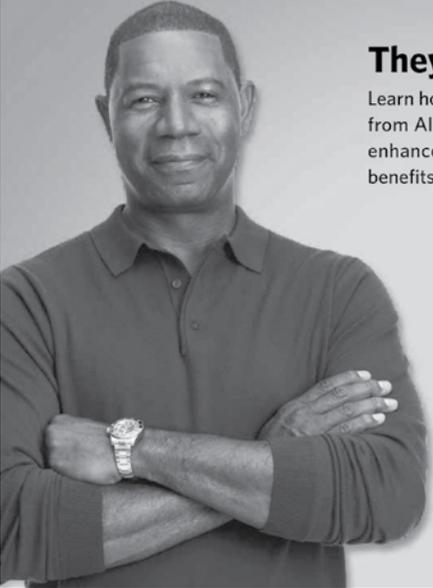
You see rules that were put into place to provide some sort of security mean nothing to postal management. At every entrance there are signs that say employees must wear their badge above the waist. That helps to identify those who belong in the plant from those who don't. Many managers and supervisors think this rule does not apply to them, so they wear nothing. (They're not actually naked, they just don't wear ID badges.) This violates postal policy. An agreement was reached that 204Bs would wear some sort of badge identifying them as acting supervisors so that there would be no confusion when they give orders to the other employees. I might be working beside you on Monday and on Tuesday you tell me to go to a machine and I ignore the instruction because you have nothing on indicating you are a 204B. Now you want to give me discipline for failure to follow instructions.

This may sound frivolous to you, but anything that enhances the security of the post office is important. Main plant employees know how easy it would be for someone to get into the building. Not having an ID badge might alert security or even an employee that this person shouldn't be here. But if management doesn't follow the rule, it makes that task more difficult.

I have included the article from the National APWU pertaining to our June 14 rally. There are several photos of our employees. We made a good showing. The local will continue to fight for the proper staffing in automation. Come and join us for the next picket, the more the merrier.

Have a safe summer.

Are your benefits in Good Hands?



They can be.

Learn how valuable coverage from Allstate Benefits can enhance your current benefits package.

Products being offered to APWU members:

- Accident
- Critical Illness
- Universal Life

Health coverage is provided by limited benefit supplemental health insurance. This material is valid as long as information remains current, but in no event later than June 15, 2016. The policies have exclusions and limitations, may have reductions of benefits at specific ages, and may not be available for sale in all states, and is underwritten by American Heritage Life Insurance Company (Home Office, Jacksonville, FL). For costs and complete details contact your Allstate Benefits Representative. Allstate Benefits is the marketing name used by American Heritage Life Insurance Company (Home Office, Jacksonville, FL), a subsidiary of The Allstate Corporation. Visit us at www.allstate.com or allstatebenefits.com. AB12680X



Happy 20th Anniversary
to
Melvin and Shirley Sanders
August 7



APWU Web News Articles

WEB NEWS ARTICLE #: 133-2016
06/27/2016

Taking it to the streets!

Fed Up with Understaffing, Saint Louis Local Pickets Post Office

Fed up with chronic understaffing of mail sorting machines, nearly 100 members of the Saint Louis Gateway Area Local and their allies formed an enthusiastic picket line outside the downtown post office on June 14.

Normal staffing on DBSC machines is two workers: a feeder and a sweeper. But for close to two years, that's been a rare exception, reports Local President Fred Wolfmeyer.

"We have a lot of clerks on each tour who are working by themselves on the machines," he said. "They are working 8-hour days without a partner."

Workers' safety is in jeopardy and service to customers is suffering as a result, Wolfmeyer said.

When workers stop the machines to sweep the mail, managers complain that their throughput isn't high enough, he reports.

In many cases, newer workers, especially postal support employees, "are afraid they will lose their job," and rush from one end of the machine to the other, trying to keep the numbers up.

"That's even more dangerous," Wolfmeyer said.

The union brought the issue to management's attention when the practice began, but has received "nothing but lip service," the local president said. "I got tired of it. The members got tired of it and decided to take action."



Members of the St. Louis Gateway Area Local protest understaffing of sorting machines.

'Out to the Streets'



The Coalition of Black Trade Unionists joined the picket line in front of the downtown post office.

Action came in the form of the June 14 rally. Members of the local started organizing in April by talking to co-workers, passing out flyers, and posting on Facebook. The local also reached out to the Saint Louis Local Labor Council and Jobs with Justice.

"Let's take it out to the streets, put it out there for everyone to see," Wolfmeyer said.

Union members were "thrilled" with the rally results, which was covered on local TV news, he added. "They were really happy. They felt like the union backed them up and really stood with them on this issue."

Next on deck is a postcard campaign. Members will sign postcards, which they plan to send to the homes of the plant manager, district manager and lead manager of distribution operations.

"We have to do something. We have to get them to move," Wolfmeyer said.

APWU President Mark Dimondstein praised the local for taking a public stand. "I often say that we have to do more than just file grievances — there are others ways to solve our problems," he said. "This is a good example of how to take a workplace issue to the public. Actions like this empower union members."



Members of the local picket unsafe working conditions, caused by understaffing.

Associate Office Report

By *Becky Livingston, Associate Office Steward*



I am writing this article on the first official day of summer and it looks like this is going to be a long, hot summer. There have been several issues brought to my attention and I want to address them right away. The 3971s are once again, front and center, in disputes regarding vacation and scheduled time off. I know I addressed FMLA in my last article but the signed 3971, showing the date that the supervisor received the notification of the request, is huge. If you are having trouble with management regarding the supervisor's refusal to return your copy of the 3971 when you present it to them, please give me a call or request a steward. I have had three grievances filed due to a clerk not receiving an approval in a timely manner. In most of the LMOUs the time limit is 48 hours. If the supervisor does not notify you in a timely manner according to your Local Memorandum of Understanding, please call me or request a steward.

There has also been confusion

regarding the posting of vacated annual leave. Management once again has obligations, according to your LMOU, to post that vacated annual leave within 48 hours. This annual leave would then be awarded to the senior bidder who is junior to the clerk who vacated the annual leave selection. If no junior employee submits a bid, the period shall be awarded to the senior bidder. Please take a minute to go to the *stlouisapwu.org* website and look at your office Local Memorandum of Understanding. Every associate office has had a memorandum negotiated for their specific office. This memorandum has a lot of information that dictates how things are handled regarding everything from annual leave selection to wash-up time and everything in between. The Local Memorandum is a good tool to use to make sure management is adhering to the Collective Bargaining Agreement.

I am hoping that we will have the arbitrator's decision regarding our new contract by July. When we receive a new contract, negotiations for the Local Memorandum can

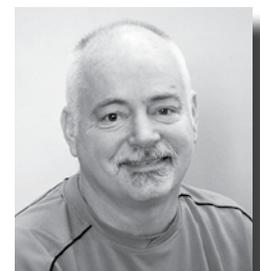
be opened for renegotiations. Please take time to read your Local Memorandum as it applies to your office and make recommendation if you think there are things that need to be addressed or changed. You can call me to make your recommendations. Remember, if we open the negotiations this also gives management the opportunity to request changes of their own. Please read the LMOU carefully and consider all of the changes that could result from your requests. This is your office and we certainly want to address all the concerns you have regarding the working conditions of your office.

I am hopeful that I will see many of you at the APWU picnic on Sunday, July 17, but if I don't, please feel free to call me anytime with questions and concerns, or even if it is just to say hi. My APWU cell number is **314-810-4099**. Have a safe and happy summer!

The information in this article pertains to Associate Offices.

Maintenance Director

By *Tom Nanna*



Happy summer to everyone. We hope that you're having a fun and safe summer. Remember to use your sunscreen diligently. You can help to prevent skin cancer.

Management decided to remand back to the Maintenance APWU Craft 352 grievances that they didn't want to discuss. We have been meeting with Labor Relations since June 6, 2016. We still have a very long way to go to get these all settled.

Management has seen, in their infinite wisdom, no need to monitor the compressor room on tours 1 and 3. You would think they would have learned their lesson, especially after the basement and sub-basement flooded while no one was monitoring the compressor room. This happened recently.

May the rest of your summer be full of great memories.

Arbitration Award Announced! We Have a New Union Contract!

The big news is in – 200,000 postal workers represented by the APWU have a new union contract!

On July 8, arbitrator Stephen Goldberg issued his arbitration award that sets the wages, hours and conditions of employment in our new union contract. This award concluded a two-year struggle for “Good Service, Good Jobs, Good Contract” that included contract negotiations, mediation, arbitration hearings – and solidarity actions on work floors and in communities around the country.

“We have gained many positive results in these difficult times,” APWU President and lead negotiator Mark Dimondstein said. “We, as a union, should be proud of the results. We made some real progress on most of our major goals. We gained an all-career workforce in our maintenance and motor vehicle crafts. We secured real general wage increases. We preserved our COLA and no lay-off protections. We strengthened conversion opportunities for PSEs and improved PSE wages and benefits. We strengthened job security by limiting subcontracting, particularly in relation to MVS. We achieved a temporary moratorium on new plant closings and consolidations. We laid the basis for better protecting retail services and for expanding postal services. While we were unable to stop management’s demand that employees pay a greater share of health insurance premiums, we successfully fought back the main concessionary demands of postal management — for increased percentages of non-career employees, a new tier of lower-paid career employees, the elimination of COLA and the weakening of our no layoff protection.”

Below is a summary of the main highlights of the new award. All provisions of the previous contract that remain unchanged carry forward into our new contract including seniority and bidding rights, the grievance procedure, protection against unjust discipline, annual and sick leave, holiday and overtime pay and all the other important union benefits we have won over many decades of struggle.

Length of the Agreement

May 21, 2015 - September 20, 2018 (40 months)

Career Employee General Wage Increases

There will be across-the-board pay increases of 3.8% for career employees over the life of the agreement:

- 1.2% effective November 14, 2015 (Retroactive)
- 1.3% effective November 26, 2016
- 1.3% effective November 25, 2017

Cost of Living Adjustments (COLA)

The COLA for career employees is maintained under the current formula. Cost of living adjustments will be made in March and September of each year of the contract.

PSE Wage Increases

PSEs (who do not receive COLA raises) will receive wage increases as follows:

- 2.2% effective November 14, 2015 (Retroactive)
- 2.3% effective November 26, 2016
- 2.3% effective November 25, 2017

In addition to these general wage increases, PSE wages will be increased by fifty cents per hour over the life of the contract as follows:

- \$0.09 per hour effective November 14, 2015 (Retroactive)
- \$0.20 per hour effective May 13, 2017
- \$0.21 per hour effective May 26, 2018

No Lay-Off Protections for Career Employees

The no lay-off protections of Article 6, for employees with more than six years of service, remain in full force. In addition, no lay-off protection is extended to all career employees who are on the rolls as of July 8, 2016. This protection covers the 32,000 postal workers recently converted to career who have not yet achieved the six year threshold of no lay-off protection.

Job Security Provisions

- There will be no new subcontracting of PVS driving work during the life of the contract.
- For a minimum of the first year of the contract, the Postal Service will not expand contract stations, village post offices and approved shipper programs. (The fight over Staples is not affected by this moratorium.)
- There will be no further plant closings and consolidations until at least April 2017.

Workforce Structure

- All maintenance craft PSEs will be converted “in place” to career within 60 days of the award. Thereafter the PSE category of employee will be eliminated in the maintenance craft.
- All motor vehicle service craft PSEs will be converted to career — either full-time or PTF — within 60 days of the award. Thereafter, the PSE category of employee will be eliminated in the MVS craft. However, in the future PSEs could be authorized as part of a package to bring back currently subcontracted MVS work.
- PTF employees are reintroduced into the MVS craft, not to exceed 20% of the MVS career workforce.
- Non-traditional full-time (NTFT) duty assignments are eliminated in Function 1 (mail processing) and Function 3 (MVS) and will be reposted as traditional full-time duty assignments. NTFTs cannot be introduced into the maintenance craft. Current four day a week/ ten-hour a day duty assignments may remain in place if the local parties agree. Local parties may mutually agree upon more such assignments under the Modified Work Week Memo.
- Non-traditional full-time employees in Function 4 (Retail) are now capped at 8%, excluding NTFT assignments in POSTPlan offices. (Previously there was no cap.) The rules concerning schedules and postings in the NTFT memo remain. However, the restriction on assigning mandatory overtime to non-OTDL employees is narrowed from installation wide to the facility.

Veteran Hiring

Preference eligible veteran hiring will be greatly enhanced with the creation of the all-career workforce in the maintenance and MVS crafts where veterans will now be hired directly into career positions.

Career Employee Health Benefits

The health plans and benefits for career employees remain in effect. Over the next three years, the employees' portion of the health premium will increase 1% a year. For the APWU Consumer Driven Health plan, the Postal Service will continue to pay 95% of the premium.

PSE Health Benefits and Holiday Leave Pay

- PSEs will now receive six paid holidays. (PSEs had no holiday leave.) The holidays are the six major holidays of New Years, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.
- The number of hours paid for the holiday will vary by size of office: 200 man year offices – 8 hours. POStPlan offices – 4 hours. All other offices – 6 hours.
- PSEs who work on a holiday will have the same option as career employees to have their annual leave balance credited in lieu of holiday leave pay.
- The 75% contribution of the USPS to the premiums of the APWU Consumer Driven Health Plan, available after one year of service, remains in effect. In addition, PSEs will now have access to a USPS sponsored health plan upon employment with the USPS contributing \$125/pay period.

Limits on Excessing

During the life of the CBA, no employees can be excessed beyond a 50 mile radius.

Bereavement Leave

Clarification on expanded bereavement leave coverage to “in-laws.”

Enhanced and Expanded Services

Parties established a joint Service Enhancement and Innovation Task Force authorized to discuss research, and consult experts with a goal of agreeing to programs including pilots to implement agreed upon services and practices. At least one pilot program must be implemented within 12 months.

Uniform and Work Clothes for Eligible Career Employees

Allowances for uniform and work clothing programs will be increased

- Effective May 2016, increase of 5%
- Effective May 21, 2017, increase of 2.5%
- Effective May 21, 2018, increase of 2.5%

Eligible PSE Employees

PSEs employed in retail for the first time will receive an annual uniform allowance for three shirts, subject to the normal eligibility requirements.

Clerk Craft

- Incorporates successful MOU “Re: Filling of Residual Vacancies” into the contract.
- New pecking order for full-time vacancies allows for a possible PTF transfer and conversion of PSEs within a 50-mile radius.

- New pecking order for PTF vacancies provides for conversion of PSEs within the installation, the transfer of PTFs within 50 miles and conversion of PSEs within a 50-mile radius.
- PTFs can express a preference to work outside their installation.
- One-time conversions of all clerk craft PSEs in 200 work year installations with over 2.5 years of service as of July 8, The conversions will be completed as soon as practical but no later than 60 days from July 8, 2016. One year from the award, the parties are ordered to discuss the possibility of another one-time conversion.
- New language in Article 37.5.D that streamlines process for PSE conversion to career.
- eReassign Task Force established to explore improvements to the posting and placement process.
- Employees can now exercise retreat rights without regard to level.

Maintenance Craft

- All maintenance craft PSEs converted to career and the PSE category eliminated.
- Maintenance jobs MOU eliminated except for provisions related to pending disputes over “unit clarification.”
- Significant improvements to excessing provisions in Article 38.3.K.
- New provisions for ET-11 issues including a nationwide PAR for ET-11s and negotiations for LMOUs with MTSC.
- Retained the subcontracting cleaning services MOU with entire installation in the 18K sq. ft. formula.
- Retained the 50-mile rule on excessing.
- New pecking order putting APWU bargaining unit employees ahead of non-APWU employees for in-service register selections.

Motor Vehicle Craft

- All MVS craft PSEs converted to career and the PSE category eliminated except when part of package to bring in contracted work.
- Numbered paragraphs 1, 3, and 4 of the 2010 motor vehicle craft jobs MOU terminated Paragraph 2 remains and includes the evaluation of 8,000 HCR routes for possible return to PVS.
- No new subcontracting of PVS driving work during the life of the contract.
- Because of the loss of flexibility with conversion of all PSEs, elimination of NTFT assignments and restriction on subcontracting, the award provides for the return of PTFs with a 20% cap.
- Clarification of policy regarding vehicle maintenance agreements (VMAs) in offices with vehicle maintenances.
- All full-time regular motor vehicle craft employees — not just operators — will use their seniority for vacation scheduling.
- Bids for examination specialist (SP-2-188) and vehicle operations – maintenance assistant (SP-2-195) are open to all full-time regular MVS employees.

NOMINATIONS

for Local Elected Officers

The nominations for local elected office were held at the June 11, 2016, general membership meeting. The following officers were unopposed and the nominees accepted their office. They are:

President Fred Wolfmeyer
Executive Vice President Gene Hollenbeck
Editor-in-Chief Shelia Patton-Harris
Clerk Craft Director A April Johnson
Clerk Craft Director B Kim Calmese
Maintenance Craft Director A David Rubino
Motor Vehicle Craft Director Jeff Cooper
Motor Vehicle Craft Director A Floyd Jennings
Support Services Orlando Anderson
Assistant Support Services Craft Director Janis Dumas

There will be an election to decide the following offices. **These are the nominees:**

Secretary-Treasurer

Robin Robertson
 Wendy Scales-Smith
 Rebecca "Becky" Livingston

Director of Industrial Relations

Melvin Sanders
 Paul Reid

Director of Research and Education

Dean Hathaway
 Claudella Suggs

Sergeant of Arms

Alfred "Mickey" Miller
 Rodney Johnson
 Christopher Thomas

Clerk Craft Director

Joe "Earl" Staats
 Venetta Lambert-Davidson

Maintenance Craft Director

Tom Nanna
 Chris Wilkerson

Maintenance Craft Director B

Tina Rubino
 Barry Pearson

General Election

Ballots were mailed on July 14, 2016, to your home so that you may vote for the candidate of your choice in the local union election. All ballots must be returned and received in the Election Committee's PO Box no later than noon on August 8, 2016. Please contact the Election Committee (314-231-7665) if you did not receive a ballot.

Constitutional Changes

The following proposed constitutional changes were voted on and were approved by a 2/3 majority at the June 11, 2016, general membership meeting.

CHANGE #1

Submitted by Fred Wolfmeyer

Article 14 section 1A

In the first sentence change the current language that says:

“The Local shall pay the following fringe benefit, retirement, life insurance, APWU health insurance and disability insurance for officers who work full-time for the Union

New language will read:

The Local shall pay the Postal Service share of the following fringe benefits, USPS retirement, life insurance, health insurance and disability insurance. If the officer has APWU health insurance it will be paid in full.

Reason for change:

The current language was written to benefit employees under the CSRS. Then over 80% of the membership was under CSRS. Now over 80% of the membership is under FERS.

Also, this is the standard language used in other APWU locals.

CHANGE #2

Submitted by Robbie Robertson/Melvin Sanders

Directors Salary

Art 7

H. Craft Directors

Delete last sentence ...

Insert:

“The monthly salaries for Craft Directors shall be as follows:

Clerk Craft	\$150.00
Maint. Craft	\$100.00
MVS Craft	\$100.00
Support Ser.	\$100.00

Insert new section:

I. Associate Office Director

The Associate Office Director shall be elected by all dues paying members in the associate offices the local represents. It shall be the responsibility of the Associate Office Director to handle all problems and grievances of the associate offices with the assistance of the Craft Directors (if necessary). Any Associate Office stewards shall work under his/her direction. He/she shall be a member of the Associate Office Negotiating Team. He/she shall receive a salary of \$200.00 per month.

Reason for Proposed Change:

This is not a raise. This will put the salaries back to what they were in 1992. In 1992 the salaries were deleted to make the Secretary/Treasurer a full-time position. In 2013 the Secretary/Treasurer returned to a part-time position. This change will return the Directors to the 1992 salary.

CHANGE #3

Submitted by Melvin Sanders

Article 5 Section 4B

In the first sentence change current language:

“... meeting in the year preceding the election.”

New language will read:

“... meetings in the calendar year preceding the delegate election year.”

Reason for change

The delegate election is in March. Some say the current language should count meetings from March to March. This is difficult because the nominations are in February. The original intent was to use the calendar year. The new language makes the intent clear and a list of all members from each craft who meet the meeting requirements can be available at the nominating meeting.

Labor Cuts Account for 75 Percent of Savings, OIG: USPS Cost-Cutting Strategies 'Not Sustainable'

The Postal Service has cut labor costs by more than \$10 billion since the Postal Accountability and Enhancement Act (PAEA) was passed in 2006, but its cost-cutting strategies are “not sustainable,” according to a recent report by the Office of Inspector General (OIG). Labor cost declined by nearly 21 percent (when adjusted for inflation and excluding the pre-funding of retirees’ health care) and account for approximately 75 percent of the total reduction in expenses. But “the trade-offs among cost control, service quality, and modernization remain a concern for the Postal Service,” the report warned. The report, titled “Peeling the Onion: The Real Cost of Mail,” said cost-cutting measures included:

- Substituting career workers with non-career employees at an average of 3 percent per year
- Decreasing work hours by an average of 2.8 percent annually
- Reducing wages by an average 3.1 percent per year
- Downsizing and restructuring the network
- Reducing the number of delivery routes
- Decreasing the use of air transportation
- Reducing capital expenditures
- Lowering service quality

The extensive use of non-career employees, who earn lower pay and receive fewer benefits than their career counterparts, is “problematic,” the report found. While turnover among career employees is less than 1.3 percent, the quit rate for non-career workers was 29 percent in fiscal year 2014, “perhaps due to low wages and low benefits,” the OIG said. The high turnover among non-career employees “raises the question of whether the Postal Service can continue to increase its productivity if it has to deal with training and recruiting new employees constantly,” the report said. “Furthermore, the impact on service quality of increased use of non-career employees is unclear.”

“What is clear is that the impact of cost reduction on customer service had been considerable,” the OIG said. External First Class Measurement (EXFC) scores for a single piece of first-class mail declined by nearly 6.71 percent for two-day service and by almost 38.60 percent for three-day service compared to the previous year — despite the implementation of more relaxed service standards in January 2015.

It’s the Pre-Funding

The report blames the PAEA-mandated pre-funding of retiree health benefits 75 years into the future as the “primary source” of the Postal Service’s financial problems, noting that pre-funding costs reached \$49 billion between fiscal year 2006 and 2015. Eliminating the payments would have reduced total losses by 90 percent.

Nonetheless, “Overall, the Postal Service is doing better financially than sometimes reported in the press,” the OIG observed. “If the Postal Service is to meet the commercial and universal service needs of America’s growing population, it must continually seek to improve customer service and be allowed to make appropriate capital investment to fully integrate its network with the digital world. Postal stakeholders and management need to develop ways and means for generating adequate revenue so that the Postal Service can build for the future,” the report concludes.

APWU President Mark Dimondstein urged management to rethink its strategy. “This report underscores concerns we’ve been raising for quite some time,” he said. “Cuts to service and jobs are hurting the people of this country and jeopardizing the future of our great national treasure. If management takes this report with the seriousness it deserves, they will stop delaying America’s mail and make sure the Postal Service is properly staffed so that we can carry out our mission. In the end, the Postal Service is a service, not a business.”

APWU Web News Article 4/28/2016

RECENTLY RETIRED

On June 29, 2016, two clerks retired from the Gaffney Post Office. They are Darlene Mixon with 31 years of service and Dorothy Moore with 32 years of service. Good luck ladies. Enjoy your retirement.

On July 1, 2016, Sandra Bean retired from the Clayton Post Office with 36 years and 8 months of service.



We Wish to Extend
Our Condolences to
the Friends and
Families of:

Doris Davis
(Retiree of Support Services)

Cynthia Dunloe
(Clerk) (030)

Mr. Pearson
The father of Barry Pearson (Maintenance Steward)

Mrs. Coleman
The mother of John Coleman (BEM Maintenance)

Elizabeth Obermire
The mother of Virginia McGue (MVS)

Mell Riley Sr.
The father of Gloria Elliott (Support Services)

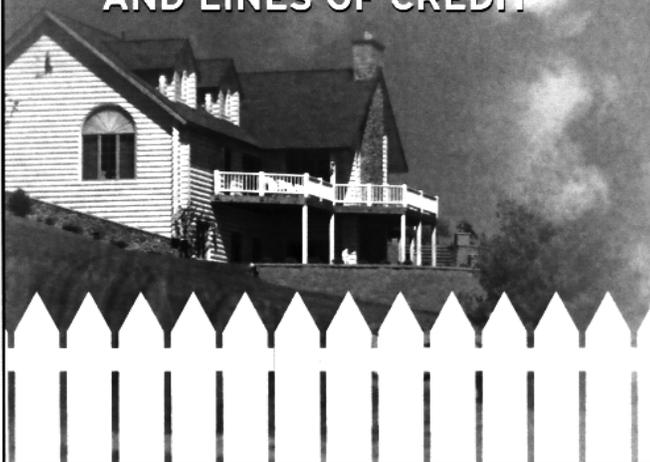
Special prayers and condolences to all the friends and family members within the St. Louis Gateway District



- | | |
|-----------------------|----------------------|
| Bounds, Brittney | McGill, Tyler |
| Brown, Antonio | Meador, Jeffery |
| Carter, Takisha | Miller, Larry |
| Chambers, Pathina | Nelson, Kyle |
| Duncan, Miatta | Paszkievicz, Ryan |
| Ehlers, Timothy | Phillips, Delisa |
| Evanoski, Edward | Pope, Tanya |
| Everage, Eric | Richardson, Brian |
| Force, Rodney | Richardson, Marshall |
| Gant, Raquel | Robinson, Kristopher |
| Gibbs, Crystal | Schuetz, Brian |
| Graham-Harris, Billie | Smith, Terrance |
| Howliet, Tyra | Tramble, Christopher |
| Jackson, Dyresha | Williams, Shontee |
| Jackson, Keith | Williams, Gary |
| Johnson, Ronald | |

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Shelia Patton-Harris ... Editor
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Saturday: 7:30 a.m. - 4 p.m.

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Maintenance ... 314-436-4668
MVS ... 314-436-5027

GATEWAY LOCAL CALENDAR

July 4 (Monday)	Independence Day Holiday
July 6 (Wednesday)	Executive Board Meeting (2 p.m.)
July 11 (Monday)	Stewards' Training (9 a.m. & 6 p.m.)
July 17 (Sunday)	APWU Annual Family Day Picnic (1-5 p.m.)
August 10 (Wednesday)	Executive Board Meeting (2 p.m.)
August 15 (Monday)	Stewards' Training (9 a.m. & 6 p.m.)
September 5 (Monday)	Labor Day Holiday
September 7 (Wednesday)	Executive Board Meeting (2 p.m.)
September 11 (Sunday)	General Membership Meeting (3 p.m.)

**There will be no General Membership Meetings
in the months of July and August.**

The Union Hall will be closed on holidays.



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