**Scapegoating Unions for the Postal Service’s Phony Crisis**

At a recent Senate hearing, some officials attempted to divert attention from the real cause of post office financial losses by blaming worker rights.

**BLOGGING OUR GREAT DIVIDE**

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Blame it on the unions. When corporations, governments, or public agencies are facing financial challenges, this is often the default explanation.

We saw this knee jerk response at a recent Senate [hearing](https://www.hsgac.senate.gov/hearings/a-path-to-sustainability-recommendations-from-the-presidents-task-force-on-the-united-states-postal-service) on the U.S. Postal Service. The Committee on Homeland Security and Government Affairs called the March 12 hearing to discuss [recommendations](https://home.treasury.gov/system/files/136/USPS_A_Sustainable_Path_Forward_report_12-04-2018.pdf) from a task force appointed by President Trump that include cutting or privatizing various postal services, increasing delivery prices, and — you guessed it — eliminating employees’ rights to collective bargaining.

Committee Chair Ron Johnson, a Wisconsin Republican, seized on the anti-union proposals. He repeatedly inquired about the wages and benefits that USPS employees enjoy compared to private sector employees and questioned whether postal workers should be allowed to continue to collectively bargain over wages.

This hardly comes as a surprise. Johnson was an ardent supporter of Governor Scott Walker’s efforts to undercut public sector unions back in his own state. Why wouldn’t he be just as eager to cut union rights for postal employees?

As the Trump task force notes, postal service employees have more rights than other federal workers to bargain over wages and benefits. The workers won these rights during what’s known as the [Great Postal Strike of 1970](http://www.apwu.org/labor-history-articles/%E2%80%98collective-begging%E2%80%99-collective-bargaining). Over the course of a week, as many as 200,000 postal workers walked off the job or called in sick to protest their meager pay, poor working conditions, and long hours. They shut down post offices in 13 states.

When the Nixon administration finally reached a settlement with the workers, wage bargaining rights were part of the deal.

Nearly five decades later, the Trump task force now argues that postal workers don’t deserve these rights because they don’t face “the same level of risk that their company will go out of business” as private sector workers do.

The postal worker unions beg to differ. Over the past decade, they [point out](https://www.nalc.org/news/nalc-updates/body/Postal-Service-Workforce-Submission.pdf), the postal service has endured tremendous insecurity, with the closure or consolidation of 485 of its 685 mail processing facilities, more than 200,000 career job cuts, and reduced hours of operations at 13,000 primarily rural post offices.

Despite these cutbacks, the postal service is still a vital source of good jobs in every community – and union rights are a key factor. Research has long shown that collective bargaining rights lead to [higher pay, narrower racial wealth gap](https://www.epi.org/publication/ib342-unions-inequality-faltering-middle-class/)s, and [more generous employer pension contributions](https://www.brookings.edu/wp-content/uploads/2017/10/wp35-frandsen1.pdf). Unionized workers [are also more likely to be covered](https://www.epi.org/publication/benefits-of-collective-bargaining/) by employer health insurance.

Attacking postal workers’ union rights is merely an ideological distraction from the real cause of the postal service’s financial losses. In 2006, Congress created this crisis by passing the [Postal Accountability and Enhancement Act](https://www.govtrack.us/congress/bills/109/hr6407) (PAEA), which requires the USPS to set aside reserves sufficient to cover the cost of its employee post-retirement health benefits 75 years into the future.

Without this pre-funding mandate, the Postal Service would’ve made money in every year since 2013. To strengthen the postal service, Congress should repeal this onerous mandate and embrace other solutions, like integrating USPS retirees into Medicare and supporting expansion of revenue-generating services like postal banking.

However, at the senate hearing, Margaret Weichert, Deputy Director for Management at the Office of Management and Budget, agreed with Senator Johnson about the virtues of abolishing collective bargaining rights and ignored the prefunding mandate. OMB has taken a particularly hard line on the postal service. In a June 2018 [report](https://www.whitehouse.gov/wp-content/uploads/2018/06/Government-Reform-and-Reorg-Plan.pdf), OMB called for a shocking and unprecedented amount of service cuts. That, combined with their recommendations to end collective bargaining and to cut postal worker pay and benefits, is aimed to help “prepare [the USPS] for future conversion from a Government agency into a privately-held corporation.”

Fortunately, the postal service and its customers and employees have a strong advocate in Vice Chairman of the USPS Board of Governors David Williams.

At the senate hearing, Williams dismissed the notion that ending collective bargaining rights would do anything to put the service on a stronger financial footing. Instead, he honed in on the burden that the prefunding mandate places on the USPS, saying that “It’s been devastating. It wiped out our entire ability to make capital investments […] We’re having to cut back so fast, we can’t understand fully the impact of what it is we’re doing. It’s been very, very serious.”

Getting rid of collective bargaining, as has been suggested, is not the way to ensure the sustainability of the postal service and its role as a provider of good middle class jobs. We need to can the pre-funding mandate so we can keep moving the USPS forward.