



# NATIONAL ASSOCIATION OF POSTAL SUPERVISORS

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May 29, 2018

The Honorable Steve Mnuchin  
Secretary  
Department of the Treasury  
1500 Pennsylvania Ave., N.W.  
Washington, D.C. 20220

The Honorable Mick Mulvaney  
Director  
Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

The Honorable Jeff T.H. Pon  
Director  
U.S. Office of Personnel Management  
1900 E Street, N.W.  
Washington, D.C. 20415

## **Re: Comments to Task Force on the United States Postal System**

Dear Secretary Mnuchin, Director Mulvaney and Director Pon:

The National Association of Postal Supervisors appreciates the opportunity to provide these comments to the Task Force on the United States Postal System. These comments supplement our representatives' discussion with Task Force staff on May 21, 2018.

The U.S. Postal Service continues to face significant financial and operational challenges, caused and exacerbated by changing technologies and shifting customer needs. Wide consensus exists that the long-term future of the Postal Service is threatened due to declining mail volume, increasing delivery points and revenues insufficient to sustain operations and statutory expectations. Clearly, the USPS business model is broken and requires fixing.

Valid legislative fixes are available through pending House and Senate bills (H.R. 756, S. 2629) that improve the business model of the Postal Service and meet the changing demands of postal customers. They address important concerns, including service standards, needed innovation, and improved operations, the same issues discussed during our May 21 meeting with your staff. These bills are the product of extensive, bipartisan oversight and compromise and deserve prompt passage to create a sustainable and efficient postal system. In the same fashion, the proposed changes in postage rate-making by the Postal Regulatory Commission

represent a responsible path forward and should be encouraged to move ahead. Action now in these areas would provide for immediate relief and permit Congress next year to focus more clearly on the long-term future of the Postal Service and the potential redefinition of the universal service obligation.

The uniformity of the USO obligation and its relationship to pricing adjustments in the letter and package markets require careful attention. Uniform, affordable and prompt mail service to all urban, suburban and rural areas should remain consistent attributes of the USO. Similarly, the mailbox and letter monopolies should be preserved for the very reasons that have sustained their existence through the years. The mailbox monopoly assures the security and sanctity of the mail. Its contribution to consumer confidence in the mail system and the prevention of mail theft is indispensable. Similarly, the letter monopoly provides a safety net for sufficient letter volume in the mail system, a situation warranted even more today.

Postal supervisors and managers believe passionately in the historic and Constitutional mission of the Postal Service, but they are becoming increasingly disenchanted and disengaged in their job performance, as revealed by Gallup-conducted "Postal Pulse" surveys over the last several years, along with those conducted by the National Association of Postal Supervisors. These studies reveal heightened dissatisfaction by Postal Service supervisors and managers over workforce management practices, including the pay-for-performance system that is the sole source for pay adjustments for the 45,000 supervisors and managers covered by the USPS Executive and Administrative Schedule. Responsible improvements in these areas, along with realignment of the Title 39 pay consultation process between supervisor associations and the Postal Service, would measurably improve productivity and the USPS financial bottom line. In addition, annual pay adjustments by the Postal Service to assure private sector pay comparability would preserve USPS compliance with existing statutory obligations.

Looking ahead, uniform, affordable mail service to all American households and businesses is critical to the preservation of the Postal Service and the pathway to making America great. Equally so, the preservation of America's postal institution as a governmental enterprise is critical to its identity as a public service. The Postal Service, throughout its 240-year span, has demonstrated the capacity to evolve to better satisfy America's changing needs. Harnessing that spirit of innovation in ways that benefit every city, town and village in our nation should be the guiding hallmark of the Task Force's inquiry and recommendations.

Sincerely yours,



Brian J. Wagner  
National President