

Consolidating Stations

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At a meeting at USPS Headquarters on June 23, the Postal Service briefed APWU Clerk Craft officers [[PDF](#) | [Powerpoint presentation](#)] about plans to consolidate operations in large stations and branches. Managers also provided the union with an updated list [[Excel spreadsheet](#)] of 3,243 stations and branches in Level-24-and-above installations that are being reviewed.

At the briefing, postal officials said that among the stations under review, 740 already had been identified as candidates for consolidation and/or closing. (The Postal Service has not yet provided the list to the APWU; when it does, the list will be posted at www.apwu.org.)

Managers said they anticipated only a 60-day process for making these decisions, including a 10-day window for input from affected customers.

USPS officials conceded that among the reasons for closing stations and branches is that there are fewer "procedural requirements" for closing stations and branches than for small post offices. They also said that 34 percent of current postal revenue comes through alternative access, and that they are striving to increase that percentage.

The briefing was a follow-up to a [May 15 letter](#) from the Postal Service to APWU President William Burrus, which announced the plans. "District Managers will be adding a focus to the discontinuance of operations by reviewing all classified stations and branches in Level 24 and above post offices," the letter said.

"These offices have experienced serious volume, transaction, and revenue declines. ... Many factors including impact on employees, service standards, cost savings, customer access, environmental impact, real estate values, and long-term needs of **the service would be taken into account... We would expect these local manager reviews to result in a significant increase in the number of lease terminations and/or facility disposals.**" [Emphasis added.]

No Coincidence

APWU Clerk Craft Director Jim McCarthy said, "We do not believe it is a coincidence that three weeks earlier, on April 24, the USPS notified the APWU that it was replacing Handbook AS-707-F, *Contracting for Contract Postal Units*, with [Publication 156 \[PDF-11 MB\]](#), *Postal Employee Guide to Contract Postal Units*."

The union initiated a [Step 4 dispute \[PDF\]](#) on May 5, protesting the unilateral changes, and demanding that the USPS rescind them. The modifications clearly relate to wages, hours and working conditions, and therefore violate the contract.

"We also believe that if management backfills the stations and branches it closes with contract postal offices (CPUs), this would violate the procedural requirements on subcontracting in [Article 32.1 of the Collective Bargaining Agreement](#)," McCarthy said.



Clerk Division Classes At All-Craft Conference

(July 2009) With all of the issues affecting our jobs — Function 4 Audits, Shared Services, excessing, consolidation — the workshops being offered at the All-Craft Conference in Las Vegas (Sept. 30-Oct. 3) are more important than ever. [\[read more\]](#)

Locals should immediately request a labor-management meeting to discuss the criteria that are being considered in the determination of whether stations and branches are to be closed or consolidated within their installations, the Clerk Craft director said.

Locals should also make certain that the local community is allowed to provide adequate input before these decisions are made, McCarthy said. Although the APWU [Consolidation "Tool Kit"](#) [available to members only at www.apwu.org] was designed to assist locals facing facility consolidation, activists confronted with the possible consolidation of stations and branches may find the tips and guidance in the booklet helpful, he said.

GAO Report

The Postal Service blames the consolidation of stations and branches on the dramatic decline in mail volume and the financial losses the USPS has suffered as a result.

On May 20, the Government Accountability Office (GAO) issued a [report \[PDF\]](#) titled "U.S. Postal Service – Network Rightsizing Needed to Help Keep USPS Financially Viable."

The GAO study concludes that due to a mail-volume decline of 10 to 12 percent, the Postal Service will suffer a loss of more than \$6 billion in FY 2009; the report shows similar projections for mail volume and revenue losses for FY 2010.

The GAO criticized the USPS for failing to take the necessary steps to remain viable, such as "rightsizing its retail and mail processing networks by consolidating operations and closing unnecessary facilities," and "reducing the size of its workforce."

"The USPS has substantial excess capacity in its mail processing network," the report says. "In the Postal Accountability and Enhancement Act of 2006, Congress recognized USPS has more facilities than it needs, and strongly encouraged streamlining its networks."

The GAO went on to suggest "other options that could help USPS remain financially viable," including:

- Deferring USPS payments for retiree health benefits;
- Reducing deliveries to five days a week;
- Raising statutory debt limits; and
- Providing direct appropriations.

The report concluded that "USPS can streamline its retail network while improving access by closing unnecessary retail facilities and promoting lower-cost alternatives such as purchasing stamps by mail, telephone, and the Internet, as well as carrier pickup of packages." Although the USPS has long recognized the need to adjust its retail network, the report said, it "has not significantly downsized its retail operations in recent years."

"Opportunities to reduce retail facilities are particularly evident in urban and suburban areas, where USPS retail locations are close to one another, customers have more options, and facilities are expensive to operate and maintain," the audit found.

The APWU will continue to monitor the situation to ensure that management complies with the Collective Bargaining Agreement, and will provide updates as developments warrant.

[\[more consolidation news\]](#)

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