

REP. DAVIS ATTENDS THE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM HEARING: "ARE POSTAL WORKFORCE COSTS SUSTAINABLE?"

WASHINGTON, DC (APRIL 5, 2011) - REP. DANNY K. DAVIS (D-IL) ISSUES THE FOLLOWING STATEMENT IN SUPPORT OF THE UNITED STATES POSTAL SERVICE

As a member of the Oversight Committee and member of the Congressional Postal Caucus, I am eager to work with Postmaster General/CEO, Patrick R. Donahoe and the greater postal community to implement his vision of a more robust postal service.

Our country needs a healthy and vibrant Postal Service and mailing industry. As a former postal clerk, I can attest to the hard work and dedication that is required to ensure every household in the US receives its correspondence, bills, magazines, love letters, etc. No other place in the world can you mail a letter from New York City to Los Angeles for 44 cents. Further, USPS workers are on the job six days per week; processing and delivering our mail in rain, sleet and even snow; and I commend that effort.

However, we see the dawning of a new era in the postal operations. An era in which advances in technology has placed the USPS at a disadvantage in the marketplace. While this technologically savvy era has been the main factor in the decline of First Class mail, a traditional revenue source for the postal service; there are some bright signs of growth that we should acknowledge and there are solutions we can generate in Congress.

Under the 2006 Postal Accountability Enhancement Act (PAEA), the USPS was mandated to pre-fund its Retiree Health Benefits. No other federal agency has been placed with this burden and no known private sector business as well. We knew that without this requirement in law, the postal service would have indeed reported profits between 2007 thru 2010 of \$1 billion; and not had a net loss of \$20 billion. In fiscal year 2009, I worked to implement temporary relief and will continue to work with my colleagues to implement this change which I believe provides the best fix for the postal services' sustainability.

Finally, as the USPS begins to negotiate labor agreements with its 574,000 career employees and employee union groups; we have seen with the tentative agreement represented by the American Postal Workers Union that in the face of a difficult economic climate, logic and reason can prevail to the benefit of all.

Congressman Davis is a member of the Oversight, Ranking Member on the Subcommittee on Health Care, District of Columbia, Census and the National Archives and Homeland Security Committees in the House of Representatives