

US POSTAL SERVICE ENTICES WORKERS TO LEAVE VOLUNTARILY THROUGH LUCRATIVE BUYOUT PLAN



The US Postal Service, under severe financial constraints, is offering buyouts to 45,000 mail handlers, in efforts to reduce staff and cut costs. The buyouts are part of a plan to strengthen working at 140 mail-processing facilities in the next year. Previously this month, the Postal Service had offered \$20,000 buyouts to some 21,000 postmasters under a separate plan to trim operating expenses at 13,000 post offices. The buyouts will be payable in two \$7,500 installments — one in December this year and another in December 2013. Full time employees must sign by a July 2 deadline, agreeing to leave or retire by the end of August. Part-time career mail handlers are eligible on a pro-rated basis, based on the number of hours of work put in by them during the last year. Part-timers can decide on the offer till July 16, but will have to exit ere August ends. The first two quarters fiscal report for the Postal Service saw a \$6.5 billion loss. The loss was attributed to the recession, declining mail volumes and a congressional order to pre-fund retirement health care benefits that further accelerated the losses. To reduce yearly costs the service plans to moving mail-processing activities away from smaller sites. Curtail number of working hours and asking staff to leave voluntarily. This offer is open to nearly all of the Postal department's mail handlers, career employees, numbering around 2000, cannot avail of the offer. USPS spokesman Mark Saunders said he could not hazard a guess how many mail handlers would take buyouts this year, but added that the change "will not affect mail service." In a telephonic interview Friday, NPMHU President John Hegarty expected many thousand would sign up for the buyouts. "Obviously, we don't want to lose members," Hegarty said, "but we realize that with the downsizing the Postal Service is engaging in, that this might create landing spots for people who aren't able to retire." Job responsibilities of the mail handlers entail sorting mail, transporting it within the post offices and mail processing centers, where they work, and loading and unloading trucks. In an email Friday, USPS spokesman Mark Saunders said, "The Postal Service is adjusting the size of its network to adapt to America's changing mailing trends." The Postal Service has targeted reducing its workforce by 150,000 over the next three year. Though Saunders, "nothing to announce" statement left it unclear, if the Service intended to extend its buyout offer to other USPS employees. The offer has not been subject to the usual opposition from workers and unions as it was decided upon after consenting talks between the Postal Service and the National Postal Mail Handlers Union. In a statement Thursday, a union spokesperson said the deal "is intended to provide a financial cushion, and added peace of mind, for Mail Handlers who might be prepared to move on to the next chapter of their lives." The federal health care mandate is a major financial obligation for the Postal Service, a burden it is unable to bear, as it lacks the money to shell out \$5.5 million in payments, that's due in August. The Service revenue is generated from the sale of postage and mail services and it does not get any taxpayer funding. Earlier this month, the agency announced that it had shelved its plan of shutting money –losing rural post offices and postponing consolidations of postal plants. The Postal Service said that consolidating and closing processing facilities could reduce the workforce by 28,000 and save \$2.1 billion annually. It also announced that it would reduce working hours at 13,000 of the country's smallest post offices. The financially distressed agency is projected to lose \$14 billion this year.