



NRLCA FACT SHEET

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Contract Delivery Service

Delivery is a core function of the Postal Service and outsourcing this function is contrary to the mission of the agency. This practice jeopardizes the security, sanctity and service of the Postal Service.

Security is one of the most important concerns facing Americans today. In 2001 the mail was used as a biological weapon with Anthrax. Allowing private contractors to handle the mail opens the door to terrorism, identity theft, and fraud. Many contractors sub-contract their routes. Letter carriers are federal employees who are subject to close scrutiny of their character, background and criminal history. It is not known what kind of security checks or training are required for contractors or their sub-contractors.

Sanctity of the mail stream is of utmost importance. Sensitive materials are mailed everyday. Financial documents, credit cards, Social Security checks, medicine, passports, and ballots pass through the mail daily.

Service is the reason the USPS ranks as the most trusted agency in the federal government. Letter carriers are the most trusted part of that equation according to customer satisfaction surveys. All new rural carriers are required to attend a three-day training academy which instructs them on all aspects of their job. This training academy, staffed by experienced rural carriers, serves as a clearinghouse for the rural craft. There is a direct connection between our training academies and customer service satisfaction. Contract carriers don't have training academies and any training they may receive is inferior to the training developed by the Postal Service and NRLCA.

There is a lack of accountability and no clear chain of command for supervision. Neither customers nor the Postal Service will know who is responsible for service problems or delivery concerns.

Delivery managers have been encouraged to favor CDS, using contract employees over delivery by city or rural letter carriers, for all new deliveries based on cost savings. Between 1998 and 2007, the number of carrier routes served by CDS carriers rose from 5,424 to 6,531, or 20.4%. When the Postal Service started aggressively contracting out deliveries, they were still tasked with paying billions of dollars into an escrow account and covering the costs of postal employees' military pension obligation. With the passage of P.L. 109-435 (PAEA), the Postal Service was relieved of both the \$27 billion obligation for military pensions and the \$3 billion annual payment into the escrow account. The new law allows the Postal Service to retain a profit and a banking provision allows any unused rate authority to be saved for use at a future time.

By using contractors, the USPS is circumventing the collective bargaining process and allows them to replace all delivery carriers with contractors. The use of federal employees ensures that the Postal Service remains the most trusted government agency.

NRLCA Position

NRLCA urges Members of Congress to pass legislation prohibiting the contracting out of delivery services by co-sponsoring H. Res. 282 and S. 1457.