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CONGRESSIONAL RELATIONS WITH THE UNITED STATES POSTAL SERVICE

GOVERNMENT

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DOCUMENTS

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HEARINGS

BEFORE THE

COMMITTEE ON POSTAL SERVICE

OF THE

COMMITTEE ON

POST OFFICE AND CIVIL SERVICE

HOUSE OF REPRESENTATIVES

NINETY-SECOND CONGRESS

FIRST SESSION

ON

Committee Resolution and H.R. 7939

A BILL TO AMEND TITLE 39, UNITED STATES CODE, AS ENACTED BY THE POSTAL REORGANIZATION ACT, TO FACILITATE DIRECT COMMUNICATION BETWEEN OFFICERS AND EMPLOYEES OF THE UNITED STATES POSTAL SERVICE AND MEMBERS OF CONGRESS, AND FOR OTHER PURPOSES

MAY 7, 10, 26, JUNE 15, AND JULY 27, 1971

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RESOLUTION

(Mr. UDALL submitted the following resolution for consideration by the committee)

Be it resolved by the Post Office and Civil Service Committee, That:

(I) The committee reaffirms its support for those general policies of the Postal Reorganization Act of 1970 which forbid political influence in the appointment, promotion, or transfer of postal employees, and which have required that merit considerations be used in the appointment, promotion, or transfer of all postal employees.

(II) The committee reaffirms its support for the fundamental right of each postal employee to petition any public official for redress of grievances as set forth in section 7102 of title 5, United States Code, as follows: "The right of employees, individually or collectively, to petition Congress or a Member of Congress, or to furnish information to either House of Congress, or to a committee or Member thereof, may not be interfered with or denied."

(III) The committee supports and approves the actions of the Postal Service which have been designed to bring about:

(A) The creation of Merit Selection Boards for the appointment of postmasters;

(B) Substantial numbers of new postmasters appointed from among the career employees of the Postal Service;

(C) The consideration and implementation of new ways to better serve the public;

(D) New efforts recently undertaken to guarantee overnight airmail service and the promise of additional guaranteed delivery schedules; and

(E) A large and substantial construction program for new facilities.

(IV) The committee further finds that certain actions of the Postal Service subsequent to the passage of the Postal Reorganization Act of 1970 have departed from the letter and spirit of that Act. These actions have caused confusion and concern among postal employees, postal patrons, and Members of Congress. Specifically, the committee disapproves of:

(A) Directives and guidelines which have led individual employees to believe that they may not freely communicate with the Senators or Representatives from their State.

(B) Actions in several instances where local officials, citing as their reason guidelines and directives, have denied Members of Congress information about local postal problems.

VIII

In nearly every such case the information requested was of a type which would have been freely given to any citizen except Members of Congress.

(C) Occurrences in which Members of Congress visiting various postal facilities for inspection or to make inquiries, have been denied adequate courtesy, assistance, or information all because of directives and guidelines having the effect of intimidating postal employees who would otherwise have been pleased to respond to the Members of Congress.

(V) The committee finds that these events and others of a similar nature have caused and will continue to cause strains and misunderstandings between the Members of Congress required to make general postal policy and the Federal officials and employees required to carry out such policy. The committee believes and finds that these practices demean both the Postal Service and the Congress.

(VI) In the exercise of its supervisory and oversight function, the committee hereby finds and determines that the following actions are required in the interest of an efficient postal service and in order to comply with the spirit and letter of the Postal Reorganization Act of 1970, and calls upon the Postmaster General to take appropriate steps to see that they are implemented:

(A) The Postal Service should immediately prepare and promulgate new and revised regulations and directives guar-

anteeing that all postal employees fully understand that they may—without jeopardizing their opportunities or status in the Postal Service—freely communicate, either personally or by telephone or mail, with any Member of Congress on any matter.

(B) Suitable action should be taken to insure that contacts or requests for information by Members of Congress which relate to routine business at the local or regional level shall be directly handled by the local or regional postal officials. These officials should be completely free to respond directly to the congressional inquiry in the same manner and to the same extent as is now the practice in other Federal agencies.

(C) The Postal Service should adopt policies and instruct all local postal officials accordingly, that when Members of Congress desire to visit any installation of the Postal Service they shall be extended normal courtesies, their inquiries promptly and frankly answered, and that management shall take no action which discourages free communication and conversation between the employees in such facilities and the visiting Members of Congress.

(VII) The committee reaffirms its intention and that of the Congress to fully discharge its constitutional responsibility for oversight of the postal system of the United States, and confirms and reasserts its fundamental right to determine basic postal

policy. The committee also reaffirms its intention and desire that the people of the United States shall have the best possible postal service and that the Congress has a continuing obligation to maintain close contact with all aspects of the Postal Service in order to protect the right of the public to full information and representation.

92D CONGRESS
1ST SESSION

H. R. 7939

IN THE HOUSE OF REPRESENTATIVES

APRIL 29, 1971

Mr. SCOTT (for himself, Mr. GROSS, Mr. HOGAN, Mr. ROUSSELOT, Mr. MCCLURE, Mr. YOUNG of Florida, Mr. POWELL, Mr. CHARLES H. WILSON, Mr. WAMPLER, Mr. BROYHILL of Virginia, Mr. SAYLOR, Mr. SCHMITZ, Mr. ABBITT, Mr. DANIEL of Virginia, Mr. DUNCAN, Mr. WHITEHURST, Mr. SMITH of New York, Mr. WILLIAMS, Mr. NIX, Mr. WHITE, Mr. ROBINSON of Virginia, Mr. WINN, Mr. BRASCO, Mr. PURCELL, and Mr. HUNT) introduced the following bill; which was referred to the Committee on Post Office and Civil Service

A BILL

To amend title 39, United States Code, as enacted by the Postal Reorganization Act, to facilitate direct communication between officers and employees of the United States Postal Service and Members of Congress, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 That (a) chapter 4 of title 39, United States Code, as enacted
- 4 by the Postal Reorganization Act (84 Stat. 722-727; Public
- 5 Law 91-375), is amended by adding at the end thereof the
- 6 following new section:

1 “§ 413. Communications between Postal Service personnel
2 and committees and Members of Congress

3 “(a) Notwithstanding any other provision of this title
4 or of any other law, or any rule, regulation, ~~order, or direc-~~
5 tive of, or applicable to, the Postal Service, neither the
6 Postal Service nor any officer or employee of the Govern-
7 ment of the United States outside the Postal Service shall
8 prohibit or prevent, or attempt to prohibit or prevent, any
9 officer or employee of the Postal Service from having any
10 direct oral or written communication or contact with any
11 Member of Congress or with any committee of Congress,
12 on an unofficial and informal basis, in connection with any
13 matter pertaining to the employment of such officer or
14 employee or pertaining to the Postal Service in any way,
15 irrespective of whether such communication or contact is
16 at the initiative of such officer or employee or in response
17 to the request or inquiry of any such Member or committee.

18 “(b) The Postal Service may not remove, suspend
19 from duty without pay, demote, reduce in rank, seniority,
20 status, pay, or performance or efficiency rating, deny
21 promotion to, relocate, reassign, transfer, discipline, or dis-
22 criminate in regard to any employment right, entitlement, or
23 benefit, or any term or condition of employment of, any offi-
24 cer or employee of the Postal Service, or threaten to commit
25 any of the foregoing actions with respect to such officer or

1 employee, by reason of any communication or contact of
2 such officer or employee with any Member of Congress or
3 any committee of Congress as described in subsection (a) of
4 this section.

5 “(c) The preceding provisions of this section shall not
6 be construed to affect in any way the authority of the Postal
7 Service to establish, operate, and maintain any office or
8 other organizational unit within the Postal Service to main-
9 tain liaison with the Congress and process all inquiries,
10 requests, and other communications from the Congress to the
11 Postal Service on an official basis; but such office or other
12 organizational unit shall not be operated and maintained in
13 any manner, or in accordance with any rule, regulation,
14 order, or directive, which is in violation of subsection (a)
15 or subsection (b) of this section.”.

16 (b) The table of sections of chapter 4 of title 39, United
17 States Code, as enacted by the Postal Reorganization Act
18 (84 Stat. 722; Public Law 91-375), is amended by adding
19 at the end thereof—

“413. Communications between Postal Service personnel and committees
and Members of Congress.”.

20 SEC. 2. The amendments made by this Act shall become
21 effective at the beginning of the second calendar month fol-
22 lowing the date of enactment of this Act.

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CONGRESSIONAL RELATIONS WITH THE UNITED STATES POSTAL SERVICE

FRIDAY, MAY 7, 1971

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON POSTAL SERVICE OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met at 10 a.m., in room 210, Cannon House Office Building, Hon. Morris K. Udall (chairman of the subcommittee) presiding.

Mr. UDALL. The Subcommittee on Postal Service will come to order.

We have convened this morning to begin a series of hearings which will deal with matters relating to the new Postal Service and to the certain orders and directions that have been issued by the Post Office Department in the last few months.

The hearings will also be dealing with a committee resolution which I have drafted and am submitting to the subcommittee as a vehicle for discussion. Also before the subcommittee is the bill, H.R. 7939 introduced by Mr. Scott of Virginia for himself and a number of our colleagues.

It's the hope of the chairman that we can have a rather full, thorough, and frank exploration of some of the issues, some of the charges, and some of the developments that have caused so much conversation and comment in recent weeks. I just hope that we will all approach this in a constructive manner.

The goal of all of us is good and effective postal service and also to try to make the transition which the Congress has approved and which the President has signed an efficient and effective one.

The Chair recognizes that there are strong feelings on a number of these matters so we want to get the broadest type of testimony. We have invited each Member of the House who has an interest to testify in these hearings and we will be hearing from some of our colleagues beginning on Monday. We have also asked the major employee organization for their views.

Today we begin with some of the postal organizations and their testimony. I see a vaguely familiar face at the witness table. I think it's James H. Rademacher. I haven't seen him for a number of months but I am told that he is still alive and well and that his organization still exists. When we received through the grapevine an indication that he might want to testify we hastened to invite him here.

Jim, we are proud to have you lead off these hearings. We have your prepared statement. You can identify your associates and proceed as you see fit.

STATEMENT OF JAMES RADEMACHER, PRESIDENT, NATIONAL ASSOCIATION OF LETTER CARRIERS, AFL-CIO, ACCOMPANIED BY J. STANLY LEWIS, VICE PRESIDENT

Mr. RADEMACHER. Thank you, Mr. Chairman.

Before I do so, I would like the record to indicate the very deep emotion that fills us this morning at this table in noting the absence of a very revered and beloved friend of this committee, the Honorable Robert J. Corbett.

I know that the chairman and all of his colleagues share our feeling that the Congress and the people of America have truly lost a friend. I wanted to begin our statement that way this morning.

Mr. UDALL. I am glad you mentioned that. He was indeed a good and great man and we shall all miss him.

Mr. RADEMACHER. For the record, and in case you have forgotten us, my name is James H. Rademacher and I am still president of the National Association of Letter Carriers, with headquarters at 100 Indiana Avenue, Washington, D.C. We have almost 220,000 members located in about 6,500 local branches in every State and possession of the United States.

I am accompanied here today by the vice president of the NALC, J. Stanley Lewis and our very able president of Brooklyn, N.Y., Branch No. 41, and a gentleman to be heard later on in these hearings, the capable president of New York City Branch 36, Mr. Vincent Sombrotto.

Having said all that, Mr. Chairman, I want to make a simple statement: It's wonderful to be back.

If I may use the gag line of an old joke: "We thought you'd never ask."

Seriously—very seriously—I want to compliment you, Mr. Chairman, and I want to compliment Chairman Dulski and the entire membership of the House Post Office and Civil Service Committee on forming this Subcommittee on Postal Service in order to "Vigorously perform . . . supervisory and oversight functions and to closely monitor the activities of the Postal Service during this transition period and thereafter."

No legislative purpose could be more noble; no legislative function more necessary.

I also want to commend you, Mr. Chairman, for the Committee resolution which you offered, concerning certain current tendencies in the management of the Post Office Department, which is rather prematurely masquerading as the United States Postal Service.

However, with all friendliness and respect, we would like to raise objection to clause C and clause D of section III of that resolution.

Clause C reads:

The Committee supports and approves the actions of the Postal Service which have been designed to bring about . . . The consideration and implementation of new ways to better serve the public.

Mr. Chairman and members of the committee, you may be better informed on this subject than are we, and our members who work in the field, but I must say that we know of no such consideration and implementation of ways to better serve the public. Indeed we know of no consideration whatsoever that the new managers have given to

the service. We are aware of only a sad and squalid series of curtailments of delivery and collection, of early closings and Saturdays closings; of pinchpenny economies and public-be-damned attitudes. The postal service in the United States today is worse than it has been in decades. It is a scandal—and in such cases as parcel post and special delivery, I think it is a deliberate fraud on the public. We, the letter carriers of America are deeply embarrassed by the miserable service we are forced to give our patrons.

Clause D reads:

The Committee supports and approves the actions of the Postal Service which have been designed to bring about . . . overnight airmail service and the promise of additional guaranteed delivery schedules.

I thought at first that this was one of the Chairman's subtle needles, for which he is so justly famed—or perhaps even one of his harpoons. However, sir, I have come to the conclusion that this clause was written in a spasm of excessive politeness in which you were desperately searching for something upon which to commend the management of the so-called U.S. Postal Service in regard to its attitudes toward service.

Mr. Chairman, I think that anyone who knows anything about me will admit that I was never a particular enthusiast for Arthur E. Summerfield, when he was Postmaster General. And yet, General Summerfield was interested in service, most of the time, and I remember 15 years ago, one could rely with certainty on getting overnight service on airmail between any two major cities in the eastern half of the country. As a matter of fact, since 95 percent of all first class mail was being "air lifted," the same swift service was almost automatic for first class letters also.

This was without ZIP code, and it was without having to search for special boxes. It was simply routine, and it had no 500-mile limit on its performance.

At this point I would like to read a telegram received at 9:30 this morning from Corpus Christi, Tex., advising me that "Management tests show that 14 percent of the airmail from 30 cities within 600 miles is making overnight delivery at Corpus Christi."

It's a very poor percentage. I realize, too, that it's in the infancy stage and we certainly are doing all that we can to support that program because we are enthusiastic about overnight service not just of airmail but of all mail.

So I really don't see much cause for wholesale rejoicing because the present administration is, to use their phrase, "sticking its neck out" in guaranteeing service almost—but not quite—as good as the Department was offering as a matter of course 15 years ago.

Senator Gale McGee, on April 23d, scornfully charged that the Blount Administration was returning the service to the point where it was in 1935.

The Milwaukee Journal, in an editorial published on April 26th, claimed the airmail service still wouldn't be quite as good as it was in 1924.

Mr. Chairman—for the record, and in the interest of saving time, I would like permission at this point to insert three exhibits. One is an editorial I wrote on this subject for the Postal Record, the official

journal of the National Association of Letter Carriers. One is the statement issued by Senator McGee, and the third is the editorial published by the Milwaukee Journal.

(Exhibits follow:)

[From the Postal Record, May 1971]

BETTER SERVICE?

Fifteen years ago a Washington, D.C. resident could be just about certain of getting next day delivery of any air mail letter sent his way from Dallas, Chicago, Boston, New York or any other large city in the eastern half of the country with direct air connections with the nation's capital. About 90% of the time a first class letter would also be air-lifted, and would receive next day treatment. Two day air mail between Washington and major West Coast cities was absolutely automatic.

Somehow all this was changed. Penny-pinching, inadequate planning and plain bad management reduced air mail service to a poor, faltering and uncertain shadow of its former self.

Now comes Postmaster General Winton M. Blount who says he is sticking out his neck further than any other postal official in history by announcing that service for ZIP coded air mail—if deposited in special air mail boxes before 4 p.m.—will get almost as good service as non-ZIP coded air mail used to get 15 years ago. He promises next day delivery for 95% of all letters mailed under the above conditions to any principal city within a 600 mile radius, and two-day delivery for 95% of all mail directed to principal cities outside the 600 mile radius.

We should encourage any step toward better service, even if it is a step backward in time. Let's give the announcement a cheer and a half.

However, the flamboyant announcement is really mere flummery. It has very little to do with the nitty-gritty mechanics of service which affect the average citizen on a day-to-day basis. There can be no significant improvement in service until the management of the Postal Establishment restores reasonable collection schedules and reasonable delivery schedules in business areas. These are the very heart of efficient postal service.

After all, what boots it if a letter—nicely ZIP coded—is scooped up from its special air mail box and is swiftly conveyed to a city 599 miles away—and then must gather dust in the Post Office for 24 hours because management has cancelled the delivery that would have made overnight service possible?

[Press release, Apr. 23, 1971]

McGEE HITS POSTAL SERVICE POLICIES

Senator Gale McGee (D-Wyo.), Chairman of the Senate Committee on Post Office and Civil Service, took a skeptical view of recent publicity regarding overnight delivery of Zip-coded air mail letters between cities not more than 600 miles apart.

"This restores the postal service to the level maintained in 1935," Senator McGee said in remarks delivered on the Senate floor (*Congressional Record*, April 22, 1971, pg. S-5450), "but you don't have to go back too far to find overnight delivery of ordinary first-class mail."

Senator McGee pointed out that in 1967, the Senate Committee ordered Postmaster General Larry O'Brien to establish an overnight delivery program, and by mid-1967 overnight air mail for ordinary first-class letters was routine. Senator McGee also cited the "ABCD" same-day delivery program introduced by Postmaster General J. Edward Day eight years ago. Recent postal policy changes since the present postal administration came to power in 1969 have dismantled most of these programs in order to cut costs.

"The Postmaster General might consider amending the language of his recent press announcement to say that after two years of constantly declining postal service, the U.S. Postal Service has decided to reinstitute the practices of the archaic Post Office Department regarding mail transportation, except that now you will pay twice as much for the same service," Senator McGee said.

[From the Milwaukee Journal, Apr. 26, 1971]

AHEAD TO 1924

The new Postal Service says it is sticking its neck out by promising 24-hour service for major cities within 600 miles of each other. Why, in this day when a jet airliner can cover 600 miles in an hour, the 24-hour service is hailed as something of a marvel isn't clear—unless it is the mark of how bad postal service has become.

Back in February, 1918, the first airmail service was started between Washington, D.C., and New York, a distance of 216 miles. You could send a one-ounce letter for 24 cents, and that included special delivery. By 1924 the postal service was operating a 24-hour transcontinental service.

Now, we have fast traveling jets, superhighways from airports to central cities and no end of automation, but the mail service isn't what it used to be. Maybe the new service can improve things—and the effort to get us back to where we were about 50 years ago is at least a start.

MR. RADEMACHER. I realize full well, Mr. Chairman and members of the committee, that there is a new vogue in this country for nostalgia. Times past seem so much better than times present. However innocent this vogue may be, I don't think it would be applied to Government or to the conduct of the mails.

It is bad enough when Postmaster General Blount triumphs in restoring the service to where it was 15, or 35, or 46 years ago, but when he tries to restore personnel policies and congressional relations to where they were 69 years ago, I say he is going a great deal too far.

I refer, of course, to the notorious "Gag Rule" which he is trying to impose on postal employees.

In 1902 the political and ideological climate of America was quite different from what it is today. Labor had strength in certain urban centers of the Nation and in certain trades, but its strength was nowhere near as universal as it is today. The NALC was then—as it is today—the oldest and largest of all the postal unions.

But we were only 13 years old, and we had only about 10,000 members.

President Theodore Roosevelt, urged on by the Post Office Department, became alarmed that the letter carriers were showing some muscle on Capitol Hill. After all, there had not been a pay raise for postal employees in 14 years, and the employees—particularly the letter carriers—were doing what came naturally, making friends on Capitol Hill with the people who could most help them.

The Executive order, which Roosevelt issued on January 31, 1902, forbade all postal and Federal employees "either directly or indirectly or through associations to solicit an increase of pay or to influence or attempt to influence on their own interest any other legislation whatever, either before Congress or its committees, or in any way save through the heads of the departments in or under which they serve on penalty of dismissal from the Government service."

This was a rugged rule and it was ruggedly applied. When Congressional committees wanted to discuss postal matters with employee leaders they had to issue subpoenas to protect the leaders from the "gag rule."

The "gag rule" was broadened in its interpretation until it became a powerful weapon of oppression. Postal employees were dismissed from the service for complaining to newspaper or to State and local health authorities about the horrible conditions under which

they were forced to work. And when employees went by the rules and complained to their bosses in Washington, they were severely reprimanded for their presumption and told to accept conditions as they were, or quit.

Curiously enough, the "gag rule" remained in effect for 10 years without successful challenge. And when it was finally obliterated by the Lloyd-LaFollette Act of 1912, the Senate exacted a stiff price for its support: The wholesale prohibition against strikes by postal and Federal employees.

Nothing was heard of the "gag rule" again for 56 years, or until the House Post Office and Civil Service Committee was holding hearings on the Postal Reform Act. On June 3, 1969, the gentleman from Iowa, Mr. Gross, asked this question:

Mr. Gross: Mr. Blount, the one question I want to get out of the way real quick is this: Does your bill repeal section 7101 of title 5 of the United States Code, which states that a postal employee may not be reduced in rank or pay or removed from the postal service for petitioning Congress?

Mr. Blount: No, this section is not repealed. The new section 209, on page 1, specifically provides that chapter 71 of title 5, which includes section 7101, shall apply.

Later on during the same day's testimony, the gentleman from Pennsylvania, Mr. Nix, returned to the subject:

Mr. Nix: As I see it, if the legislation is adopted as written, the unions would be deprived of their sacred right to come to the Members of Congress to intervene on their behalf. That would be a dead duck, wouldn't it?

Mr. Blount: Mr. Congressman, the right to petition a Member of Congress is not excluded by our bill. As a matter of fact, it is precisely included.

Then the subject came up again on Wednesday, June 4, 1969; the gentleman from Iowa, Mr. Gross, was talking with David A. Nelson, the General Counsel for the Department, and General Blount.

Mr. Nelson: It is our intention to provide that Federal employees shall have the right to petition Congress.

Mr. Gross: Maybe the intention is there, but this language, in my opinion, does not so state.

Mr. Blount: Mr. Gross, I might say that that is our intention . . .

One week later the gentleman from California, Mr. Waldie, was once more asking awkward questions on this embarrassing subject. Mr. Blount was just as reassuring as he had been before.

Mr. Blount: Congressman Waldie, I have been in Washington a little over 4 months. I have been impressed with the fact that postal employees do have full rights in the political arena and exercise them in a very effective way, and I would see nothing in the language of this bill that changes that in any way . . . There, of course, is nothing in this bill to prevent the employees from coming to the Members of Congress in the same manner they have always had.

It is a wonder that after this third denial by the Postmaster General some of us didn't hear the distant crowing of the cock.

In any case, on January 12, 1971, long after the bill had been passed and approved, Postmaster General Blount, in a special release which he had concealed from the press conference he held that day, had this to say:

It is mandatory that postal employees cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service.

So, Mr. Chairman and members of the committee, as a postal employee I am presumably running a great personal risk in appearing before you today without a subpoena.

Frankly, I wish the Postmaster General would try to take some action against my disobeying his mandate because we would dearly love to test the constitutionality of his "Gag Rule" in the Federal Courts.

Admittedly, Postmaster General Blount, when he saw the uproar his mandate had occasioned, tried to back off from his original, arrogant stand. He never did really abandon his position, however, and from what we can discover in the field, postal managers over the country are saying: "We heard you the first time." As far as they are concerned, the "Gag Rule" is the law.

We have no facts or figures about how strictly the new "Gag Rule" is being enforced, but we do know it has had a chilling effect on free speech in the Postal establishment. I imagine the volume of correspondence you gentlemen receive from postal employees has been considerably diminished in recent months. We do have one instance of a postal employee—in a letter to the gentleman from Michigan (Mr. William Ford)—reporting that his postmaster told him that if he wrote to any Members of Congress again on postal matters he could "expect an early retirement."

Aside from the constitutionality of the matter, I think, Mr. Chairman, it is dead wrong for the Postal Service and its administrators to shield themselves from adverse criticism. Under the system the Postmaster General now proposes, a request from a Member of Congress for information about unsatisfactory conditions in the mail service back home will be answered by a man whose entire livelihood depends upon making his bosses look good. You are not likely to get the truth from this underling if the truth will make his bosses look like anything less than angelic geniuses.

Likewise, postal employees, if they were to go along with this new "Gag Rule," could only complain about their working conditions to the very same people who were imposing the conditions in the first place. It is not, let us say, an ideal machinery for obtaining justice or for effecting improvements of the Service.

Of course, letter carriers are not going to pay attention to this "gag rule" and we are advising them not to pay any attention to it. We also want to thank—sincerely and publicly—those Members of Congress and of this committee who have had notices posted on our bulletin boards telling our people to ignore "Blount's blunder" and not to hesitate to write you whenever the circumstances warrant it.

Mr. Chairman, I know that some could accuse me of a touch of inconsistency in my attitudes toward this newly shaped postal authority. Certainly I was originally a vigorous and vocal foe of the corporation concept as proposed by Mr. Frederick Kappel and Postmaster General Blount. Then when the great impasse developed on Capitol Hill both on postal pay and postal reform, I changed my thinking. I felt we could live with a modified version of the corporation idea much like that which was imbedded in Chairman Dulski's bill, H.R. 4, as amended. You will recall that this bill provided for five Members of Congress to participate actively in the decisionmaking and to act as on-the-spot overseers of the Postal Service. This would have given the public sufficient protection as well as sufficient protection to the Service. Unfortunately, Congress decided to go all the way and wash its hands of the entire postal business.

And we, of the NALC, don't want to appear totally disenchanted even today. There have been some things of which we approve. For example, we certainly approve of the high motivation which caused the new managers to remove postmasterships from the realm of politics.

We hope this works and we shall help it work, if we can. We also hope that the new breed of postmasters will prove to be human beings and not the bloodless accountant types who are interested only in pettifogging economies and not in improved service.

On the other hand, we were disappointed when President Nixon appointed a board of governors consisting of nine chairman-of-the-board types, without one representative of labor, not one person familiar with the legislative process, and only one member (Mr. E. T. Klassen) who had ever been inside a post office for any purpose except to mail a package. It would have been helpful, I believe, if an experienced and proven postal professional had been chosen for the board of governors—and two would have been better than one.

We were also disappointed, frankly, that the new nine-man board of governors were sworn in under conditions which seemed deliberately to snub and demean—as well as to bypass—the Congress of the United States.

And we were still further disappointed when the nine-man board—after apparently deliberating for 30 seconds—chose as the now and future king of the postal realm the present Postmaster General whose policies have helped deteriorate the postal service more than almost any other man in history, and whose tough and shortsighted recommendations helped mightily to bring about the first extensive postal strike in history.

Just before the Board of Directors appointed Mr. Blount, the Post Office Department, coincidentally, published an elaborate 31-point report on the achievements for which he was supposed to be responsible during the past 2 years. The list is really a spectacular. It should be set to music.

It deals with almost everything under the sun—except service. Mr. Blount takes credit for institutnig programs in which the patron (or “customer” as he likes to call him) does more and more of the work the post office should be doing. He takes credit for granting the 8-year compression to postal employees—an item which we, and the other exclusive postal unions, rather thought we had won from Congress and at the bargaining table instead of having it handed to us on a silver platter. He takes credit for the rising of the sun and the setting thereof. One of the items—No. 9—cites as an accomplishment the changing of the old and honored symbol of the Post Office Department—the post rider of the early 19th century—to something that looks like a stylized version of a vulture—or perhaps a turkey buzzard. But nowhere is there any claim to having significantly improved the Service and nowhere is there any indication of interest in the improvement of the Service.

As I have said, letter carriers are ashamed of the service they must give the American people today. They will not recognize any achievement by management unless it also involves improvements of the service. And I sincerely believe the new postal service is doomed unless it concentrates on improving the service instead of concentrat-

ing on false economies and destructive curtailments. I cannot see Congress permitting the postal service to decay any further than it has decayed.

I want also, Mr. Chairman, to say a few words about the first negotiations which we conducted with management and which ground to such an unproductive halt last month.

At this point I would like this Committee to know information that is being released this morning that the factfinders have been selected by the postal management. They are Messrs. Seibel, Metzler, and Rock, and according to the union's chief spokesman, Bernard Cushman, these men are experienced in their own right in factfinding and arbitration, especially the public sector.

It is my contention that management never intended to bargain with us in good faith. Negotiation, after all, is the art of give and take. Management was more than willing to take anything it could lay its hands on, but it was absolutely adamant about giving—even on the smallest and most inconsequential points. Their proposals were merely insulting—designed only to take away some rights we already possess, and not to embellish existing rights. We sat around the table during a period of 90 gruelling days and never once did management show the slightest indication of reason or compassion.

Mr. Chairman, I gather from the prepared text material, to bring the committee up-to-date on the facts surrounding negotiations, all seven exclusive unions, under their chief spokesman, did propose 60 items which concern the welfare and well-being of the postal workers.

The very last week before the statutory 90 days limitation we finally were successful in reaching agreement on one point. The U.S. Postal Service spokesman had refused to accept in our proposal on non-discrimination the word "age." During the final week of the 90 days the agreement was reached that the word "age" will be inserted in the nondiscrimination proposal of the unions.

It is my considered opinion that management never had the slightest intention of coming to any agreement with us. I sincerely believe management was scared to agree to anything for fear of political repercussions. I accuse management of planning, from the very beginning, to turn over all the major decisions to a third party—so nobody could point a finger at them and accuse them of being too liberal in their approach to labor-management relations.

I hope with all my heart that the third party—the factfinders, and if necessary, the arbitrators—will surprise them—and surprise them disagreeably. Of course, if this happens management will merely throw up their hands and disclaim any responsibility for what has happened. Far be it from these chairman of the board types to bear easily the burden of guilt of having been compassionate, or of having been responsive to the needs of their employees.

And, Mr. Chairman and members of the committee, I have no idea how long postal employees are going to put up with the stubbornness of the present management of the Postal Service. I am stating that simply as a fact—not as a threat or as a piece of demagoguery. The postal employees in many communities are unhappy and restless—they feel they have not been treated with honesty and integrity—they are resentful. They are losing the traditional loyalty which made the Postal Service great—and at times this loyalty was the only thing

that made the postal service possible. They feel they cannot trust their new managers—and there can be no loyalty where there is no trust.

During the extensive hearings which this committee held on postal reform the proponents of the corporation concept repeatedly assured you—repeatedly assured Chairman Dulski and assured the postal employees—that they were going to give postal workers a much better deal than they were then getting. We were attacked as being retrogressive and opposed to the best interests of our members because we were opposing the corporation. So now we have gone through the first phase of negotiations and we have seen only grim attempts by the new managers to deprive postal employees of rights they already have.

When the negotiations ended, the spokesman for the exclusive unions, Mr. Bernard Cushman—surely one of the most distinguished practitioners in the land—charged the U.S. Postal Service with callous disregard for the public interest and callous disregard for the needs of its employees. He added:

If management continues down the road of grudging and irritating paternalism, it will destroy the bright promise of collective bargaining and scuttle the Postal Reform Act.

Mr. Chairman, having participated in those negotiations, I concur totally with Mr. Cushman's evaluation.

Thank you very much.

We wish to thank this subcommittee for permitting us to appear here today to explain our views on what has transpired so far with relation to the proposed U.S. Postal Service.

Mr. UDALL. Thank you, Jim. We appreciate your presence here this morning.

I want to talk first about the so-called gag rule. What would be needed, in your judgment, to straighten this matter out to your satisfaction? Apparently the old Lloyd-LaFollette Act is still in existence, is not repealed, and covers the situation regarding the right to petition.

I was told that the seven exclusive unions met with top officials after the gag rule was first issued, and that it was clarified to add the words "as such" intending to mean that individual employees could continue to communicate with Congress and so forth, but apparently this is not satisfactory either.

So my question is: What would you recommend that we do? Do we need to change the law? Should the executive order of the Postmaster General be changed? What recommendations do you have for us?

Mr. RADEMACHER. Mr. Chairman, the Lloyd-LaFollette Act was enacted, I think, 59 years ago. Many things have happened in this country during that time, or even during the last 59 hours. I think it is time for a new appraisal of the policies which govern conditions of employment and the welfare of Government workers. I think it is time for a new act.

I might suggest at this point in all sincerity that any new act make it very clear that Government employees, as well as all citizens, have the right to petition their Congressmen for redress of grievances or for any reason whatsoever, and at the same time I would hope that any new act would eliminate any reference to restrictions on the right to strike of postal workers.

Mr. UDALL. Do you think it is possible to keep politics and political interference out of the management of a Government agency such as the Postal Service, and still have the free flow of communication between local postmasters, supervisors, postal workers, and their Congressmen and Senators?

Mr. RADEMACHER. Mr. Chairman, I not only think it is possible, but I hope it is going to be possible. We are vehement in our demands that politics be removed from the Postal Service, from the top to the bottom.

Mr. UDALL. Let me interrupt you there. Are you satisfied—I am, but you see it from a different point of view—that the Post Office Department has made an honest, good faith effort to eliminate political considerations from the appointment of postmasters.

Mr. RADEMACHER. I am satisfied that they have, yes, and the appointment of rural carriers, there has been a tremendous improvement, and it has helped morale. I have complimented Post Office Department officials for vigorously pursuing this objective.

I do feel that they have gone overboard in eliminating politics a little bit too much in ignoring the governing body of the United States of America.

I say also in behalf of our union that if we are to support this premise of no politics from top to bottom and we are very concerned about the statements that we have read and the facts that we have seen, that the Postmaster General has been endorsed by a political party for a senatorial position. This has a very serious stigma that can't convince our membership that politics is eliminated.

I think that suggestion ought to be denied or it ought to be admitted to and then let's rid the Post Office of politics. I am not here to personally incriminate anyone. I have nothing personal against anybody at the Post Office Department. But this Congress last year made a very drastic change. It was the first change in 192 years and did not come easy.

Now you are wondering, as we are, if you should have gone all the way. In answer to your specific question, there can be an agreeable division reached on the subject of politics. They can eliminate politics from the Postal Service, but we never want politics eliminated from the servicing of the people of America through the postal establishment.

Mr. UDALL. This jibes with my thinking. I mentioned in the hearings that we had earlier this year that I suspect that during 1 week my office has had 50 to 75 contacts with the Defense Department. No one has ever accused me of running the Defense Department in the same sense that we used to run the post office. I used to call Denver and say, "I think this fellow ought to be promoted," or "Who is going to be the architect on this building?" and meddle with the daily kind of operation. It was an evil situation. But no one has ever suggested that I am trying to run the Defense Department. There would be shock and dismay if I suggested that a captain should be promoted to a major. Yet probably before this day is out, I will not hesitate to call an air base in Arizona to take up the problem of a man who has a sick mother at home; who has a personnel problem, or to take up any one of a variety of detailed personnel problems.

It seems to me that we could get to the model of the Defense Department and the way the Congress relates to it, and have congressional involvement in these things. We can look out for the welfare of individuals, without getting back to the kind of evil and unwholesome political situation that we had in the Post Office Department.

Do you agree with this concept?

Mr. RADEMACHER. I do.

Mr. UDALL. The gag rule which was issued or announced in January, dealt with two other things. I am going to be a little tough on the Post Office Department, but I think, as you do, that they also ought to get credit where credit is due.

They ordered in January that dedication ceremonies be discontinued. I remember when they used to send three or four people out to some tiny town in Arizona at public expense to appear at a dedication of a post office. I always wondered how much money and time were spent on these things. They were always thinly disguised political occasions in which the speaker from Washington would always, on some pretext or the other, find an occasion to extol the virtues of the administration in power, in addition to dedicating the building.

I give them credit for changing this.

The third item on that same announcement was the discontinuance of the practice of giving Congressmen and Senators of the political party in power a jump on local announcements. When a new postal facility was announced, the appearance to the local taxpayers was that "I know you all personally and because of my brilliance and good looks in Washington, I have brought this about." They no longer do this. They play it straight.

Mr. DERWINSKI. I agree with that.

Mr. UDALL. I find some of my fellow Members unhappy with this. I am going to be among the fault-finders here in many other respects as we go through these hearings.

The gentleman from Illinois.

Mr. DERWINSKI. Thank you, Mr. Chairman.

First, Mr. Rademacher, may I thank you on behalf of the minority Members for your kind comments directed toward our late ranking Member. He could be properly described as a good friend of the postal employees. This committee will miss his wise counsel.

In the absence of anybody from the administration, specifically the Postal Service, I suppose I should play the role of the devil's advocate.

If I hadn't noted some references in your statement to the Chairman's subtle needle, I would have felt that perhaps your statement was entirely serious.

But I presume it is subtle rather than serious and it is intended to needle rather than to attack the Postmaster General.

If I didn't know you well, I would think that your remarks are but a statement of cheap shots, exaggerations, and distortions. But I certainly know you don't mean in that sense. You really are in a friendly needling capacity here this morning. I even take in account the fact that you admitted quite honestly that you could be accused of occasional inconsistencies, which is a human trait.

But on page 10 of your testimony you state approval of the high motivation with which the new managers have removed postmaster-ships from the realm of politics.

In the very next statement you talk about the hope that a new breed of postmasters will prove to be human beings and not the "bloodless accountant" types that I presume are presently serving.

Most of the present postmasters have been produced under the old system. In other words, the new administrators haven't had the chance to bring in the new types.

So if you are damning the attitude of the postmasters, you are damning a good many men who came in in the 1960's and 1950's and some back in the 1940's. You are damning the old breed of postmasters that you have evidently had great rapport with over the years.

I point this out as a possible inconsistency.

Then, on the next page of your statement, on page 11—and I would like a clarification of this—you state, "We were also disappointed, frankly, that the new nine-man Board of Governors were sworn in under conditions which seemed deliberately to snub and demean—as well as to bypass—the Congress of the United States."

Could you elaborate on that description?

Mr. RADEMACHER. Of course, the Board of Governors were appointed during a recess of the Congress. This was my reference, and the only reference that I have to it.

Mr. DERWINSKI. Are you aware of why it had to be done that way?

Mr. RADEMACHER. I am aware of some of the reasons that were given.

This is merely an expression to go along, as you indicated so eloquently earlier, with the needling of the testimony. We might as well make it a harpoon, as was indicated earlier, too.

I have been asked to come here and testify as to our views and we might as well include all of them.

Mr. DERWINSKI. May I ask, Mr. Chairman, just what was your invitation to Mr. Rademacher? Was it an open-end invitation to discuss anything?

Mr. UDALL. I will read the invitation which was sent to interested organizations. (Reading:)

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON POSTAL SERVICE OF THE,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C., April 27, 1971.

DEAR FRIEND: At the beginning of this Congress, the Post Office and Civil Service Committee created a new subcommittee in order to maintain legislative oversight over the U.S. Postal Service.

This subcommittee, the Postal Service Subcommittee, intends to vigorously perform these supervisory and oversight functions and to closely monitor the activities of the Postal Service during this transition period and thereafter.

During the preceding months we have been receiving a variety of complaints from Members and postal employees concerning various actions of the Postal Service. These include denying employees the right to petition Congress, attempts to deny Members routine information concerning the activities of the Service, and creating a general feeling of mistrust and antagonism among Members of Congress towards the Postal Service.

To this end our subcommittee will conduct a series of general hearings on the 7th and 11th of May focusing on the subjects outlined above to listen to our colleagues, to postal employee organizations, and to others concerned about this problem.

If you would like to testify or submit a statement, pertinent correspondence, or other materials for the record, please contact the Postal Service Subcommittee (225-7620) for further information.

Sincerely,

MORRIS K. UDALL,
Chairman.

Mr. DERWINSKI. Mr. Rademacher—

Mr. UDALL. Do you have the invitation there, Mr. Rademacher?

Mr. RADEMACHER. I have your committee resolution and I thought that I was to comment on the proposed committee resolution.

Mr. UDALL. That's right. We did not have the Scott bill at that time. The invitation said that the Udall Committee resolution would be a vehicle for discussion and they were asked to make comments upon those things. I think everything Mr. Rademacher has covered here this morning is responsive to my invitation. I don't think he has gone beyond it.

Mr. RADEMACHER. May I make one point clear, Congressman Derwinski? First of all, let's go back a little bit.

You are very much aware of the fact, and others are, too, that you, Congressman Udall, and I and a few others worked very hard for enactment of this legislation. We were successful, on March 12 of last year. So there is no disagreement up to that point. We didn't work hard for something that we want to fail. I want to make very clear in this record that the National Association of Letter Carriers wants the U.S. Postal Service to be a success.

If, between now and July 1 we can point out to this Congress where they are making mistakes so that it will not be a success, I think that is our responsibility.

I am not disagreeing with anything that you have said to me, but I wanted to make it clear that we are not coming here in a spirit of condemnation, but in a spirit of hopefully suggesting changes that will make the U.S. Postal Service work.

There has been too much put into it to now suddenly let it crumble because of wrong attitudes that are certainly evident at the Post Office Department level.

Mr. DERWINSKI. My experience in collective bargaining has been limited, but it seems to me that a few of the statements that are phased into your testimony create something less than the most pleasant atmosphere for bargaining.

For example, your statement that the Postmaster General is taking credit for the rising of the sun and the setting thereof. That is not the kind of statement that creates a very pleasant personal feeling at the top bargaining level. I grant it might be picked up by the press. It is a very attractive Shakespearean type quote, but hardly blends into the give and take atmosphere of collective bargaining.

Mr. RADEMACHER. I truly hope the press will find more in this statement to use than that statement. I always put something in these statements which gives Congress an opportunity to blast me. That was one line that I put in there for that reason.

Mr. DERWINSKI. There are a number of things that you have said that I find quite interesting.

For example, you referred, in answer to a question from Mr. Udall, to you belief that they have effectively removed politics from appointments. Perhaps they have in some regional offices, but I am not so sure they have completely whipped "cronyism" among the people who have been there for years. I am not so sure that they have whipped "cronyism" in the large post offices. But I think overall, politics has been removed.

You did say in a positive manner that they have made tremendous improvements and therefore added to the morale of your members in the area of the rural letter carriers. These would seem to me to be positive things.

My understanding from the complaints that you have lodged against the so-called gag rule is that the real fear that has existed in the Postal Service is that Members of Congress wouldn't really believe—and, in turn, some of the Postal employees wouldn't believe—that the political clout had in effect disappeared.

There have been instances of Congressmen calling a postmaster on behalf of a supervisor, asking for a promotion, or for a carrier or a clerk to be promoted, and so on, and it was to stop that continued abuse that the "gag rule" was basically motivated.

But I concur with Mr. Udall that it did go too far.

I haven't been notified in advance of any new facilities and I am pleased with that, because the last facility in my district that was announced was in a location most unacceptable to the local fathers. I was able to say, "Well, I don't know a thing about it. It was those meat-heads in the regional office." I was completely off the hook.

It seems to me that we do have to have a period of time in which the postal employees and Members of Congress realize that politics in fact has been removed. I think it is that period of time that we are now passing through.

I would hope that this "gag rule" is modified where it proves to be unworkable. For example, the dedication of buildings. I see no reason why any Congressman or Senator shouldn't participate at the final dedication ceremonies. By that time, the building is there. It is no longer political. So perhaps that could be done.

But I think we do have to be aware of the historic political involvement and need to effectively cure it. Would that be inconsistent with your experience in the last few months?

Mr. RADEMACHER. No; it would not. But I am just suggesting now in return that unless this statement, which I shall now quote, is completely eliminated from existing publications, there is a gag on postal employees. There is a chilling effect which frightens employees from appealing to their Congressmen.

"It is mandatory that postal employees cease any direct or indirect contacts with congressional offices on matters involving the Postal Service." That is still a matter of policy. It is still published on bulletin boards and it has a chilling effect.

Mr. UDALL. Let me interrupt here. For the record, I would ask unanimous consent that the statements from the Postal Bulletin which I have of January 21, 1971, which contains the text of the so-called gag rule, and a memorandum on congressional contact signed by Mr. Blount, from which Mr. Rademacher was reading, and a further statement supposedly clarifying this, entitled, "Employees retain right to petition," and quoting the Lloyd-LaFollette Act, be printed in the record.

(See pp. 69-76.)

Mr. DERWINSKI. I would have hoped that you would have given us some very specific examples of how this "Gag Rule" was applied, some discipline against a clerk or carrier. That would make the record

more meaningful. Do you have any examples where a postmaster harassed or demoted a postal worker?

Mr. RADEMACHER. Thank you for the suggestion, Mr. Chairman. May I read the letter addressed to Congressman William Ford, which is very brief, from Casa Grande, Ariz., to answer Congressman Derwinski?

Mr. UDALL. Yes.

Mr. RADEMACHER (reading:)

CASA GRANDE, ARIZ., March 18, 1971.

Congressman WILLIAM D. FORD,
House of Representatives,
Washington, D.C.

DEAR SIR: I am a letter carrier in Casa Grande, Arizona and have had several occasions to write to my representatives in Congress concerning postal matters. I have received correspondence from them and telephone calls from Senator Paul Fannin's (R-Az) office. My correspondence and the telephone calls has met with much displeasure with the local management.

On March 2, 1971, I was told by the postmaster that if I wrote to them again about postal matters, that I could expect an early retirement. This conversation was heard by the letter carriers and postal clerks in our office. This I must say has been very upsetting to both me and the other employees. We are dedicated postal employees and are proud of our work. We want to make the postal service better and suggest ways of doing so, many are accepted and many are not. Perhaps we step on someone's toes at times, but whatever the reason may be, we do not want the right to express our opinions to the ones who can help, denied us. We do not want to be threatened nor intimidated or as it is so popularly known now as GAGGED.

I would appreciate it if you could see it possible to let us know just what our rights are. If I am wrong, then I shall personally apologize to everyone concerned.

Respectfully yours,

EDWARD E. CLUTTER.

Mr. UDALL. I would ask unanimous consent to put in the record the response I made to the same letter which was also sent to me.

This is in my congressional district. I can assure Mr. Rademacher if he is retired early because of any communications, there will be some other early retirements higher in the hierarchy.

(The letters follow:)

APRIL, 6, 1971.

Mr. EDWARD CLUTTER,
Casa Grande, Ariz.

DEAR MR. CLUTTER: As you know, there's been a lot of discussion about Mr. Blount's regulation on congressional contact. I've made it clear to him that I don't think that any postal employee should feel restricted about writing his congressman. In fact, the only limitation that the Postmaster General insists on has to do with official business. Therefore, the kinds of letters I've received from you and your co-workers would certainly still be legal and appropriate.

If your superior did in fact threaten you with "early retirement" (meaning, I assume, involuntarily), this could constitute possible unethical action. If you choose to pursue this, I suggest the following course of action:

1. File a grievance with your Personnel Office, setting forth the requisite information, including witnesses, etc.
2. After completion of this action, and you still feel that the conclusion was not satisfactory, I'd be happy to review the entire matter and direct my good offices towards an early resolution of your situation.

I'm also enclosing an earlier letter I wrote to a Tucson letter carrier which states my position on these matters. I hope you continue doing the fine job you have done in the past—please give my regards to the other postal employees in Casa Grande.

Sincerely,

MORRIS K. UDALL.

JANUARY 26, 1971.

Mr. P. A. ROUSSEAU,
Tucson, Ariz.

DEAR MR. ROUSSEAU: I am aware of the letter from the Regional Director and believe that a horrible misunderstanding has occurred. Letters such as yours concerning any aspect of the Postal Service as it relates to you personally are allowed and I am hopeful that you will continue to write them. In addition, if you have any criticism or advice concerning legislation or other matters of concern to you, you are free to write these types of letters and I hope you will do so.

I hope this clarifies the situation for you and rest assured that you are free, as are your co-workers, to continue to write me on matters of concern concerning the Postal Service. You can petition me for changes in the law or changes in problems, and I will continue to do what I can to alleviate them. That was not the purpose of the memorandum and I hope this is made clear to your fellow employees in the Department.

I hope this clarifies the matter and I can certainly appreciate your concern. Thanks for writing.

Sincerely,

MORRIS K. UDALL.

Mr. RADEMACHER. In response to the question, because of what has transpired and the absolute mandate issued, the chilling effect has prevented employees from violating the mandate, thereby obviating any disciplinary action. So I can't come to the Congress and lie or exaggerate. I can just tell them what I hear around the country. There have been postmasters who have insinuated, "Now we have got you where we want you," and so on. I don't want that brought before the Congress. I would rather have the order rescinded than to bring in a lot of cases that would be exaggerated that I have not investigated.

Mr. DERWINSKI. I am pleased that you raised this case, but I think it is clearly a case of a postmaster misinterpreting the regulation, going far beyond the intent of Mr. Blount's rule. As I understand it, the heart of the rule was to permit effective communication between the Congressmen and the Department and they, in turn, would get the facts, whatever they would be, from the regional or local office. I haven't noticed any loss in communication.

I have noticed that some of the postmasters have been a little unsure of their grounds as to what they should and shouldn't say in response to an inquiry from the regional office about a congressional complaint or inquiry. I think it is a matter of working out the bugs in that system.

I do think you are correct when you state that this has the effect of perhaps substantially cutting the flow of communication.

Mr. RADEMACHER. You touched on something, Congressman Derwinski, that has been the basis of grievances in the Post Office historically. That is intent and interpretation. Every postal employee is required to read the Postal Bulletin. He can read what I just read to you. That is still posted in all Post Offices. I don't care what follows it.

I want to say that when we called attention of this to the Postmaster General, we met and the decision was that they would publish some sections of the Lloyd-LaFollette Act, but they would also publish their mandate.

What does a fearful employee read first and remember last? The mandate.

Mr. DERWINSKI. I appreciate the fact, Mr. Rademacher, that you have this reputation for possessing a subtle harpoon, and I want you

to know a few weeks ago when Mr. Blount's secretary called to set up an appointment for him with me, I instructed my staff to say that I wouldn't see him unless he possessed a letter from a Mr. Jack Powell authorizing him to speak to me. I felt in this way I could make a point.

As much as it might irritate me as a member of Congress, especially a member of this committee, accustomed to overcontact, perhaps, with people in the Postal Service, I can also see where the correction becomes necessary.

Right in the department, there are people still in substantial positions, especially in the larger offices such as New York and Chicago, who were put there in the days of the strongest political flavor. They still operate as if politics was the rule of the day. I hate to see something overcorrected, but I do see the need for a proper approach to this new mandate which is to keep politics out of the Post Office.

Mr. RADEMACHER. May I just conclude, unless you have further questions of me, by giving you an example of what could happen. There is continuing a deterioration of service and curtailment of deliveries.

If a number of letter carriers in Philadelphia should desire to write to their Congressmen because the business patrons are up in arms and blaming them because the three deliveries in business areas have been reduced to two, should they not have the right to let their elected representative know the views of the people who also elect these representatives, or should they be told, "You can't complain about the Postal Service because we only have one man that can answer that question and he is in Washington, a couple of hundred miles away from Philadelphia"?

That is an example of what can happen. We are not here today to put on a show. I would have been just as happy being in my office responding to some other complaints that I have because the situation is extremely serious in our union today, especially as a result of the breakdown of negotiations. I would rather be there. But I am coming here to try to head off a collapse of the U.S. Postal Service that was born in this room.

Mr. DERWINSKI. You have always been a very effective spokesman for your members and I am sure you are reflecting quite a bit of what you have heard from them. Even though I disagree in some part with some of the technique of your statement this morning, I do recognize that you are speaking for the very sensitive and natural view that your members have.

Thank you for your subtle approach.

Mr. UDALL. We will now pass the harpoon to the distinguished chairman of the full committee, the gentleman from New York.

Mr. DULSKI. Thank you, Mr. Chairman. After hearing these verbal exchanges, I feel as though I am being called upon as a relief pitcher.

First, let me say that I appreciate the opportunity to hear the testimony of the distinguished president of the Letter Carriers' Organization.

You mentioned the vulture in your statement, and I think you know that Assistant Postmaster General Hargrove mentioned a different bird in a recent speech. He said:

To fly to the sheltering arms of the Treasury would be to crawl back into our nest. We don't have any intention of doing that. Now that we are an eagle, we will fly, not crawl.

So, now we have eagles as well as vultures.

Mr. UDALL. You need a chicken hawk or two.

Mr. DULSKI. They certainly won't hurt since it seems that positions taken by Congressmen are categorized by references to birds. There must be a message there somewhere.

It has been said that silence is golden, and I agree. Therefore, I will just briefly say that I am confident in the same manner as you that the Postal Service can be a success. I think these two gentlemen have done a tremendous job in the area of postal reform and that they will do everything they can to make it work.

I have a great deal of respect for you two gentlemen who have done such an important job in the interest, not only of employees, but for better postal service for the public. I can only urge you to continue your good work.

Mr. UDALL. Thank, you gentlemen. We appreciate your appearance here this morning.

The subcommittee will now hear from David Silvergleid, president of the National Postal Union, accompanied by Ed Bowley, legislative director.

I also see a stranger from New York, Mr. Biller, with you. Is he there for advice?

Mr. SILVERGLEID. Moe Biller will join with us and I believe later on he will submit his own testimony.

Mr. UDALL. Very well.

STATEMENT OF DAVID SILVERGLEID, PRESIDENT, NATIONAL POSTAL UNION, WASHINGTON, D.C.; ACCOMPANIED BY EDWARD L. BOWLEY, LEGISLATIVE DIRECTOR; AND MORRIS BILLER, PRESIDENT, MANHATTAN-BRONX POSTAL UNION

Mr. SILVERGLEID. Mr. Chairman and members of the committee, for the record, my name is David Silvergleid. I am president of the National Postal Union. Our union has a membership of 80,000 postal workers of all crafts and 10,000 other workers in the Federal career service.

Appearing with me is our legislative director, Edward L. Bowley and, on my left, the president of the largest local union known in the world, Morris Biller, of the Manhattan and Bronx Postal Union, representing some 27,000 postal workers in the New York City area.

Mr. Chairman, I would like to associate myself with the remarks that have been made by the previous witness and members of the committee with respect to the late Bob Corbett. Those of us who have been around for a period of time can remember him in one particular phase of activity. We remember very vividly the so-called Corbett amendments. Every time an impasse was reached in legislation where it seemed that the employees were going to be ignored, Bob invariably came in with some sort of a compromise proposal that was acceptable to everybody. Needless to say, he is going to be sorely missed.

Mr. UDALL. He had a great knack for people and for finding that elusive middle ground position that everyone could agree upon. He will indeed be missed. We appreciate your remarks.

Mr. SILVERGLEID. I am sorry the gentleman from Illinois had to leave. I want to make it abundantly clear that we are here to be critical—constructively, we hope—and that we do not believe that the

chairman's resolution would have been submitted had a pleasant atmosphere been generated between the Post Office management and the employees, the public, and Members of Congress.

So, while we feel the atmosphere is pleasant between our leaders and the members of the committee, we also must admit that it is not pleasant at all as far as postal management is concerned.

Mr. Chairman, we are presently voting on a merger with four other unions into the American Postal Workers Union, AFL-CIO, which will have a membership of more than 300,000. The merger is one part of our answer to the state of communications in the U.S. Postal Service today. National Postal Union is highly appreciative of this opportunity to discuss those communications and their implications for postal workers and the general public.

I might also say at this point, Mr. Chairman, that we read into your resolution the fact that you were interested in communications generally and not only with strict relation to the gag law.

Mr. UDALL. Yes, sir, we are.

Mr. SILVERGLEID. As the members of this subcommittee know, NPU opposed the so-called reform legislation that led to the formation of the U.S. Postal Service. We emphasized that the postal service would become worse because of the self-sufficiency mandate given this quasi-corporation. We emphasized that the kind of collective bargaining provided—without the right to strike—was not an adequate substitute for our right to petition the Congress on wages and working conditions and for Congress to set those conditions.

We do not want to belabor this point or to say, "We told you so." But there are already strong indications that our fears were justified. We must now live with the corporate structure called for by the Kappel Commission, but we have not changed our position on postal reorganization, however academic the issue may be at this moment.

Communication within the U.S. Postal Service is now at two levels. There is a public relations approach intended to soothe ruffled public feathers and to create a bright new image.

There is also a second, more serious, form of internal communications which is already threatened with breakdown. Both forms seem to have their genesis in corporation public relations, which fails to recognize that serious problems of consumer and employee relations have arisen because performance has been lacking.

A few days ago the Postal Service announced with much fanfare that it is naming an ombudsman to take care of complaints received from the "little people." Earlier, it had unveiled with corporate solemnity a new symbol which replaces the trustworthy postman on his eternal rounds.

I might add, in case there is any doubt about it, that this refers to the vulture.

We have no quarrel with this kind of public relations, although it is no substitute for results. We would remind our employer, nonetheless, of "Abe" Lincoln's admonition that you can't fool all the people all the time.

We now have a situation in the Postal Service not too dissimilar from that on the railroads, where public service has given way to the demand for self-sufficiency in passenger traffic.

This is neither the place nor time to argue the merits of passenger service, but it is hardly a secret that the response of the roads has not been better service at economic prices, but a steady reduction of service. The final answer has come in Amtrak, the new quasi-public corporation that will handle passenger service.

I cannot help but wonder what kind of corporation will be evolved to handle nonprofitable mail service as the U.S. Postal Service sheds itself of unprofitable service to meet its ultimate goal of self-sufficiency.

Empty corporate public relations, even dressed up with ombudsmen, will not answer the problem of the public service. The best communication for the postal service is better service. What goes on is spelled out in a recent syndicated column of Robert Allen and John Goldsmith and I quote:

It's going to take more than rosy promises by Postmaster General Blount to convince mail users that the service is improving.

This newspaper column describes what is transpiring. Our own organization, like others in Washington, D.C., has also had to cope with the consequences in delayed mail. Again, I quote from the Allen-Goldsmith column:

For the first time in the nearly half century-old history of the National Press Building in the heart of Washington one block from the U.S. Treasury, the last daily collection is now 5:45 p.m. Until a few weeks ago, collections had been on an hourly basis until around midnight. Then, without warning, they were suddenly cut back to 5:45 p.m., with even more sweeping cutoffs on weekends and holidays.

The object, in our opinion, is to cut the postal labor force at the expense of the public service. The public, of course, will pay more for worse service. Senator Gale McGee is reported by Allen and Goldsmith to have complained to Postmaster General Blount that:

What the postal administration appears to be doing is a conscious and deliberate effort to reduce the cost of running the Service to the point where the Postmaster General can say he is breaking even regardless of the kind of service provided.

I point out further that many big mail users who screamed loudest for a corporate structure—including most of the press—now are screaming because of higher prices for poorer service. I also cannot help but note that the profits of our enterprise system will not flow in bounty unless they are bolstered by an effective postal service run for the public interest. Clearly, public relations is not the answer—corporate or otherwise.

Exhibit No. 2, which I now offer, illustrates another kind of meaningless—but expensive—communication now being mounted by the Postal Service. I received a copy of this expensive publication at my home because I am on the roster of postal employees. I don't know whether you have seen a copy of this, Mr. Chairman, but it is a beautiful public relations piece of work addressed to the employees in an obvious effort to convince them that they now face the golden future that was painted here so artistically by the Postmaster General when he secured passage of Public Law 91-375.

Mr. UDALL. Thank you for that. We will have that for our files.

Mr. SILVERGLEID. This kind of public relations can best be characterized as a shallow attempt at a corporate paternalism that is already dead in much of the private sector. At a time when there are cutbacks

in service, when job security is threatened and when there is whipcracking of a nature that has never before in my time been employed in the service, postal management is resorting to slick public relations to convince postal employees that they must not believe the naked evidence unfolded before their eyes almost daily. Such slick propaganda is no substitute for mutual trust, based on fair play. It is creating a serious communications gap in postal labor-management relations.

The naked fist has become evident in the postal service, despite attempts to hide it under a velvet glove. The fist became evident in a most threatening manner not long ago in the notorious Blout directive seeking to deny postal workers the right to petition the Congress.

We informed postal management that we regard our constitutional rights as far superior to such arbitrary commands. We intend to guard jealously the right of every employee to petition the Congress—no matter what the subject of his complaint. Our appearance here today symbolizes our intention and our belief that our constitutional rights cannot be abridged by our employer.

Not long ago, the PMG issued a directive establishing broad local autonomy for postmasters. The language of autonomy was spelled out in terms of efficiency and flexibility. The meaning soon became clear. The directive has turned out to be a license to crack the whip over the heads of postal workers. Whipcracking increasingly is becoming a one-way management form of internal communications.

In Dayton, Ohio, the local postmaster interpreted autonomy to mean his personal right to establish local labor-management policy in his own image. The result was a "five strikes and out policy." Any worker late or absent from the job five times got his walking papers, no matter how legitimate his reasons for lateness or absence—other than actual sick leave.

I might add that this was applied generally regardless of the employee's length of service and past record. Having become a labor relations expert by decree, the Dayton postmaster established a procedure involving counseling, warning, suspension, and dismissal as the final punishment.

However, I want the record to show that as a result of the publicity given this attempt by the Dayton postmaster and the outcry raised by the employees, the order was rescinded.

Despite administration claims that postal workers would have better working conditions after enactment of the Postal Reorganization Act, physical conditions have continued to deteriorate. New York City workers have already complained in vain about rats, filth and other discomforts arising from lack of management concern with cleanliness.

Our New York affiliate, Manhattan-Bronx Postal Union, has been forced to engage in demonstrations to win hearings on grievances. This is hardly unique to New York. We have had complaints from other locals, and there have been demonstrations elsewhere, the latest in Milwaukee. Communications at the job level are deteriorating in the face of a management which now seems to feel it is insulated from congressional wrath.

Some time ago, postal authorities in Detroit received an anonymous tip that a bomb had been planted in the main post office of that city. The fire and police departments were notified, and midnight shift workers were not permitted to enter while the traffic was detoured.

More than 1,500 workers were inside the Detroit Main Post Office. They were kept totally in the dark and learned of the scare only when workers seeking to leave the building for lunch breaks were told they could not leave. The danger to those inside was very real because two mailboxes had been blown up the very same day.

None of the unions in Detroit were even notified of the problem, although their cooperation in doing whatever had to be done could have been vital. Management apparently has adopted the attitude that it alone knows best, including knowledge of when the lives and safety of employees should remain endangered.

Postal workers today feel threatened. They know that management took the position that 100,000 jobs can be eliminated over the next several years in its earlier U.S. Postal Service planning. They fear mass layoffs, arbitrary firings, and whipcracking. This has become the language of postal management—the language heard by postal workers.

The fears of postal workers are by no means allayed by the kind of language used by management even in its puff propaganda. I quote from the publication, "The Best Route," our exhibit No. 2:

Salaries, benefits and working conditions in effect under the old system will continue for those covered by collective bargaining until changed by union-management contract.

The recent collective bargaining between postal unions and management illustrates the meaning of such communication, and we get the real message loud and clear.

Under Public Law 91-375, National Postal Union, with a membership of 80,000, was excluded from the negotiations that have just completed their first phase. Nonetheless, we have a huge stake in the success of these negotiations and that stake has been multiplied by our efforts to achieve unity of all postal workers in one postal union. Sad to say, management has resorted to the language of arrogance in its most recent communication with postal workers.

Our organization has characterized the negotiations that have already taken place as a farce. Management has succeeded only in reinforcing the determination of postal unions to win the right to strike. Because management wears no-strike earplugs, it appears to regard collective bargaining to mean that it has a right to destroy working conditions granted to us by the Congress. We charge that management is deliberately flaunting its contempt for the mandate to bargaining which Congress wrote into the Postal Reorganization Act.

Here are some of the conditions management would impose upon us:

A management-rights clause that unions in the private sector would never buy and which would deny postal unions a real voice in such matters as job safety and changes in working conditions resulting from technological alterations.

Elimination of the present notice for disciplinary action required under Civil Service regulations.

Unilateral determination of the steward system structure at the job level.

Unilateral right of management to establish new jobs without consulting the union.

Unilateral right of management to establish work measurement schemes.

We know now what management means when it says working—I need hardly remind the chairman of the years we sought to eliminate one obnoxious system that was in effect for 10 years. We know now what management means when it says working conditions in effect at the time of the Postal Reorganization Act will continue until changed by collective bargaining for a union-management contract.

Management does not look at collective bargaining as a vehicle to improve the conditions and morale of its work force. Because we are shackled by a no-strike law, management views the process only as a means to alter working conditions to meet its goal of self-sufficiency.

Over 90 days of negotiations, management failed even to place a one-penny wage offer on the table. We predict that if this is to be the language of collective bargaining in the U.S. Postal Service, Congress will be forced to again assume the burden of establishing wages and working conditions. The alternatives will be constant morale deterioration and, in the ultimate, spontaneous explosions.

NPU's reservations regarding the new U.S. Postal Service have, unfortunately, been reinforced by the passage of time and the events that have so far accompanied its evolution. We believe, however, that the Congress can still take action to rectify much of what has gone wrong.

The final authority over the postal service will continue to remain in your hands until the Constitution of the United States is amended to the contrary. We do not believe that the Congress intended that postal management should be given a license to run roughshod over mail users and postal workers when it enacted the Postal Reorganization Act.

Again NPU thanks this committee for hearing our views.

Mr. Chairman, I would like to make a little comment on a question you asked.

Mr. UDALL. I would welcome it.

Mr. SILVERGLEID. About a possible solution at this time to the present gag law as it still exists.

I would agree, of course, that one of the ways to remove it would be for the Post Office Department or the U.S. Postal Service to publish in its official bulletin a statement to the effect that only the Norris-LaGuardia Act applies and that there is to be no restriction in communications between workers and Members of Congress.

But I think there is a more effective alternative. This has been on our legislative program for years. Perhaps we are now reaching the point where the Congress will give it serious consideration. I am referring to a repeal of that provision in the Hatch Act which removes from Federal workers practically all of their civil rights insofar as politics is concerned. I believe if the Hatch Act were amended and Federal employees were given the right to act as first-class citizens in the arena of politics, that this would remove any possible obstructions insofar as their relations with Congress were concerned.

I offer that as a suggestion at this time.

Mr. UDALL. That is an interesting and helpful suggestion.

As you know, I have felt that we are going to have to amend and liberalize the Hatch Act. It is no longer entirely applicable.

In the light of your first suggestion, I would make this comment: The poor fellow out in Sioux City who reads this bulletin, which is written in technical language, and has a wife and family to support is likely to resolve any doubts in favor of not communicating. He doesn't know precisely what his rights are.

If we are to go the route of rewriting or posting on other bulletin boards some clarification of this gag order, it might be effective to spell it out in terms of do's and don'ts. You may write your Congressman about this, that and the other, that you may communicate in the following fashion, and then if there are any don'ts list them specifically.

This is presently written in rather broad and technical language that might inhibit someone.

Mr. SILVERGLEID. I think the chairman may not agree officially, but with characteristics obstinacy the Postmaster General refuses to modify it in any way at this point.

I agree with you that it has to be spelled out simply for our people, and directly, so that no apprehensions will exist and there will be no doubt about what it means.

Mr. UDALL. I have given them similar advice publicly and privately with very little success to date as you well know. I have no other questions at the moment and we thank you for coming.

We will now hear Mr. Biller as long as you are there at the table, Mr. Biller, and we will take Mr. Sombrotto next.

STATEMENT OF MORRIS BILLER, PRESIDENT, MANHATTAN-BRONX POSTAL UNION, NPU

Mr. BILLER. Thank you, Mr. Chairman, and distinguished members of the committee.

My name is Morris Biller and I am privileged to be president of the 27,000-member Manhattan-Bronx Postal Union, affiliated with National Postal Union, the largest single local postal union in the Nation. I am also privileged to speak for the New York-North Eastern New Jersey Area Bargaining Council, thus presenting the feelings of a total of 45,000 postal workers in the Greater New York metropolitan area.

The Postmaster General's gag order of January 12, 1971, directing postal employees to "immediately cease any direct or indirect contacts with congressional offices on matters involving the Postal Service * * *" is an insult to every single postal worker in the Nation. It attempts to turn the clock back some 70 years when another gag order was issued, and unionism in the Postal Service was weak. However, this is another era and the Postmaster General better realize this. Present day postal workers will not be gagged.

As a president in a local area which is the commercial hub of our Nation, I should like to convey to you the reaction and feelings of the rank and file postal workers. They are boiling with anger that the Postmaster General would even have the temerity to issue such an order in this day and age. As a matter of fact, they refer to him as the General because they feel he has forgotten himself and thinks he is commanding troops. They believe it is calculated to make them submissive to the new big business management of the Postal Service.

However, by the nature of the hundreds of angry telephone and personal protests it is clear that the Postmaster General's action has been an abysmal failure. Postal workers have stated categorically that they will not be intimidated and will defy the order. They believe the use of the section of the law calculated to remove politics from the Postal Service is a flimsy alibi. Postal workers have not been fooled and they see this edict for the repressive measure it is intended to be.

On behalf of the membership that I am privileged to represent, I want it known that we get the Postmaster General's message loud and clear. However, putting it bluntly, our response is "We're American workers and nobody is going to shut us up." We will continue to contact our Congressmen when we feel that it is necessary for us to do so. We will continue to contact all news media, radio and television and the public about adverse working conditions, safety hazards and unsanitary conditions, every time postal management delays or fails to correct them.

I should like to inform the committee that in implementing this gag order the corporation is now requiring all applicants for postal employment to sign a supplemental statement for postal employment-political recommendations prohibited. This has now been carried much further and each time an employee submits an application for transfer to another post office station—and that is in the same organization, Mr. Chairman—or a bid for reassignment to a preferred assignment, both of which have been granted on the basis of seniority for decades with no other requirements, the employee is compelled to sign such a statement.

They find this obnoxious and repugnant to their thinking. In addition, they have developed the feeling that they are to infer from this that perhaps they should be thankful to "papa" in charge of the Postal Service for this opportunity rather than to their strength through union activity which secured them these seniority rights for transfer or reassignment to another position. Each committee member has been supplied with a photostatic copy of this form. The entire concept smacks of totalitarianism and will not work.

The reason I cite that, Mr. Chairman, even if it is in small print, is that it would seem like the days when you saw in other nations "Sieg Heil" or whatever reference might be made to the man in charge. Even though these copies that I am showing you, Mr. Chairman, I would like to have submitted, a protest from employees on their own is drawn up as what appears to be a form letter from an organized group, but it is not so. As a matter of fact, I felt it wasn't clean enough to submit to the committee.

These are a group of people who are called letter sorting machine operators, level 6. That is being phased out in favor of the new zip-coding machine translator, not requiring schemes, which is normally level 5, a lower level.

However, because of the knowledge of these people, their ability on the schemes and their ability through these other machines to handle unzipcode mail, they are at least promised at this point to retain their present level.

It is preposterous that they have to fill out these forms and the people are up in anger.

Incidentally, Mr. Silvergleid spoke of the bomb scare in Detroit. Just a little over a week ago—unfortunately it was brought to my attention after it was over—an active and live bomb was opened and detonated in the Post Office by police, the police anti-bomb squad, in the claims and inquiry section of the Main Post Office just a floor above the postmaster. They would not release the employees even from that office or the general area. It was a package that was in the Dead Letter Office lying there for weeks. When it came to auction day they discovered it.

It was kind of a ticking operation. Quite frankly, I think the employees were foolish for not just walking away and walking off because it absolutely made no sense. As a matter of fact, Mr. Chairman, with reference to this gag order, I personally continue to defy this order and contact members of Congress whenever I deem it necessary in the interests of my membership. More important, if the Postal Service fails to clean up the filth in the New York letter factories, be assured that I will request Congressmen and Senators to personally tour these post offices to see the slum conditions, firsthand.

There is a lot of high public relations talk about environmental protection which is little more than window dressing at the moment. We are hopeful when the service comes into being on July 1 that we will see whether the alleged freer hand will be used to give us better conditions and buildings or whether that hand thinks it is going to be free-swinging against the postal workers.

I further believe that this order was issued because postal officials believe that without the right to strike and without congressional protection, the postal worker will be at the mercy of its big business management. They could make no bigger mistake. As a matter of fact, Mr. Chairman, somebody said previously that this is not a matter of threat, and it is not.

I think you will find in the history of this Nation that if the ingredients for explosive action do not exist, no labor leader, no matter how effective or what kind of hold he has over his membership, can get them involved in a strike.

Similarly, where the ingredients do exist, no labor leader, no matter how effective, can prevent the workers from withholding their labor, whether it is the law or not.

Again, this is not a threat but I think we should state the facts as clearly as we see them so that people will not say they have not known in advance.

You may as well be aware that all that the managers have proposed to postal workers in 90 days of negotiations is to deprive them of their job security. We serve notice this won't work. Verboten to contact your Congressman or Senator won't work with U.S. postal workers. We are fighting back and come what may we will never be gagged.

I wish to thank you for the opportunity to present my views, the views of the many thousands of postal workers in the area I am privileged to represent.

I would hope, Mr. Chairman, that I can present these protest letters from the people.

Mr. UDALL. We will be glad to have them, Mr. Biller.

Mr. BILLER. Thank you very much.

Mr. UDALL. As always you have given us a very blunt and forthright exposition of your position and I am glad you came down today to do this.

I would like to invite some of the subcommittee members to come up to New York some of these days and take a tour with you.

Mr. BILLER. I think it would be great. I will be happy to hear from you, Mr. Chairman. If you are too busy and forget I will be happy to remind you if it is not presumptuous.

Mr. UDALL. Thank you very much.

Mr. Sombrotto?

STATEMENT OF VINCENT R. SOMBROTTO, PRESIDENT, NEW YORK LETTER CARRIERS BRANCH 36, NATIONAL ASSOCIATION OF LETTER CARRIERS

Mr. SOMBROTTO. Good morning, gentlemen and distinguished Chairman, I will begin to read from this text and at times during it I will make some comments, if that will be permissible.

Mr. UDALL. Vince, we are glad to have you here. We have one more witness, but you have 10 or 15 minutes. You and Mr. Levanthal, who is with you, have the rest of the morning, so go ahead.

Mr. SOMBROTTO. Mr. Chairman, members of this committee, and distinguished guests, it is indeed a privilege to be here to testify before this committee as president of Branch 36, New York and a members of the National Association of Letter Carriers. I appear before you today in order to present evidence that enjoins postal employees from acting on their own behalf through the "Right to Petition" title V, United States Code No. 7102 (Lloyd-LaFollette Act of 1912). "The right of employees, individually, or collectively, to petition Congress or to furnish information to either House of Congress, or to a committee or member thereof may not be interfered with or denied * * *"

The above statement is a part of a law of this land and postal workers are not different from any segment of our population; in that which prevails as democratic law must be applicable for postal workers as part of that population. Yet on January 12, 1971, that segment of our citizens were ostracized, made exceptions to the law of this land, and set apart from the right to petition. With the stroke of a pen by the former Postmaster General Winton M. Blount, who is presently Chairman of the Board of the newly formed Postal Service, he has struck a blow for totalitarianism that is both an insult to the legislative branch of this Government and placed a gag on 750,000 loyal, dedicated American employees of this Nation.

It is with utter dismay and somewhat of a shock to us as employees and civil servants of this Government, that the following directive is expected to be mandatory within the Postal Service; "It is mandatory that postal employees immediately cease any direct or indirect contacts with congressional offices on matters involving the Postal Service."

I post a question at this time to the distinguished members of this committee. What is to stop the Chairman of the Board from going a bit further in order to deny postal workers any other freedom the American people enjoy in a democratic society ruled by a democratic form of government? Would you allow a directive that would forbid postal workers the right to vote for Members of Congress?

Yet these same workers are being denied the right to petition those same Members that they have the right to vote for and elect to congressional office. There certainly is a real danger to freedom when destructive dictatorial persuasion raises its ugly head. The one thing that sets these United States apart from any other nation is freedom for all regardless of race, color, religious persuasion, and I may add, the vocation we choose to follow.

Title V, United States Code 7101, provides in pertinence that: "a postal employee may not be reduced in rank or pay or removed from the postal service because * * * (2) presenting individually, or as a member of a group of postal employees, a grievance to Congress or a Member of Congress."

Again I repeat, title V, United States Code No. 7102, provides that "the right of employees individually or collectively to petition Congress or a Member of Congress or to furnish information to either House of Congress or to a committee or member thereof may not be interfered with or denied."

Thirty-nine United States Code No. 410 (B) as contained in section (2) of the Postal Reorganization Act makes the foregoing provisions applicable to the new Postal Service.

Surely the above quote of the laws is self-explanatory. However, should the Chairman of the Board of the Postal Service desire to trade his mandatory directive for the right to strike for postal workers, I am most certain my brother letter carriers would indeed oblige him.

At this point I would like to make some comments as to what I have heard from the previous distinguished members of our craft and all other postal unions that were represented here today. I would indeed be doing a disservice to my particular membership if I did not bring to light certain elements—I find myself in the position of bringing to your attention the fact that while this gag rule is what we are primarily here for today, to me this is only a harbinger of what can happen in the future. It is only the forerunner of what is happening right now in the Postal Service.

I submit to you, as some of my colleagues have so eloquently put it before me, that a program has been instituted within the Postal Service at this point where they have subverted national agreements, where they have rendered abuses, where they have broken all the rules of local agreements. An order of suppression and repression now permeates the postal community.

I have direct reference to my own particular segment of the country, New York City. The fact of the matter is while they are negotiating or supposedly negotiating a contract at this point, they are implementing changes, which they do not have a right to do in my judgment. They are constantly probing the mettle and the desire of the postal employees to fight back.

The utter disdain with which they have treated us at the first stage of the new arrangement, if you will, the collective bargaining process, the fact that not one proposal was put on the table. That has created a situation and I would be less than honest if I did not bring it to your attention.

The same chemistry that prevailed in New York City prior to March 17 when we had the first postal strike in history is there again. In fact, it is even more so. Directives like this are responsible for it.

The postal employees get the impression that the vehicle that you have so eloquently put forward here, which you so staunchly advocated, has not up to this point proven beneficial for the postal employee. As an elected official of the postal employees that is my only concern at this point.

I do not know what alternatives we have at this point, but I would tell you this: I want to make it clear for the record that it is not a threat; it is just a reporting of facts. The postal employees in New York are ready to take that drastic action again. They are ready to strike, whether it is legal or illegal, if something is not done to prod this postal management into some meaningful negotiations.

We do not care if it is called the U.S. Postal Service and it is a new concept. The accent here has been put on whether a Congressman or a Senator can go to a building, and that has been done away with. The accent here is that the politics should be removed. The fact of the matter is, it does not make one bit of difference to us whether politics are in the service or out of the service. It is what we get as postal employees that is primarily our interest.

Mr. UDALL. Let me ask you a question. Suppose you gathered together a hundred typical letter carriers in your organization—not necessarily the brightest ones or the most politically involved ones, but ordinary run-of-the-mill employees. What main grievances do they have these days? Is this gag rule a big thing? Is it low pay? Is it unsanitary working conditions or arbitrary management?

Give me a list of the gripes these fellows would give me if I sat down with a hundred of them.

Mr. SOMBROTTO. I think in your infinite wisdom you came right down to it. It is low pay and working conditions. Obviously that is the most important to every human being, how can he provide a decent standard of living for his family? That to him is his primary function as the head of the household.

Mr. UDALL. Is he worse off today financially than he was 2 years ago?

Mr. SOMBROTTO. I can only speak specifically for my area, and I would say he is.

Mr. UDALL. We had a 6- and 7-percent increase this year and a similar one a year before that. Inflation has eaten up this 18- or 20-percent pay raise we have had?

Mr. SOMBROTTO. It has chewed it up and spit it out, and there is nothing left.

Mr. UDALL. The ordinary letter carrier views himself as being worse off financially than he was a couple of years ago?

Mr. SOMBROTTO. I would submit this to you: the fact of the matter is that the best people we have, the most intelligent, the people who can render a service and be productive in the Post Office, are continually leaving the Post Office. They are leaving because they can get better jobs in the transit authority, the police department, the fire department, the sanitation department. I do not mean to demean anybody, but the fact is that 15 years ago we were on a par with these people. In fact, we were ahead of most of them. At this point we have regressed to where we are at the bottom of the ladder.

Mr. UDALL. Is turnover among carriers still very high?

Mr. SOMBROTTO. Not as great as it has been, but at one time we were turning over 900 a month just in Manhattan in New York City. In

other words, it is an open-door policy. Nine hundred would be hired and 900 would leave. It was a constant turnover. But what is happening now, while the turnover is not there, again I may be redundant, the best and most qualified people, the people the U.S. Postal Service could use most at this point, are leaving. The whole structure is starting to deteriorate.

Mr. UDALL. What percentage of the people in your branch were with the Postal Service 10 years ago? Would you make a guess? Would it be half of them?

Mr. SOMBROTTO. I would be hazarding a guess. I do not know at this point.

Mr. UDALL. Do you have large numbers of old veterans still around?

Mr. SOMBROTTO. They are the ones who have stayed. I can illustrate the point with a man having 20 years' service who gave up the job to become a bus driver. He was 42 years old. If he worked for 20 years with the bus company he could retire and could get out at 62; he would not have to have a second job. The problem in New York is that 80 percent of all postal employees augment their salaries with other jobs or their wives are working.

There are specific problems in our area. I wish I knew the answer. We think that area bargaining might be the solution. We want to pursue that course. I would hope that our national leadership would give us some direction, would give us a push in this direction if they can.

I understand the problems of the national leadership that represents all segments of the country, where there is such a variance in living experience. What might seem sufficient to one segment of our country is totally unacceptable to another.

Another factor here which has completely escaped you is that you are on the Post Office Committee and I think you can render a great service if we can get a more realistic retirement. Although you might not hear too much about it around the rest of the country, at this point that is right up at the top of the priorities of the people of New York.

Mr. UDALL. Do you mean more money?

Mr. SOMBROTTO. No; earlier retirement. I can demonstrate this for you very briefly. If a man is working on two jobs, actually he does not have the capacity; at this point his physical endurance is taxed to work on two jobs.

Mr. UDALL. He is not doing a very good job in either place.

Mr. SOMBROTTO. That is correct, and he finds himself taking time off from the post office. The fact of the matter is in this condition the post office becomes the part-time job, you see. Now we find that management is implementing all kinds of restrictions. You heard about the five strikes and out. A terrible pressure is put on the postal employee. We find ourselves tied up constantly answering grievances. We find ourselves constantly defending people just to keep them on the job.

It goes to all segments. It is not just a man who is on a job—I have had people in the job 28 or 29 years who were in a precarious position of losing their job just 1 or 2 years before retirement. We must apply whatever pressure we can. The cost factor, the money—we cannot get into where the money is coming from. Again, that is not my responsibility; my responsibility is to the people I represent.

Mr. UDALL. Let me ask you one other thing that does not deal directly with carriers or necessarily with your testimony.

It occurred to me sitting here this morning that there is a great wave of uneasiness in the country among postal workers. I sense it in my mail and I sense it in the rather bitter testimony here this morning. There is a sense among many of my colleagues that this may have been a great mistake, trying this new Postal Service. I do not know what the answers are. I am searching for the answers.

One of the things that bothers me is this: the new Postal Service is not actually legally in operation for another 60 days. It has not even had a chance to get started as a service. We still officially have the old Post Office Department. The kinds of things that I had hoped for, the reasons I had supported this reform, are going to take time. We ought to plow about \$10 billion into new facilities; we need at least \$10 billion worth of new facilities that ought to be under construction today. It will take several years to get this done. I had hoped that out of collective bargaining, as apart from the old congressional fights and vetoes and what we had every year, it would produce better retirement, better pay. But we have not even gone the first time around the track yet on that. Everybody is discouraged.

The Post Office apparently has not made any concrete money offers and there seems to be little enthusiasm for this collective bargaining procedure. But don't you think we would know a lot more a year from now or maybe 2 years from now about whether this new kind of operation of the Postal Service was going to work than we know now before it has even gone into business? Do you think it is worth taking a chance and going ahead, or would you repeal the whole thing right now and go back to the mess we had before?

Mr. SOMBROTTO. No, I would hope the U.S. Postal Service would be a great success and you would receive all the credit for being the architect of it.

Mr. UDALL. Maybe they will give me a statue out in the park somewhere with that buzzard.

Mr. SOMBROTTO. But there is a sense of urgency. There is this unrest that you talk about. As the previous witness testified, there is a sense of urgency. It is real. No labor leader can stop it. He cannot get in front of a tidal wave. There is one of the reasons I am here today. If a labor leader tries to stop it, he won't be around too long.

Mr. UDALL. I appreciate that, and as a politician I know some of the pressures that are on my fellow politicians in the labor movement.

Mr. SOMBROTTO. Conversely, if the chemistry, the component parts, are not there, there is nothing anybody can do to stimulate it. It is just a matter of timing of the situation. I assure you the elements are here. All it needs is a catalyst at this point. If we looked at this from a historical standpoint, if we could project ourselves 10 years in the future, I might agree this might be a great vehicle. I cannot argue that point. What I am saying is that it would be a very unhappy situation if it never got the chance to get off the ground. But at this point, if you would ask me if we would give it a trial period of 2 years. I would say I would not go back home tonight on that plane and suggest that to my membership.

Mr. UDALL. Sometimes I get the impression from talking to my colleagues on this committee that if we were to have a vote today on

repealing Postal Reform Act of 1970 it would probably carry in this committee. I do not know what the House would do with it. This reflects the frustrations of the gag order, the unhappiness that Members get in their communications with postal workers, the frustrations of our time. It is all there.

Maybe it was a mistake. I do not think it was. But I do know that we cannot judge whether it was a mistake or not unless the thing has at least had a chance to fly, unless you have taken it down the runway once and tried to lift it off and found yourself still in the process of fueling it up and running tests and checking out the engine.

Mr. SOMBROTTO. I could not agree with you more, Mr. Chairman. I say our national leadership has made every conceivable effort. The proposals that they put on the table were totally realistic. They did not play the game of asking for a \$10,000-increase and then bargaining down from that point to what they really wanted. If you know anything about New York City, that is an old game they play there. I think they put realistic proposals on the table here. I think they were very honest and maybe naively so. I think they were sincere and they did what they thought was right.

In this respect, the failure of the management not to come up with any kind of proposal at this point has only added fuel to the fires. If anything subverts what you have put so much effort into, to try to use as a vehicle for a better postal service, if anything subverts that it will be the attitude of managers and not the postal unions.

Mr. UDALL. When we wrote that we were interested in the final product. I would like meaningful negotiations and brotherly love without having to go to fact-finding, but we wrote it so that in the final analysis the final word was going to be in the hands of some independent arbitrators not controlled by General Blount or you or me or anybody else.

We will know probably this fall or in late summer, if the fact-finding fails, what they are going to do and then maybe you will really be discouraged. They may hand them a wage bill that would choke a horse. If your fellows have made their case they may order a rather substantial pay increase.

Mr. SOMBROTTO. I would suggest you have some guarded optimism in this area, if I can be presumptuous, because at this time in our Nation's history it is perfectly obvious to me that the atmosphere does not ring true for this type of settlement.

Mr. UDALL. The whole history of binding arbitration that I have read about—and I know a little about labor law—has been that generally it is favorable to labor, that generally labor does very well. That is one reason that management will almost never agree to it. We shall see.

I do not want to take up too much of your time with these questions.

Mr. SOMBROTTO. I would like to thank this distinguished committee for their time and interest and the privilege to testify before you. Again, my personal thanks. Thank you very much.

Mr. UDALL. You have been very helpful and I am glad you came down this morning, Vince.

Mr. Levanthal.

**STATEMENT OF JACKSON LEVANTHAL, PRESIDENT, NEW YORK
LETTER CARRIERS BRANCH 41, NATIONAL ASSOCIATION OF
LETTER CARRIERS**

Mr. LEVANTHAL. My name is Jack Levanthal, president of the Brooklyn branch of the National Association of Letter Carriers. I am also a national officer of the National Association of Letter Carriers. We supported the Postal Reorganization Act because we were tired of the old system that we had of going through committees, a system that provided 2.9-percent pay increases and 3.1-percent pay increases.

We felt that we would eliminate the complicated machinery and enter the area of collective bargaining where we would sit down as equals and negotiate as equals. But I think what is causing so much apprehension among postal employees is the gag rule by the Postmaster General, reverting back to 1903, and the supplemental statement as far as political endorsement is concerned, where an employee would have to sign a statement retroactively and it would be put in the employee's file that he would not seek political endorsements. I think this has created repression so that postal employees do not trust the managers of the new service. That is what they have done.

President Rademacher said the gag rule by Postmaster General Blount had a chilling effect on the free speech of postal employees. Also, the supplemental statement that an employee has to sign has a chilling effect on the dignity of the postal employee and he is tired of this.

I think postal employees want to be considered as part of the labor movement, as having the same rights as any other citizen and not subject to this type of treatment where they are treated as if they were working for a czar or a dictator.

This repression has also caused the local managers, particularly in the New York area, to push postal employees to produce more so they may recoup some of the money the new agreement may cost. As has been mentioned many times, during negotiations not one single red cent was put on the table as a counterproposal. That is shocking. Our people just cannot understand it. We must then assume that the fact that the Postal Service has not put any counterproposals of money on the table then probably they agree with our demands. They have not refused them and they have not put anything on the table.

We cannot understand it, that they have not learned from the pitfalls of the past. The entire Nation was warned that we were in a race with catastrophe and that prophecy came true. We are still in a race with catastrophe. Regardless of the increases that we have received they have been completely wiped out by inflation, particularly in the New York area where firemen are turning down \$2,000 increases. The Department of Sanitation workers have turned down \$1,700 increases. They already have fringe benefits that we still dream of such as 20-year retirement. Our dream is their reality right now. Our people compare themselves to these city and State municipal workers.

Mr. UDALL. I understand that. Let me ask you a question relating to what you have just talked about here. I was disturbed. I had heard that the Department had not offered a single dollar or a single penny in terms of wages. I asked some of my friends there what goes on. I told

them I thought we were going to have true collective bargaining. The story I get from them is that with all of these demands for better service and with all the demands for the employees—and there is certainly some merit to them—for higher wages and better working conditions, all of this costs money, some \$11 billion more per year.

If you fellows got what you want and what you are probably entitled to you would have to add billions of dollars a year to the payroll. Where is all this money going to come from? Management takes the view, as I understand them, that some of this money will come from higher rates. Then we get squawks from all of the mail users. But some might come from increased productivity. If management really had what they termed management prerogatives, if they could schedule people better, arrange it so two men could do what three men are now doing under the present inefficient setup, that they would have more money to give you increased pay and early retirement.

But they come back and say that the unions do not want to give management the management prerogatives; the unions want to have a hand in the soup, determining things that historically in the private sector are a management initiative thing. I am not accepting these arguments. I am telling you the rationale that they give me.

The question I want to ask is, do you think there is room for greater productivity and greater efficiency in the Postal Service? Can we do the job with a smaller work force than we now have so that that work force can be paid a larger amount of money? Is there room for this kind of thing? Or are we going to have to have merely higher rates to give postal workers the things you and I feel they ought to have?

Mr. LEVANTHAL. I agree greater productivity is a goal to obtain. But how do you get it? You don't get it by pushing people; you get it by creating a climate of respect that management is going to treat the employee with the same respect and consideration that it reserves for itself. That in itself will increase productivity. That is the climate they should try to create.

Mr. UDALL. I agree.

Mr. LEVANTHAL. But what is happening here is that they are becoming as contemporary as the covered wagon—and I hate to be facetious—by using these old methods with gag rules and getting people to sign statements and pushing people to produce more because they want to pay them more money. That is no argument. If a man is doing 8 hours of work a day, that is it. By pushing him to create a little more productivity you will not achieve the answer because in the long run it will fail.

Mr. UDALL. Morale is a very delicate and intangible thing. A fellow in 8 hours can produce more if he feels like he is being treated fairly and his supervisor is a good guy and is going to be understanding with his problems. He may produce 15 or 20 percent more. I would agree with you that the same fellow can produce 20 percent less if he is unhappy and feels he is poorly treated and has no dignity and all of the rest. Morale is a very important part of productivity. There is no question about it. I would agree with that.

Mr. LEVANTHAL. I think that is really the heart of the problem. I thought this was what this hearing was about.

Mr. UDALL. It is.

Mr. LEVANTHAL. That we should come down and say how the postal service is functioning right now. I hope it is a great success because I

believe in it. I believe in the negotiating process. But if anybody is not making it work it is the managers of the Postal Service, not the employees. It is my profound hope that they recognize the feelings of our people, particularly in the metropolitan areas. This is a new breed of postal employee and they must recognize it.

Mr. UDALL. We discovered that a year ago, and I had hoped that we had all learned something from it. I am sure everyone has.

Is that all, Mr. Levantthal?

Mr. LEVANTHAL. Yes, I want to take this opportunity to thank you for allowing me to testify.

Mr. UDALL. We hope to see you again. Maybe we can get the subcommittee to come up to New York and visit some of the area.

These hearings will continue Monday at 10 o'clock.

We thank you all for coming.

The subcommittee stands adjourned.

(Whereupon, at 12:10 p.m., the hearing was adjourned, to reconvene at 10 a.m., Monday, May 10, 1971.)

CONGRESSIONAL RELATIONS WITH THE UNITED STATES POSTAL SERVICE

MONDAY, MAY 10, 1971

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON POSTAL SERVICE,
OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met at 10 a.m. in room 210, Cannon House Office Building, Hon. Morris Udall (chairman of the subcommittee) presiding.

Mr. UDALL. The Subcommittee on Postal Service will come to order.

The meeting this morning is a continuation of the series of hearings we began last week dealing with the Postal Reform Act, the Postal Service, and some of the complaints that have been aired by various organizations.

This morning's session was set aside to enable us to hear from a number of Members of the House of Representatives who asked to testify. The Chair and other members of the subcommittee have encouraged Members to come in here and give us the benefit of their thinking.

We are happy to begin this morning with one of the most distinguished and able members of the full committee, the gentleman from California, Mr. Wilson, who has been an outspoken member and who has strong feelings, I am sure, on matters we are considering here. Mr. Wilson, we are happy to have you and you may take whatever time you wish.

STATEMENT OF HON. CHARLES H. WILSON, U.S. CONGRESSMAN, STATE OF CALIFORNIA

Mr. WILSON. Thank you very much, Mr. Chairman.

I want to compliment you and your subcommittee on conducting these hearings. I think it is necessary that such hearings be held and that the situation in which we find ourselves be aired properly.

Mr. Chairman, in January of this year a senior Member of Congress who happens to be a Republican gave a speech on the floor of the House entitled, "Postmaster General's memo is a piece of fascist nonsense." This distinguished Member went on to say, "Mr. Speaker, my initial reaction to Postmaster General Blount's January 12 memorandum was simply, 'Seig Heil.' I will not reveal my second reaction." This Republican Member of Congress was referring to an edict handed down by the Postmaster General of the United States. The Postmaster's memorandum of January 12, 1971, stated in part:

It is mandatory that postal employees immediately cease any direct or indirect contacts with congressional offices on matters involving the Postal Service.

And later, he laid down a rule which states:

In the event that a direct contact with a congressional office becomes necessary, it is to be coordinated in advance with the (new) Congressional Liaison Office.

Mr. Chairman, it is deplorable, if not a little bit frightening, when a high Government official institutes a policy which attempts to deprive a large group of Federal employees of their constitutional rights by preventing them from taking their observations, recommendations, and grievances to their U.S. Congressmen—preventing them from petitioning their Congress. The U.S. Constitution guarantees the right of its citizens to petition their Congress and the Lloyd-LaFollette Act guarantees that this right applies to Federal employees.

In testimony before our Committee on Post Office and Civil Service, the Postmaster General, Mr. Blount, stated that the Postal Reorganization Act did not repeal the right of a postal worker to petition Congress. Yet for some twisted reason, Mr. Blount does not seem to realize, or maybe chooses not to recognize, that his memorandum of January 12, 1971 is in direct conflict with the Constitution and the rights of our citizens who work in the Post Office Department. There is no reason for them to be subjected to a second class citizenship status. When the Postmaster General appeared before our committee on March 11, 1971, he was questioned about his infamous memorandum along with his other anti-democratic techniques such as stamping Congressmen's letters written to the Post Office Department on behalf of a postal employee with the phrase, "in violation of Public Law 91-375." The Postmaster General made it clear at that time that he had no intention of changing his attitude on these matters.

His arrogance tested the patience of our chairman to the point that he told the Postmaster General that the congressional liaison officers of the Postal Service would not be allowed into the committee offices without specific invitation. It is a sad commentary on events when we have arrived at a point where the lines of communication between Congress and the Postal Service have completely broken down.

Mr. Chairman, today I would like to briefly discuss one example of how the Postmaster General's indifference to Congress and his stubborn refusal to follow the spirit of the law has endangered the success of the fledgling U.S. Postal Service. I am speaking about the contract that has been consummated by the U.S. Postal Service and the U.S. Corps of Engineers. As you are all aware, Mr. Blount has signed a contract with the Secretary of the Army, Mr. Resor, by which the Corps of Engineers would be responsible for the construction program of the Post Office Department.

Mr. Chairman, I would like at this point, with your permission, to place into the record copies of that agreement. I would particularly like to bring your attention to section 2 entitled "Policy," which states in part:

Public announcement and congressional liaison would be the exclusive responsibility of the U.S. Post Office Department.

Mr. Blount, in his appearance before our committee on March 11, stated that he had been considering the matter of contracting with the Corps of Engineers "for well over 12 or 18 months." He then reluctantly confirmed that he did not bother to notify anyone of his plans and had just that morning sneaked off and signed the contract

with the Army. If he had bothered to consult with our committee, Mr. Chairman, it would have been immediately obvious to him that most of the members of our committee seriously question the advisability of using the Corps of Engineers to build post offices.

On the same day of the Postmaster General's appearance before our committee, Mr. Chairman, you put into words what we were all feeling when you said:

One of my great goals in postal reform was to give the Postal Service the freedom to wheel and deal the way Sears, Roebuck or any large company can do, so that you could go out and buy the land, contract for the building, keep an ongoing program of building, construction, and improvement in operations. It seems to me that the Corps of Engineers is probably subject to a lot of laws and red tape and delays that Sears, Roebuck is not subject to, and that the postal program might be far better off in-house doing this work. I am sure that Sears has an ongoing building program and tries to develop the expertise and has a department of facilities to keep this thing going. If we are going to get more red tape and delays with the Corps of Engineers, it may well be a mistake.

You put your finger on exactly what we were trying to avoid. We were tired of postal officials coming before our committee telling us that the reason they could not build more post offices faster and more efficiently was because of all the redtape they had to deal with. So we turned them loose, gave them the opportunity to develop their own in-house corps of experts to build their own post offices, yet, instead of doing this, they immediately contracted with another Government agency which, of course, will force them to deal with more redtape. In other words, Mr. Chairman, they have traded old redtape for new redtape. Besides involving the Post Office construction program in a new form of redtape, the agreement with the Corps of Engineers troubles me in two other areas.

First, what is the Post Office Department going to do with their cadre of architects, engineers, planners and real estate experts? Are these highly trained experts going to lose their jobs? Are they going to be transferred to the Corps of Engineers or are they going to be twiddling their thumbs while the Corps of Engineers builds the post offices? I submit, Mr. Chairman, that it would be more efficient and less costly for the Department to expand its own capabilities using these experts as a nucleus rather than depend on another Federal bureaucracy.

The second disturbing aspect of the agreement with the Corps of Engineers is that dealing with congressional relations. I was astounded to find out that the memorandum of agreement with the Army Corps of Engineers was so written as to prevent Members of Congress from asking questions of the corps' activities on behalf of the Postal Service without a postal congressional liaison officer being present. Just recently I contacted the Chief of the Corps of Engineers to review with him their mission in relationship to the Postal Service. I was told that I could not discuss anything pertaining to the Postal Service with the corps unless a representative from the Postal Service was in attendance at the meeting. I have learned that even though the corps has had similar agreements with other agencies of the Government, they have never before been required to agree to a ridiculous policy which prohibits them from discussing the work they are doing with Members of Congress. Upon discovering this strange situation, I, as a

member of the Armed Services Committee, immediately wrote to Congressman F. Edward Hébert, Chairman, Committee on Armed Services, requesting an investigation to determine the activities of the Corps of Engineers in relationship to its agreement with the U.S. Postal Service.

Mr. Chairman, in conclusion, I feel that all of us here believe that the Congress and the Postal Service are partners not enemies, and that in the long run the success of the U.S. Postal Service is dependent upon public support. Accordingly, it is very doubtful that Mr. Blount can gather public support for the Postal Service by going out of his way to alienate the people's representatives. I, therefore, strongly urge that the Post Office and Civil Service Committee take this problem in hand and force Mr. Blount to conform with the law as passed and intended by Congress.

Thank you, Mr. Chairman.

Mr. UDALL. Thank you, Mr. Wilson. Thank you for taking the time to draft this very forceful statement and for coming here to present it today.

I certainly agree with you with regard to the contract with the Corps of Engineers. I suspect it is going to turn out to be a serious mistake, and I think you will know very shortly. Because the first group of the contracts are apparently going forward I imagine that within a few months we will have some reading on whether this program is actually working or not.

My whole concept when we got into this was that the Department would develop an excellent first-rate real estate department that could acquire sites. It would also develop a team of architects that would do nothing but build post offices, and they would know more about building post offices than any group in America. It was also my thought that they would develop a team of supervisors that would go out on building jobs and having been through it many, many times would catch quickly the mistakes that were made.

Instead, they turned it over to another level of Government with all of the redtape that you have described. This seems to me to be a very serious mistake. I am wondering if, before these hearings are concluded, we should invite the Corps of Engineers, or the Secretary of the Army, or somebody responsible for carrying out the contract with the Postmaster General to tell us how they view their role. Perhaps we would get some of the kind of information that you said you had requested through Mr. Hébert and the Armed Services Committee. Maybe we could both go at it.

Mr. WILSON. I think this agreement must be very embarrassing to the corps. They have never, as I indicated, been required to submit to an agreement where they can't communicate with Congress without going through the Department or Agency that they were contracting with.

The representative of the Corps of Engineers that came to my office asked me if we could speak off the record. He was very reluctant to talk freely. Yet, there was nothing that we covered that could not have been discussed with the representative of the Postal Service, but I just felt that Congress had not intended to establish such a procedure so I objected to it as a matter of principle rather than because of any subject matter discussed.

I have always felt that the Postal Department had a good cadre of people handling the facilities and the modernization programs. I do not know what will become of them. I do not blame them for the delays that the Postmaster General outlined to us when he appeared before our committee in March. He indicated that some programs had been sitting on the shelf for as long as 5 years because of the inefficiency of the system that he was required to take over, and yet I think it is his own inefficiency and the policies that he has adopted that caused the delays that have taken place since he became the Postmaster General.

As you well know, he contracted with Ernst & Ernst, an engineering firm, to review every contract that was pending before the Postal Department, every facility that had been planned by the previous administration. He, himself, has created a delay of 2 years on many projects that have come to my attention. One example is a project that is very important to my district. It is a sectional center that was to be built in Inglewood, Calif. This facility would have been built and completed by now if it were not for Blount's methods and procedures. All that has been done is to break ground back in 1968, and to this date we are still waiting for Mr. Blount to proceed.

Mr. UDALL. This is what stuck in my mind the day we were having the hearing. In my district there was a brand new Sears complex and the whole thing from conception to the grand opening was something like 10 or 11 months. They completed their survey, decided they needed the facility, sent out their real estate people and bought the land, and had such a good operation within a few weeks the ground was broken and the whole building was being used within a year. I don't see why we need 5 or 10 years or even 3 or 4 years for these postal facilities.

That is the flexibility and the freedom we were trying to give them. I am glad you brought our attention to this matter on page 3 of the contract because I did not realize fully that we had gone further in removing the Department from contact with the Congress—that we cannot even talk to the Corps of Engineers about this. We have to talk to somebody in the Post Office who then talks to the corps who then brings back what it is we are supposed to know. I think we ought to have it in the record somewhere this contract. Without objection, unless Mr. Waldie objects, the contract will be made part of our record at the appropriate point.

Mr. WILSON. There are two memorandums of agreement between the Post Office Department and the Corps of Engineers. One is a brief one, a résumé, and the other one is the complete memorandum of agreement. I have one of each here for you if you have need of them. The complete memorandum demonstrates even more clearly the length and breadth of the restrictions placed upon the corps in their relationship to Congress.

Mr. UDALL. Mr. Waldie.

Mr. WALDIE. I have just a comment. I gather from reading between the lines of your statement that you are not entirely happy with the Postmaster General.

Mr. WILSON. No, I am not. Mr. Waldie, as you know, I—along with you and Mr. Udall—supported the reorganization of the Postal Department from the beginning. We differed from time to time on certain amendments, but we supported the reorganization of the Post

Office Department. I was very sincere about this and I felt that it was the proper thing to do.

In doing this I antagonized many of my long-time friends in some of the postal organizations who disagreed with me on my position. Some of them were understanding; some were not. But as of now, based upon what has happened to date, I would say that I might have made a mistake in supporting the reorganization bill.

I certainly never intended that Congressmen would be prevented from dealing with the Postal Service in their capacity as the people's representatives.

Mr. WALDIE. Mr. Chairman, is there a representative of the Postal Service in the hearing room?

Mr. UDALL. I do not know. I do not know all of them.

Mr. WALDIE. I am curious.

Mr. UDALL. I am told that there is. I would be very surprised if they did not have someone here to observe what is going on.

Mr. WALDIE. I recall the admonition of my chairman that they were not to enter those doors until an invitation was extended and I wonder if an invitation had been extended, and it seems to me one should be.

Mr. UDALL. We did not extend one that I recall, but we do retroactively, and we are glad they are here.

Mr. WILSON. This a public hearing.

Mr. UDALL. I do not see how we could keep out the public.

Mr. WALDIE. I do not think we would want to, but I did not fully understand the admonition of the chairman sometime ago that they were never to darken our presence by being here. I am glad they are here. I think they might be interested in some of the comments made.

Mr. WILSON. Thank you very much, Mr. Chairman. Unless there are other questions, I appreciated the opportunity to be with you this morning.

Mr. UDALL. We are delighted you came. We will be talking more on this subject as the Congress develops.

The subcommittee has received a statement by Donald N. Ledbetter, president of the National Association of Postal Supervisors, commenting on these hearings and responding to my request for any testimony or evidence they might care to submit. Apparently, Mr. Ledbetter does not wish to take the subcommittee's time to testify in person but he has submitted this statement commenting on the matters before us, and without objection, it will be made part of the record at this point.

(The statement is as follows:)

STATEMENT OF DONALD N. LEDBETTER, PRESIDENT, NATIONAL ASSOCIATION
OF POSTAL SUPERVISORS

Mr. Chairman and members of the House Subcommittee on Postal Service, my name is Donald N. Ledbetter. I am the President of the National Association of Postal Supervisors, composed of more than 35,000 postal supervisors with members in all fifty states and in Guam, Puerto Rico and the Virgin Islands. Our members are employed in post offices, branches, stations, motor vehicle facilities, maintenance units, air mail facilities, and mobile units.

We wish to submit the following statement for the record in connection with the current hearings on review of Congressional relations with the U.S. Postal Service being held by your Subcommittee.

Since Postmaster General Winton M. Blount issued instructions last January limiting official contacts with Members of Congress to the Congressional Liaison

Office at United States Postal Service Headquarters, there has been a certain amount of confusion as to the intent of the instruction—and much deliberate misinterpretation. We cannot sympathize with those who have been responsible for the misinterpretation.

Postal supervisors as individuals or as an organization have never posed as official spokesmen for the Postal Service when speaking with Members of Congress. On the other hand, postal supervisors have never been restricted or restrained in any manner from speaking with or petitioning Members of Congress, either individually or collectively. Nothing in the Postmaster General's order has done anything to change that.

Since there was some confusion when the original order was issued, the Postmaster General published a clarifying statement in which he declared emphatically that there was no intent to infringe upon the right of any postal employee to petition Members of Congress either individually or collectively. This ended most of the legitimate confusion which had arisen over the order.

As far as supervisors are concerned, the order is causing no real problems. We recognize, however, that some embarrassment is being experienced by postmasters and Members of Congress who find themselves in somewhat of an awkward situation in official contacts. We believe that some modification, therefore, is in order but the Postmaster General should be allowed to make this modification himself.

Shortly after Postmaster General Blount assumed office 28 months ago he pledged himself to the cause of merit promotions of career employees to the position of postmaster and the elimination of the Advisor system. Many things have been done subsequent in order to bring about such a change. The order on Congressional contacts, for example, no doubt resulted partly from this effort. The National Association of Postal Supervisors has applauded the Postmaster General's effort to remove politics from the Postal Service and has pledged its support to the Postmaster General in the attainment of that goal. We would not want to see anything done now which could cause a setback in the pursuit of this long-sought objective.

We appreciate very much this opportunity to submit our views for the consideration of this Subcommittee.

Mr. UDALL. The next witness will be our colleague and friend from the State of Illinois, Hon. Kenneth J. Gray.

STATEMENT OF HON. KENNETH J. GRAY, U.S. CONGRESSMAN, STATE OF ILLINOIS

Mr. GRAY. Thank you very much, Mr. Chairman. I want to apologize for my slight tardiness. I just got in from Illinois and, as the fellow said, I am double-parked with the motor running.

Mr. UDALL. The gentleman's reputation for scholarship and punctuality remains unsullied as far as this committee is concerned.

Mr. GRAY. Mr. Chairman and members of the important Committee on Post Office and Civil Service:

I first want to take this opportunity to thank my good friend and able chairman of the subcommittee, Mr. Udall, for holding these hearings and for this opportunity to express my views and observations of the U.S. Postal Service over the past several months.

I would like to make some legislative recommendations in an effort to protect the interest of the taxpayers of this country. Mr. Chairman, someone once said, "If you get in front of progress it will run over you." I am for progress and I know that every one of us who voted for the creation of the new U.S. Postal Service did so with the hope and belief that we would be making progress with our entire postal system.

Many may say it is still too early to tell whether or not we did the right thing in giving up the people's control of this all important

department of Government. I will reserve my judgment on how effective the new Postal Service is going to be in improving the delivery of the mails, but two things are already crystal clear, and I would like to enumerate those two things this morning.

First, Mr. Chairman, the attitude of the hierarchy of the new Postal Service is one of indifference, if not outright belligerency toward Members of Congress, the people's personal representatives in Washington; and second, and what I consider most important, the top management of the new Postal Service has already embarked upon a program that costs the taxpayers of this country hundreds of millions of dollars in unnecessary costs for postal buildings and postal equipment.

Before I give you specific examples of where several millions of dollars have already been squandered, let me recite one incident of many where the Assistant Postmaster General for Facilities, Mr. Henry Lehne, has been arrogant, deceitful, and downright cowardly toward the Subcommittee on Public Buildings and Grounds of the House Committee on Public Works that I have the honor of chairing.

Our committee has over the past few years approved the construction of dozens of combination post office and Federal buildings projects throughout the country. These were to have been constructed by the Post Office Department and General Services Administration. Under President Eisenhower's administration and a mandate from the House Subcommittee on Appropriations under the able leadership of the late Congressman Albert Thomas of Texas, it was agreed that millions of dollars could be saved if post office buildings costing under \$200,000 were built and leased from private developers; and projects over this amount should be built with direct Federal funds, where we would own the buildings with no local taxes to pay, and the financing charges and other costs would be saved.

This plan worked well under four different Presidents: two Democrats and two Republicans. When the new law was passed giving the new Postal Service a blank check as it were, Mr. Lehne and his group in facilities went wild. They ignored the congressionally authorized projects with GSA and started canceling agreements with GSA and other Federal agencies, started taking their own options, buying land and equipment like it was going out of style.

In Carbondale, Ill., in my own congressional district, the Post Office Department had condemned seven parcels of land, put several people out of business, and were ready to start construction on a much-needed postal sectional center to serve 100 southern Illinois communities, when all of a sudden Mr. Lehne decided to move the facility from this good central location to a bad one out of town.

I tried to call him but was referred to the congressional liaison office—I might add when they were dealing with our committee, he would immediately answer the phone. Ha! After waiting several days, the congressional liaison man, Mr. Jerry Reynolds, was able to set up an appointment with Mr. Lehne and me. I informed Mr. Lehne through Mr. Reynolds that I wanted him to hold up this change in sites until we had a chance to discuss the matter.

The meeting was arranged for 2 p.m., March 6, 1971, in my office. Two hours before Mr. Lehne came to my office, or approximately 12 p.m. on the same day, his public relations man called all the newspa-

pers in my district and announced the Postal Service was giving up the Government-owned site in Carbondale and buying a very inaccessible site out of town.

When Mr. Lehne walked into my office for the appointment, he handed me a copy of the press release he had already released to the press. As a nine-term Member of Congress, I resent this type of shabby treatment for me and 460,000 people I represent. His attitude was one of "How do you like that, Buster?" The excuses Mr. Lehne used for moving the site were completely false and not in the interest of the Government; but more importantly, the Gestapo tactics used were reprehensible.

Mr. Chairman, in dozens of locations across the country the congressionally authorized building prospectuses and projects are being abandoned. In many cases, General Services Administration had acquired the sites for several million dollars, spent several million dollars on architectural and engineering plans, and were getting ready to start construction on the projects when the Postal Service pulled out, leaving other Federal agencies high and dry with the resultant loss of millions of dollars.

Our committee estimates that over \$100 million has already been squandered by the new Postal Service in facilities alone. Over \$60 million on one project in New York alone has been wasted. The \$100 million has been squandered through bad judgment and no oversight by duplicating facilities or by changing locations. I will be glad to give you more details in executive session if you so desire. The Committee on Investigation and Oversight of the House Committee on Public Works, chaired by our friend from Texas, Congressman Jim Wright, expects to hold hearings in July on this subject.

But I wanted to come here this morning to ask for your support of a bill I have introduced to take back legislative oversight of the multi-billion-dollar building program of the Postal Service. You were told by the Postmaster General that he wanted to be fully autonomous; well, my colleagues, the Postal Service has already turned the architectural and engineering work over to the Army Corps of Engineers, plus the awarding of construction contracts.

I have great respect for the Army Corps of Engineers in building dams and reservoirs, but believe me when I tell you it will take years longer and a fantastic increase in cost if they are brought into the postal construction business. This committee should ask the officials of the Postal Service why they wanted to divorce Congress and marry the Army. If this is autonomy, then we'll never end the war in Vietnam. I think the taxpayer ought to call the shots; they are paying the bills. And I might add, a much higher one soon with increased postal charges. We of the Public Works Committee solicit your support, and you certainly have ours in what you are doing here.

I thank you very much.

Mr. UDALL. Thank you, Ken, for coming. You have done us all a favor by being here today and laying out these things on the record.

We are trying to gather as many illustrations and examples of points of conflict as we possibly can in these hearings, and I expect we are going to have a whole bucketful before we get through.

As you know, I was one who supported—when Larry O'Brien first suggested this 4 or 5 years ago—the concept that we could run the Post Office Department more like a business and yet clothe it with

some of the powers that the Government has. I frankly have been alarmed and made unhappy by some of these developments. This gag rule that we have been hearing about in these hearings is really unfortunate. An elected representative of the people cannot go to a meeting or drop by the local post office and check on things the way all of us do with regard to the Defense Department, and no one has ever suggested that we run the Defense Department or suggested that we determine promotions or meddle internally in the structure of the Army.

I am very disturbed about the relationship of the Corps of Engineers. It surprised and disappointed me when we first heard about it last year. We were saying here earlier—with regard to this public building business when another one of our colleagues, Mr. Wilson of California, was testifying—that there is no man in America who knows more or has been involved in the erection of large public buildings in this country than you. My idea to give the Post Office Department, which desperately needs good, new, strategically located, modern facilities, the flexibility that large corporations like Sears, Roebuck, the telephone company, and General Motors have. I was citing the example in my area that one of Sears' top people told me that something just over a year elapsed between the decision that a new facility was needed and could make a profit and the time the building was open and ready for business. They could do this because they had a trained, skilled team that bought the land, and architects, engineers, and designers who had been over this ground many, many times. They could quickly let a contract, and they could go into business very quickly.

However, as you point out, here is the Post Office Department which does not intend to do this in-house but intends to contract it out to the Corps of Engineers with all of their levels superimposed upon one another. We now discover that we cannot talk to the Corps of Engineers about their progress on a particular design. We have to go through the congressional liaison for the Post Office Department.

Mr. GRAY. The chairman is eminently correct.

Mr. UDALL. This is really preposterous. I do not know what our subcommittee is going to do, but we want to be talking to you and others after we take testimony from a number of our colleagues and from affected people.

Mr. GRAY. Thank you, Mr. Chairman. I have eminent faith in you and this committee and that is why I took time to come here this morning and at least confine my remarks to this field. I did not want to broaden out into the other aspects of your hearings.

Mr. UDALL. We are putting the pieces of it together, and you touch on a very important piece of it.

The Congressman from Iowa has joined us.

Mr. GROSS. Thank you, Mr. Chairman. I will say to my colleague from Illinois, I am sorry I did not hear your presentation. I have no questions.

Mr. UDALL. The gentleman from California.

Mr. WALDIE. No questions, Mr. Chairman.

Mr. UDALL. Thank you for coming.

Mr. GRAY. Thank you very much, Mr. Chairman and members of the committee.

Mr. UDALL. The next witness is another distinguished Member of Congress, Joseph E. Karth, from the State of Minnesota. We are happy you came over here and we know we will be enlightened by your testimony.

**STATEMENT OF HON. JOSEPH E. KARTH, U.S. CONGRESSMAN,
STATE OF MINNESOTA**

Mr. KARTH. Thank you very much, Mr. Chairman. I have got plenty of time. My car is not parked in a no-parking zone with the motor running.

Mr. Chairman and members of the subcommittee, I appreciate the opportunity to appear and document and place in the record a story of Postal Service high handedness, secrecy, disregard for Federal law, and a disturbing arrogance toward the public, as well as toward elected State, local and Federal officials.

The particular issue is what Chairman Udall in his letter of invitation to this hearing, referred to as "attempts to deny Members routine information concerning activities of the Postal Service." And I point out that to deny Members of Congress information, is to deny the public information.

The particular case I call to your attention today is the location of a bulk mailing and vehicle maintenance facility in the Twin City area. I would like at this point to make it clear that while I consider the site selected by the Postal Service to be, at best, ill-advised, that is not the point of my presentation today, such as was the case with my colleague who preceded me.

The two points I do want to cover are the concealing of information, the blatant lying about it, and attitude of immunity from public judgment.

I first received information that the Postal Service was desiring certain land at the historical Fort Snelling area in the Twin Cities in a February 8 letter from Mr. Helmer R. Lindquist of St. Paul. This letter and others are included in the file that I will present to the committee, Mr. Chairman.

Mr. UDALL. We will be happy to have it.

Mr. KARTH. In his letter to me, Mr. Lindquist said, "I was shocked to learn recently that a proposal has been made by the Post Office to GSA that a portion of the Fort Snelling Employees Association Golf Course is being considered as a parking lot for their new building."

At the time this seemed to be a fairly routine request that needed to be verified or disproved by the appropriate agency. So, as a result, the constituent's report was referred by my office to the General Services Administration.

On February 16, my office received a second letter concerning the construction of a post office parking lot at Fort Snelling. Ironically, that same day, my administrative assistant, Bob Hess, was attending a Minnesota American Legion breakfast along with Minnesota congressional representatives including Congressmen Bill Frenzel, and Don Fraser. At that breakfast the American Legion Department Adjutant of Minnesota, Mr. Frank Momsen, read an excerpt from a letter saying that the Post Office Department planned on building a post office facility at Fort Snelling and that the site for that facility

included the old polo and parade grounds and comprised some 68 acres. The facility in question involves something like a \$14 to \$17 million expenditure, so it is not an insignificant one.

This revelation dumbfounded those present since none of the Congressmen nor their representatives there had been so informed.

Meanwhile, the two letters on the subject that I had earlier received were making their way through GSA. At that point, our office initiated a series of frustrating inquiries with Postal Service representatives here in Washington. Obviously, we also made inquiries with St. Paul postal officials but were told that due to a January 12 directive from Postmaster General Blount they could not answer my request and referred us to the Postal Service's Congressional Liaison Office in Washington.

My legislative assistant, Ed Tonat, and I made repeated inquiries of Postal Service Congressional Liaison in Washington. We spoke on numerous occasions to Mr. David Cantor, executive assistant to Postmaster Blount, and Richard Young of Congressional Liaison. They were consistent in their evasiveness and conflicting reports. As it turned out, they also were covering up.

Meanwhile, these same rumors concerning post office intentions at Fort Snelling had reached the press. Due to the total lack of cooperation from the post office, I could neither confirm or deny these rumors when questioned by various reporters and constituents.

Finally, our inquiries were answered—but not by the Postal Service. The answer came in a routine reply from GSA to that constituent letter I mentioned earlier.

In a March 1 letter, Oliver Thurman, the Deputy Assistant Administrator for GSA wrote: "The Post Office Department has requested an approximate 68-acre portion of the Fort Snelling Hospital Reservation upon which it proposes to construct a bulk mail and vehicle maintenance facility." Incidentally, I might say that is a parking lot that would park many hundreds of postal vehicles.

I remind you that during a 2- to 3-week period, postal officials failed to acknowledge any interest in that land.

Upon receiving that letter, I issued the following statement, the conclusions of which I stand by today: "I cannot understand why the Post Office Department has dropped what amounts to a news embargo on their intentions at Fort Snelling.

"Any time a major facility, such as proposed by the Post Office at Fort Snelling is considered, the public has a right to be informed. The location of a bulk mail and vehicle maintenance facility would drastically alter the present use of the land at Fort Snelling. Not only would recreational land and open space be converted to what amounts to industrial use, but serious traffic problems would be created." You cannot really understand that without knowing the complex of interstate freeways and other highways that come to a convergence at that point.

By the manner in which the Postal Service has concealed their request for this land, it is apparent that they hoped to avoid any protests by having the proposal approved before the request became public knowledge. From the evasive actions of the past three weeks, it seems to me that their conduct can only be described as 'covert.'

I must seriously question and protest the Department's way of carrying out this proposal and its refusal to answer honest questions with honest answers.

At that point, one would assume that the arrogant and secretive attitude displayed by the Postal Service would end. Surprisingly, the Postal Service refused to admit its coverup or even confirm the GSA report.

With this as a foundation, the Postal Service showed another new face in subsequent efforts to communicate the views of the delegation. It appears that the Postal Service now considers itself above listening to Federal, State, and local elected officials.

On March 16 of this year, the Governor of Minnesota, Governor Wendell Anderson, and Congressman Frenzel, along with representatives from Congressman Fraser's, Senator Mondale's office and mine, met in my office with Richard Austin, the GSA Assistant Commissioner for Real Property. Mr. Austin continued the high level of cooperation that GSA has followed throughout this episode. He informed us frankly that the decision to withdraw the Fort Snelling selection site was entirely up to the Postal Service.

Following a recommendation made by Mr. Austin, the delegation arranged a meeting in Senator Mondale's office with Mr. Henry Lehne, Assistant Postmaster General for the facilities department, and the previously mentioned David Cantor, the Executive Assistant to Postmaster General Blount. Frankly, Mr. Chairman, the kindest word I can say about that meeting is that it was "unsatisfactory." A UPI report of the meeting summed it up well. They reported that Mr. Lehne and Mr. Cantor had commented that the site selection at Fort Snelling was "leaked." UPI went on to say, and say accurately, "The delegation interpreted this as meaning the department had tried to keep the plans secret until after a decision was made."

I remind the committee that such a procedure would eliminate any public discussion of the proposed site selection.

Additionally, at this meeting with the Postal Service officials in Senator Mondale's office, we were told by those that the proposed site at Fort Snelling was "their" land and that the Postal Service could, if they saw fit, utilize it. I also remind my colleagues on this committee—and I so informed the postal officials at that meeting—that the Fort Snelling Reservation is our land, our land in the broadest sense of the term that it belongs to the people, the taxpayers who paid for it, not to one presumptuous branch of the bureaucracy or an individual self-styled bureaucrat.

Despite an overwhelming show of support for an alternative bulk mailing site—any of several alternatives—the Postal Service officials took an attitude that the bipartisan opposition of the Minnesota delegation and the Minnesota's Governor and various private citizens made little difference to the Postal Service.

It also seemed to make little difference to the Postal Service that they had ignored Federal environmental statutes by not ordering a study of the environmental impact, that they had not cleared their plans with or even consulted the Twin Cities Metropolitan Council as apparently required by the 1968 Intergovernmental Cooperation Act, and had ignored the National Historical Preservation Act by not coordinating its plans with the Advisory Council on Historic Preservation.

I doubt that the Postal Service was unaware of the historical significance of Fort Snelling since the Service issued a stamp commemorating the fort's 150th anniversary only last October. And I might say,

Mr. Chairman, I was there; the postmaster of the St. Paul office was there; the postmaster from Minneapolis was there; and the representative from the office here in Washington was there.

At this point, GSA re-entered the picture. Administrator Kunzig informed Congressman Frenzel that the Postal Service had officially been asked by GSA to withdraw their request for Fort Snelling land and locate the mail center at the nearby abandoned Wold-Chamberlain Naval Air Station or some other suitable location in the Twin Cities.

Even then, the Postal Service's attitude of being above the law and all others was apparent, for they disputed Congressman Frenzel's report to the press of the GSA withdrawal notice. They flatly denied receiving such a notice when, in fact, they had it in hand.

As a result of this insulting effort by postal officials, reporter Mr. Al Eisele wrote in the March 29 Saint Paul Pioneer Press that:

Whatever the final outcome, an examination of the month-long battle over the Fort Snelling site gives little reason for increased public confidence in the Postal Service. Transformed by Congress last year from the Post Office Department into a new independent government agency supposedly free of Congressional dependence and political influence, the Postal Service demonstrated its newly won independence with a vengeance in the Fort Snelling matter.

Mr. Chairman, the Postal Service's habitual inefficiency—which I might add seems to getting worse rather than better—makes it difficult to operate a congressional office with letters arriving 7 days after they are mailed, if they arrive at all.

The only reason I brought this newspaper, which is the Sunday edition of the Saint Paul Dispatch Pioneer Press, is because it is the first newspaper I have received from back home in the last 8 days. Now, this is, indeed, unusual. Prior to this time it did take us 2 or 3 days to receive the daily newspaper from back home from which, of course, I could keep myself informed as to what is going on there; but this is the first newspaper that I have received now in the last 8 days, and it came in this morning's mail.

Because of the Postal Service's inexplicable and indefensible conduct, Congressman Fraser, Frenzel and myself introduced on April 1, 1971, H.R. 7134 which would transfer the land the Service covets to the State of Minnesota for recreation purposes. Mr. Chairman, I believe it is significant that the Postal Service's total lack of responsiveness and responsibility in this case is such that legislation must be introduced and passed to protect the public interest in this matter. I have studied your proposed resolution concerning the operation of the Postal Service. I believe it does not go far enough in establishing the right of Congress and the public to know what the Postal Service is doing behind closed doors with the taxpayer's money.

Mr. Chairman, I urge this committee to write into its resolution, language that specifically prohibits the Postal Service from withholding information from Congress unless there is a clear violation of national security, or the possibility of private gain due to premature revelation of confidential information. And if such information is deemed fit to be withheld, the Postal Service should be required to provide in writing a full detailed explanation as to why.

Finally, Mr. Chairman, I would like to conclude my presentation with a summary of my views on this matter using an editorial from the St. Paul Dispatch as my source.

An unexpected and unwanted byproduct seems to have been produced during the process of converting the U.S. Post Office Department to the U.S. Postal Service. The new corporation has emerged from the conversion process with a "public be damned" attitude that is not at all in keeping with what Congress had in mind. The new corporate Postal Service was set up to improve the mail service, not to thumb its nose at the public. It is still a tax-supported public body and, as such, should be responsive to the wishes of citizens as expressed by their elected representatives in Congress. The entire Congress should be made aware of the attitude of Postal Service officials. If corrective measures are needed, they should be taken before the Postal Service grows into a monolithic monster that does not respond to any outside authority.

That concludes the presentation and the particular significant situation that has developed in my district as it relates to the reasons for these hearings that you have called.

Thank you very much.

Mr. UDALL. It is very helpful, Joe, and I want to congratulate you on receiving a newspaper. You ought to try representing California or Arizona one of these days.

Mr. KARTH. Because of your hearings this morning, Mr. Chairman, I have not been able to read it yet, but I am looking forward to reading it with great delight because I would really like to keep abreast of what's happening back home.

Mr. UDALL. As I told Mr. Gray, we are trying to build a record here from the specific to the general to get a whole series of incidents and experiences from our different colleagues. Yours is very helpful because it illustrates still another facet of the problem.

I have often been credited and blamed by the gentleman from Iowa, as the case may be, with being one of the fathers of this—he refers to it as an abortion and a monstrosity. But I had great hopes that we could get better and more efficient postal service and I have been dismayed to learn some of the incidents that have occurred, and I am dismayed to hear the experiences that you have had.

I think one of the basic lacks of understanding in the new administration is the concept of the Postal Service and what Congress had in mind. Sears and Roebuck, if they decide to put a new building in Tucson, do not owe me the time of day. They don't owe me any advance information that it is going in, or the cost of it. They don't owe me any opportunity to express my judgment as to the efficiency or the desirability of the location. I think some of the people in the Post Office Department take from the idea that this was to be independent, businesslike, and autonomous, that they have no responsibility to the public welfare or to the public's representatives when they make major decisions.

I never viewed it this way at all. There was precedent in the Atomic Energy Commission, the Veterans' Administration, Bonneville Power, and many Government entities. The Federal Deposit Insurance Corporation is a Government entity which has some business aspects. It never occurred to me that people would assume that because you were going to clothe this organization with the flexibility of private enterprise—to buy and sell, do research, improve efficiency, and not be hamstrung by bureaucratic procedures—that they would take unto themselves a lot of the attitudes that private business very properly has in making decisions that relate only to that private business.

The mail service touches every home in this country every day. It is going to be owned by the taxpayers. It is not a private for-profit

operation. I think they owe you and the Minnesota delegation every courtesy, every piece of advance information they can give you. They owe you consultation. They owe the local citizens the right to know what plans are being made and all the rest.

I personally want to thank you for coming here to recall all these events so we will have a specific record of it when we decide what to do.

I have lectured. You can respond.

Mr. KARTH. Thank you very much, Mr. Chairman. I think I have no response other than to say that I am not hung up on courtesies. What disturbs me is when I am not told the truth after specifically inquiring into matters that have come to our attention by virtue of letters from constituents and stories in the press and upon inquiring being lied to and being refused evidence and information that otherwise should certainly be within our hands even prior to the time that it appears in the public press and becoming bandied about within other circles.

Mr. UDALL. There is no justification for the Government misleading the representatives of the people at any time or, an ordinary citizen, unless, as you say, there is national security or an economic loss due to advance information of speculators. None of this was apparently in your instance at all.

Mr. KARTH. Mr. Chairman, I have the letters that I referred to in my presentation and other documents and if you would like I will submit them for the record.

Mr. UDALL. Without objection they will be a part of the record at the end of your testimony.

The other observation I have is the other thread that is apparently running through these hearings discloses another major misconception. We thought—at least I did—in sponsoring this legislation, that we were going to draw down a curtain and make a clean break with the past insofar as political operation of the Post Office Department was concerned.

I effectively appointed postmasters in my area. I was asked about the architecture of the buildings. I was consulted from time to time about the political impact of Post Office business decisions.

In an effort to draw a curtain on that sort of thing and get that kind of politics out of the Post Office Department, the Department seems determined to shut off from a public agency of government any contact with Congressmen; or at least to make it very difficult and cumbersome. I have pointed out to the Postmaster General the number of times that I deal with the Defense Department. My office does, as I am sure yours does, a hundred times a week on specific individual matters. I would not hesitate to call the commanding officer at one of my air bases to discuss a personnel problem or ask him what plans that base had to extend the sewerline, as it might affect my local community, or any of the other matters of individual or community relations.

And yet, the Post Office Department is bending over backward to make sure no one accuses them of continuing to play politics. They

will not even permit me to make the kinds of inquiries and have the kinds of relationships that are routine with Agriculture or GSA or Defense or any other Department, and I think it is very sad and it is going to defeat the whole purpose of this legislation in the long run if they persist in going down this road.

Mr. Gross.

Mr. Gross. Thank you, Mr. Chairman. Thank you for your testimony, Mr. Karth.

The gentleman from Arizona has mentioned a couple of times Sears Roebuck operations. Well, now, I am sure that if Sears Roebuck came into Tucson, Ariz. or in the area close by and sought to take over a choice piece of land controlled by the Department of Interior, I do not think the gentleman or I, if the same thing were true in Iowa, would have any difficulty in getting information from the Department of Interior with respect to what is going on. They might not listen to either of us but I do not think we would have any difficulty.

Mr. UDALL. We probably would not even have any trouble with Sears, if we made a courteous inquiry.

Mr. Gross. That is right. And as the gentleman well said, they would not have to give either of us the time of day with respect to their operation. But I think we would have information available to us through one source of government that might be involved if it were involved in a situation of that kind, and I understand that is hypothetical but it still points up a fact of life.

With respect to sites selections I have had the same difficulty that the gentleman from Minnesota has had, in a different way, of course, as a member of this committee. While there should be no preference in that respect, it is usually recognized. But the gentleman states a case that is the cause of very serious complaint and irritation or worse on the part of many, many Members of Congress, including the gentleman from Iowa, and I sympathize with him to the fullest.

The fact that neither he nor the public officials in his area or in his congressional district could get information to which they were legitimately entitled, the same was true in my case.

I thank the gentleman for his testimony.

Mr. UDALL. Mr. Waldie.

Mr. WALDIE. I have no questions.

Mr. UDALL. Thank you, Mr. Karth. We appreciate your presence very much.

(The letters referred to by Mr. Karth follow:)

ST. PAUL, MINN., February 8, 1971.

HON. JOSEPH E. KARTH,
House of Representatives,
Washington, D.C.

HONORABLE SIR: I was shocked to learn recently that a proposal has been made by the Post Office to G.S.A. that a portion of the Fort Snelling Employees Association Golf Course is being considered as a Parking Lot for their new building. Information has reached me that there is other property near the new Club House that could be used as an alternative.

Certainly, every avenue should be investigated so as to avoid such an incident from happening. I'm sure that you are aware that the Golf Course is being used free of charge by the V.A. Hospital and the V.A. Outpatient Clinic in the

treatment and rehabilitation of Veterans. I understand that 1500 rounds of golf were played as a part of planned therapeutic treatment.

You and I both know there is a growing shortage of Golf Courses and the Green Fees are making it more difficult for retired employees on fixed incomes to enjoy their leisure time on other courses.

I urge you to exercise the influence of your office to discourage the plan of destroying a course such as this that has taken many years of effort to build up. I'm sure you will agree that an alternate solution can be found.

Respectfully yours,

HELMER R. LINDQUIST.

FEBRUARY 12, 1971.

DEAR HON. MR. KARTH: I am writing this letter in regards to the Fort Snelling Golf Course. I had the privilege of playing this course while being a patient at the Veterans Hospital.

I am now a member and this courtesy is extended to all patients at no expense.

I feel it would be very unjust to tear it up for a parking lot. It serves a very good purpose. I work for the Air Force and the Veterans Employees certainly have put much effort in keeping and grooming this piece of property. I sincerely hope you can be of help in retaining this activity.

Sincerely yours,

FRANCIS J. MILLETTE.

FEBRUARY 16, 1971.

MR. FRANCIS J. MILLETTE,
St. Paul, Minn.

DEAR MR. MILLETTE: Thank you very much for your recent letter regarding the Fort Snelling Golf Course.

I have taken the liberty of forwarding your letter to officials at the General Services Administration for their comments.

As soon as a reply is received, I will be in touch with you again.

With kindest regards, I am

Sincerely yours,

JOSEPH E. KARTH.
Member of Congress.

UNITED STATES OF AMERICA,
GENERAL SERVICES ADMINISTRATION,
Washington, D.C., March 1, 1971.

HON. JOSEPH E. KARTH,
House of Representatives,
Washington, D.C.

DEAR MR. KARTH: Thank you for your letter of February 11 on behalf of Mr. Helmer R. Lindquist, St. Paul, Minnesota, and your letter of February 16 in behalf of Mr. Francis J. Millette, Minneapolis, Minnesota, concerning a portion of the Fort Snelling Hospital Reservation.

The Post Office Department has requested an approximate 68-acre portion of the Fort Snelling Hospital Reservation upon which it proposes to construct a bulk mail and vehicle maintenance facility. The proposed facility would serve as a mail transfer point for Minnesota and parts of Wisconsin and Iowa. The request is being considered by the General Services Administration (GSA).

Under existing provisions of law, GSA is responsible for the maximum Federal utilization of excess real property and its transfer among the Federal agencies. Accordingly, we must consider a request for the transfer of the property from an agency having a need for the use of the property in connection with an approved program.

We hope this information is helpful to you. If we may be of further assistance, please let us know.

Sincerely,

OLIVER THURMAN,
Deputy Assistant Administrator.

[From the Congressional Record Wednesday, Mar. 31, 1971]

**PUBLIC BE DAMNED: ATTITUDE BY POSTAL SERVICE POINTED OUT
IN ST. PAUL DISPATCH EDITORIAL**

(Hon. Joseph E. Karth of Minnesota, in the House of Representatives)

Mr. KARTH. Mr. Speaker, if the events of the past several weeks are of any indication, I believe I am on the road to discovering a truism. And that is, if private corporations are generally unresponsive to the public; then public corporations with a monopoly guaranteed by Congress are totally unresponsive.

The public corporation I speak of is the U.S. Postal Service and under its new status as a corporation it is finding new "delights" to inflict upon the public above and beyond its habitual inefficiency.

These new delights include, and my list is far from inclusive, high handedness, secrecy, disregard for Federal law, and a general disregard for the public as well as elected State, local, and Federal officials.

I believe the following editorial well sums up the present situation. I would additionally note that I was first made aware of the Postal Services designs on Fort Snelling land by several concerned citizens nearly 2 months ago. I immediately launched a series of inquiries with the Postal Service and after 3 weeks of repeated inquiries by myself and my staff the Postal Service would neither confirm or deny the reports.

Finally, in response to a routine inquiry to the General Services Administration, I discovered that the Postal Service did indeed covet 68 acres at Fort Snelling.

I concluded then and I firmly believe now that the Postal Service hoped to perform their land grab covertly before the public or its elected representatives would protest.

I immediately protested the highhanded and secretive route used by the Postal Service, and quickly my good friend and colleague from Minnesota, Representative Donald Fraser, pointed out that the Postal Service was flaunting Federal environmental law and policy.

Soon the protest was joined by Minnesota's Gov. Wendell Anderson, the Minnesota Historical Society, Representative William Frenzel, whose district includes the land the Service wants to grab, the two Senators from Minnesota, Walter F. Mondale and Hubert Humphrey, and many private citizens.

Despite this bipartisan opposition and serious concern with both the land grab and the manner in which the Postal Service has conducted itself, the Service seems to remain arrogantly determined to stick unaltered to its present course. It will be interesting to see whether this "public-be-damned" attitude continues. If it does, now is the time Congress should know about it and further do something about it. As the following from the March 25 edition of the St. Paul Dispatch suggests:

The entire Congress should be made aware of the attitude of Postal Service officials.

I am taking the privilege of so informing the Congress now:

PUBLIC BE DAMNED

An unexpected and unwanted by-product seems to have been produced during the process of converting the U.S. Post Office Department to the U.S. Postal Service. The new corporation has emerged from the conversion process with a "public-be-damned" attitude that is not at all in keeping with what Congress had in mind.

The Postal Service's disregard for the public has been vividly displayed in the controversy over the future of the Fort Snelling polo field and parade ground. The Postal Service has been caught trying to quietly push through a proposal to build a large bulk mail handling facility there and postal officials have resisted a great deal of public pressure against the proposal.

Rep. Joseph Karth of St. Paul noted the attitude after the Minnesota congressional delegation made a concerted effort to get the Postal Service to abandon its plans. "There was little evidence that they wanted to be conciliatory or that

they were willing to listen to our objections," Karth said. "Their attitude was considerably different than it was prior to the time they became a corporation."

The Postal Service did not notify any Minnesota lawmakers of the plan to locate the bulk mail facility at Fort Snelling, nor did it consult with either the Metropolitan Council, which has performed land use studies of the area, or the Environmental Protection Agency, which is supposed to study the environmental impact of such a facility before it is built. The Postal Service finally asked the Environmental Protection Agency for a study after Rep. Donald Fraser of Minneapolis pointed out this requirement under federal law.

The area in question has considerable historical significance, is ideally suited to park land and is adjacent to the existing Fort Snelling State Park. Minnesota officials have sought to obtain the land for park purposes for many years.

There are a number of other potential bulk mail handling facility sites around the Twin Cities that would not meet any local opposition. Postal officials indicated little willingness to consider any of the alternates in their meeting with the Minnesota congressional delegation.

The new corporate Postal Service was set up to improve the mail service, not to thumb its nose at the public. It is still a tax-supported public body and, as such, should be responsive to the wishes of citizens as expressed by their elected representatives in Congress. The entire Congress should be made aware of the attitude of Postal Service officials. If corrective measures are needed they should be taken before the Postal Service grows into a monolithic monster that does not respond to any outside authority.

The next witness is a member of this committee, a gentleman from Virginia, Mr. Scott. We are happy to have you before the subcommittee, Mr. Scott, and we have your prepared testimony and you may proceed.

STATEMENT OF HON. WILLIAM L. SCOTT, U.S. CONGRESSMAN, STATE OF VIRGINIA

Mr. Scott. Thank you, Mr. Chairman.

It is good to be before the subcommittee. I apologize for not being here earlier. In candor, a member of the staff prepared a statement for me, but because I've lived with this matter for the past few years I felt perhaps my statement should have a personal touch.

As a member of the full Committee on Post Office and Civil Service, I am aware of the background of the postal reform bill which we enacted into law last year. As you know, we had a wide division on our committee with regard to the type of legislation, but little or no difference of opinion on the basic premise that politics should be removed from the Postal Service.

I believe that the entire committee felt we should eliminate the system whereby the county committee of the party in power, for practical purposes, designated the rural carriers and other nonpolicy-making postal employees. Quite frankly, I felt we should get a few Republicans in before we became so nonpartisan, but the administration did not see it that way. This was part of the measure passed by the full committee and included in the postal reform law.

It now appears, however, that there is a basic difference of opinion between Members of Congress and the Post Office Department as to just what taking politics out of the Post Office, or the new Postal Service, actually means.

My own personal views—and I believe the views of the subcommittee and the full committee—is that political affiliation should have no part in the selection, promotion or the retention of employees in a non-

policymaking position within the Postal Service. However, the Postmaster General has indicated that postal employees shall not communicate with Members of the Congress on matters relating to the operation of the Postal Service. He has isolated us.

He has also indicated postal employees should not communicate with regard to personal matters. He has backed away from this somewhat now, but to me, his position still is intolerable.

On occasion I have endeavored to speak with an Assistant Postmaster General and in a courteous way the staff of that Assistant has referred me to the congressional liaison official. I heard the testimony made just a few minutes ago, and have talked with members of the staff and other members of the committee, and it would appear that the Postmaster General at least is nonpartisan. He treats each Member alike, whether he is Democrat or Republican, referring him to the congressional liaison office.

You will recall, Mr. Chairman, that when the Postmaster General was before our full committee, I referred to his Presbyterian religious affiliation, and the Presbyterians believe in direct access to God. He stated that even though he believed in this in a religious sense, he did not feel that we should have direct access to any member of the staff of the Post Office Department.

In all seriousness, Mr. Chairman, I do not see how this committee of Congress can exercise legislative oversight over a department or agency of the executive branch without being able to discuss problems with officials of that agency.

For this reason, I have introduced H.R. 7939 which prohibits the Postmaster General from interfering with the right of postal employees or officials from communicating directly with Members of Congress.

There are 24 co-sponsors of this measure. Two other Members have indicated a desire to co-sponsor it. I am sure that had a "Dear Colleague" letter been circulated, we could have found from 50 to 100 Members agreeable to co-sponsoring this legislation. There is strong feeling within the Congress with regard to their lack of ability to talk with Postal Service staff. The chief executive officer of any department or agency in the Government should retain the right to be the official spokesman for that department or agency and if the subordinate official or employee says something at variance with that of his superior the official position must of necessity be that of the head of the agency involved.

Thinking in terms of the Postal Service, involves, Mr. Chairman, a Government agency which employs more than 700,000 people, roughly one-fourth of all Federal civilian employees. It relates to the lowest custodial or clerical employee up to the highest official of the Postal Service. I believe that as a matter of right and as a citizen of this country, all employees and officials have the right to speak with their Congressman freely and without fear.

In fact, in traveling around the district, postmasters prefaced their greetings by saying, "I know I am not supposed to speak with you, Bill," but then they go ahead and talk quite freely. Now, I hate to think that there is any feeling on my part or on the part of these postmasters or employees that we are in some manner doing something wrong in talking with one another.

Mr. Chairman, I believe this committee and the Congress want the best possible Postal Service. I believe that the Postmaster General and his staff are searching also for the best possible Postal Service. If we work together—if we have open and free communication with one another—we have a far greater chance of achieving this objective than we will have as antagonists.

During recent hearings many members of the committee, including myself, attempted to bring this thought to the attention of the Postmaster General. He was quite adamant in insisting that he have complete freedom to operate the Postal Service as he saw fit without any interference from Members of the Congress, committees of the Congress, or, in fact, from the entire Congress.

We do continue to have representative Government in this country. It is intolerable to me, for any man, regardless of the position he holds or the agency that he supervises, to set himself up as a czar, subject to no control by the elected representatives of the country.

Therefore, I commend the committee for holding these hearings. I hope that the committee will see fit to hear all points of view, including those of postal officials. Our Subcommittee on Investigations is also looking into certain activities of the Post Office Department. We must see that no Postal Service employee who communicates with a Member of the Congress, regardless of whether it is a personal or an official matter, is penalized for his activity, and that Members of Congress have free access to the Postal Service, to the officials and to the employees of that Service.

This is my formal presentation, Mr. Chairman.

Mr. UDALL. I thank the gentleman very much. He has made his views very firmly known to all of us on the committee and to the Postmaster General from time to time. I want to assure him that his bill, H.R. 7939, will be carefully considered by the subcommittee when we conclude these hearings.

The gentleman from Iowa.

Mr. GROSS. I want to join in commending my colleague from Virginia for his statement, and say that I believe I can state without fear of contradiction that the gentleman from Virginia and I had very serious doubts as we progressed with legislation establishing this so-called corporation—had very serious doubts as to what would happen—and we, therefore, voted against it; both of us being in favor, as the gentleman has stated, of taking politics out of the Department, but sensing that the power used could be very vast, and so we both voted against the postal reform bill, as I remember the gentleman's vote.

Mr. SCOTT. Mr. Chairman, let me say to the gentleman from Iowa that I did vote against it, but Bob Taft was in Ohio campaigning for the Senate and in deference to him I changed my vote and paired with him—giving his a live pair—and voted present. It was not out of any feeling of fear of expressing my views on it, but it was just in an attempt to accommodate a colleague. I sometimes am sorry I did this because a number of my constituents have asked me why I did not vote yea or nay on it. My vote was nay, really.

Mr. GROSS. Thank you, Mr. Chairman.

Mr. UDALL. The gentleman from California.

Mr. WALDIE. No questions, Mr. Chairman.

Mr. UDALL. Thank you very much, Mr. Scott. We appreciate your presence here this morning.

Our final congressional witness this morning is the Honorable Ralph Metcalfe from Illinois, who has favored us with his presence here this morning. We are very happy to have you here and it is probably your first appearance before this committee and we hope it will not be your last.

**STATEMENT OF HON. RALPH H. METCALFE, U.S. CONGRESSMAN,
STATE OF ILLINOIS**

Mr. METCALFE. Thank you very much, Mr. Chairman. I would like to preface my formal remarks by saying how delighted I am to be here and how relieved I was to find that this committee was in existence and that they were addressing themselves to a subject about which I was greatly concerned, and how pleased I was that you afforded me this opportunity.

I think all of you have copies of my statement.

Mr. UDALL. We do, indeed.

Mr. METCALFE. Mr. Chairman and distinguished members of the Subcommittee on Postal Service, I am privileged today to have this opportunity to appear before you as you continue your very timely supervision and oversight of the activities of the Postal Service. Your hearings at this particular time, some three and one-half months into the first session of the 92d Congress, provide my colleagues and me with sufficient opportunity to evaluate and make a determination as to the direction in which the new U.S. Postal Service is headed, not only during this present transition period, but when and after full operations begin on July 1 of this year.

I am glad that your subcommittee has created this forum, not only to air the individual complaints—and there are altogether too many—of Members of Congress in their contacts with the Postal Service, but also that you could hear testimony of reputable spokesmen for the various postal employee unions, and will hear this morning from officials of the highly regarded National Alliance of Federal and Postal Employees.

Permit me to state at the outset of my brief remarks here today that I commend this subcommittee for its constructive approach to solving the problem which confronts all of us as duly elected representatives of large constituencies comprising hundreds of employees in the U.S. Postal Service. I share your hope that the all-too-numerous misunderstandings and communications barriers between the Postal Service, the American public, and the Congress will be eliminated at the earliest possible date.

Throughout my lifetime, the Post Office Department has been recognized as, and has functioned as, a public service institution. Then I say, Mr. Chairman, it should continue to be about the business of serving the public—and this service must be extended to Members of the Congress.

Needless to say, I was shocked and dismayed when I was confronted with the "Memorandum on congressional contacts" issued by Postmaster General Blount, which greeted us Members of Congress only hours after the convening of this 92d Congress. This edict, with which

I am sure all of you have suffered as I have, has made a mockery of the freedom of expression between constituent and representative, not only intimidating the postal employee at every working level within the Service, but eliminating any opportunity for reasonable communication between Members of Congress and the Service on behalf of a constituent employee.

I have no fault to find with the implementation of good management practices in any enterprise, Government or private; and I firmly agree that we were on the right track when the old political system within the Post Office Department was eliminated. But, gentlemen, must this mean that never again can a Postal Service employee talk with or write to his Representative in Congress about his job, or any personal problem connected thereto? Must this mean that no postmaster can accept a visit to his office by a Member of Congress as he moves about his congressional district? And must this mean that the Congress is to be avoided like the plague in any ceremonies dedicating new postal facilities? It is a personal affront to me that such procedures have been instituted and ordered carried out.

The Postmaster General has directed that the congressional liaison office be the sole voice of the Postal Service in communicating with the Congress. And I can assure you, from the experiences my congressional office has had in the past 2 months, that every letter and telephone contact we have written or made to any part of the Department has been screened and censored in that office, followed by the return—unanswered—of the original correspondence, and accompanied by a three, and sometimes four-page collection of orders, memoranda, and extracts from the Postal Reorganization Act of 1970 which, truly, have no relevance to the simple request made.

I believe strongly that this censorship and screening destroy the right of freedom of expression and the right of privacy in a constituent contact with his congressional Representative. Such action reminds me of the system employed in penal institutions, where all incoming and outgoing messages of any kind are scrutinized, checked, censored, and many times never delivered.

The Resolution which you, Mr. Chairman, have submitted for the consideration of the committee on Post Office and Civil Service on congressional relations with the United States Postal Service, has come to my attention and I have given it thorough study. I concur wholeheartedly with its intent and purposes and its greatly clarifying language. I sincerely hope this subcommittee will recommend the adoption of this resolution to your parent committee, and that implementing legislation will follow without delay. Certainly, it would be my pleasure to cast a "yea" vote for its adoption.

In conclusion, let me offer every possible assistance to your subcommittee staff in the documentation of specific cases and incidents to which I have earlier referred. I genuinely appreciate your indulgence in hearing me on this most important subject, and I shall follow with keen interest your further actions.

Thank you.

Mr. UDALL. Thank you, Mr. Metcalfe, for your helpful testimony.

With regard to your last proposal, it would be very helpful to us if you could have your staff give us an outline of specific cases that you have handled where you have had this kind of difficulty. If you want

to protect the constituents, simply refer to them by number of letter or something in an anonymous way. There would be no necessity of identifying them for our purposes, but I am trying to collect as many specific instances as possible to bolster any specific action the committee would like to take.

Mr. METCALFE. This would not be entirely inclusive, for the simple reason that the postmaster in my region has told me, as a Congressman-elect, not to write him on congressional stationery—and this was my first indoctrination as a Congressman-elect—and I thought, my goodness, where am I going, upward or downward? I do have several specific cases and I will be very happy to supply you with this information.

Mr. UDALL. Very good, sir.

Mr. GROSS. Thank you for a good, clear statement, Mr. Metcalfe. I have no questions.

Mr. UDALL. Mr. Waldie.

Mr. WALDIE. No questions.

Mr. UDALL. Thank you. We appreciate your coming.

We scheduled next Mr. Francis Filbey, president of the United Federation of Postal Clerks, to be accompanied by a stranger who is Patrick Nilan, a one-time regular before this committee.

STATEMENT OF FRANCIS FILBEY, PRESIDENT, ACCOMPANIED BY PATRICK NILAN, LEGISLATIVE DIRECTOR, UNITED FEDERATION OF POSTAL CLERKS

Mr. FILBEY. Mr. Chairman and members of the committee, for the record, I am Francis S. Filbey, president of the United Federation of Postal Clerks (AFL-CIO). I am very pleased to appear before the committee this morning with our national legislative director, Patrick J. Nilan, whom I am sure you all know from many previous appearances before the Committee on Post Office and Civil Service.

We speak in behalf of the Nation's 310,000 postal clerks, for whom we are the exclusive national representative for labor-management relations and collective bargaining with the Post Office Department. Our membership is exclusively in the postal clerk craft and is employed in post offices in all 50 States, the District of Columbia, Puerto Rico, Virgin Islands, and Guam.

The United Federation of Postal Clerks, AFL-CIO appreciates the opportunity to appear before this subcommittee concerning a resolution on "Congressional Relations with the United States Postal Service," sponsored by Representative Morris K. Udall, chairman of this subcommittee.

In part, the resolution is addressed to the general policy established by Public Law 91-375, the Postal Reorganization Act of 1970, which forbids political influence in the appointment, promotion, or transfer of postal employees and which requires consideration of merit in all such personnel actions.

Our postal labor organization believes the Post Office Department is adhering to this provision of the act. While we realize that very few things in life are perfect, we are of the opinion that with rare exceptions, the present management of the Post Office Department is making every effort to adhere to this policy.

A most important part of the resolution pending before this subcommittee concerns itself with regulations and guidelines promulgated by the Post Office Department which could have the effect of intimidating, harassing, or inhibiting members of the United Federation of Postal Clerks and other postal workers from communicating with Members of Congress.

We share with you and the members of this subcommittee your support of the fundamental right of each postal employee to petition their public officials for redress of grievances as set down in section 7102 of title V, U.S. Code. We too were very disturbed when the Postmaster General on January 12, 1971, issued instructions to the Field Service of the Post Office Department that postal employees were not to discuss matters concerning the Postal Service with Members of the Congress except through the Post Office Department's congressional liaison.

This order was interpreted by many regional postal officials and local postmasters as a "gag" on rank-and-file postal employees and particularly, local union officers. Some postmasters made personal contact without our local union officers and very gleefully informed them that they no longer would be able to contact the congressional delegations without running the risk of having disciplinary action taken against them.

We have attached exhibits at the conclusion of this statement to provide you with the following items which we are certain will be of interest to the committee in reviewing the January 12, 1971, directive of the Postmaster General often referred to as a "gag" order.

Exhibit A: The original five-page directive of Postmaster General Winton M. Blount addressed as a "Memorandum to Headquarters' Personnel" and dated January 12, 1971. (See p. 69.)

Exhibit B: A copy of a communication from the Postmaster at Des Moines, Iowa, I believe dated on or about January 12, mailed to all employees of the Des Moines Post Office. Our Local 44 president, George L. H. Lewis, not only received a copy through the mail but was personally presented with a copy of the Postmaster's communication prior to receiving it through the mail. (See p. 71.)

Exhibit C: A copy of a communication dated January 15, 1971, from J. F. Applegate, Acting Regional Director for the Wichita Regional Office addressed to all postmasters in that region concerned with "Policy on Congressional Procedures for the United States Postal Service." (See p. 72.)

Exhibit D: A copy of a communication dated January 19, 1971, from Postmaster John J. Hogan at Flushing, N.Y. addressed to all employees and concerned with "Congressional Contacts." (See p. 73.)

Exhibit E: Finally, a copy of the January 21, 1971, Postal Bulletin notice concerned with the same subject of congressional contacts. You will note on page 2 that the Bulletin notice entitled, "Employees Retain Right to Petition," which we understand was intended to modify the original January 12, 1971, directive of the Postmaster General; although, you will note the original order is reprinted on the first and second pages of the Bulletin. (See p. 74.)

While the January 21 Postal Bulletin did refer to and print appropriate sections of the United States Code concerning the statutory right of postal employees to petition Congress, including under the U.S.

Postal Service, to the best of our knowledge, no postmaster or regional official subsequent to this January 21 Bulletin has seen fit to bring the "Employees Retain Right to Petition" notice (by mailing or otherwise) to the personal attention of postal employees as they did immediately upon receiving the original January 12, 1971, directive of Postmaster General Winton M. Blount.

As a result of the January 12 directive and much more comprehensive and detailed instructions issued by Postmaster General Blount to regional directors and postmasters concerned with immediate implementation of these new Post Office Department restrictive policies, the United Federation of Postal Clerks and the other six exclusive postal labor organizations through CAPE immediately announced their disagreement with the legislative gag order and challenged the Postmaster General's authority to legally impose such restrictions on postal employees.

UFPC and the other exclusive postal organizations acted jointly through their Council of American Postal Employees (CAPE) and requested an immediate meeting with Postmaster General Blount to seek withdrawal of the gag order, or modification, or clarification as required to reassure clerks and other rank-and-file postal workers that the rights given them by the Lloyd-LaFollette Act of 1912 to petition Congress are not and will not be compromised by the January 12 directive.

Presidents of the seven exclusive unions on January 18 sent a telegram to Postmaster General Blount insisting on a meeting as soon as possible to resolve this most controversial and unfortunate gag order which had been issued only 1 week before the seven unions and postal management returned to the bargaining table on January 20.

As a direct result of the telegram, I, as president of the United Federation of Postal Clerks and the presidents of the other six exclusives met on January 19 with David A. Nelson, general counsel and Paul N. Carlin, Executive Assistant to the Postmaster General for Congressional Affairs, to express their complete and total opposition to the January 12 Post Office Department congressional procedural instructions. Postmaster General Blount was unavailable for this meeting.

I informed these gentlemen that the United Federation of Postal Clerks, AFL-CIO, its officers and members would not comply with this order and that we were advising our members that the provisions of the Lloyd-LaFollette Act of 1912 was specifically carried forward in the Postal Reorganization Act and that their rights under that act could not be abrogated by any postal official.

Further, we would guarantee our members that when they continued their contacts with congressional delegations and any disciplinary action was instituted against any of them by the Post Office Department—the United Federation of Postal Clerks, AFL-CIO would represent them to the fullest extent possible, including—if necessary—action in the Federal courts and that this position of the United Federation of Postal Clerks, AFL-CIO has been and will continue to be our position regardless of any similar gag directive by the present or future Postmaster General.

The Department officials at the January 19 meeting agreed that the Lloyd-LaFollette Act which guaranteed postal employees the right to petition Congress on postal matters or anything else was still in effect and continued by Public Law 91-375 in the U.S. Postal Service. They

also indicated the choice of language used in the January 12 Post Office Department directive could have been misinterpreted as placing legislative restrictions on postal workers which were not intended.

The union presidents then requested an appropriate Post Office Department statement be made as quickly as possible—in the Postal Bulletin—to clarify the intent of the January 12 Postmaster General statement in order to reassure all postal employees that it was not intended to compromise or circumvent their legislative rights in contacting Congress under the 1912 Lloyd-LaFollette Act.

While we realize that basically the intent of this distinguished committee is to deal with the January 12 order issued by the Postmaster General, we also note that in section 3 of the proposed resolution, you deal with other matters; and we wish to address ourselves to this section 3, subsection D, in which your committee indicates they support and approve the Post Office Department's new efforts to guarantee overnight airmail service and the promise of these additional guaranteed delivery schedules.

We share with your committee both the support and approval of these welcome improvements in mail service proposed by the Post Office Department; however, we believe that much more can and should be done in order to guarantee overnight delivery, not only of airmail but tremendous quantities of first-class mail and newspapers.

We have long felt that one of the factors in the deterioration of postal services to the American people was the virtual elimination of en route distribution of mails on the trains. We recognize that much of the former railway mail service was eliminated because the railroads were drastically curtailing passenger train service at the same time. However, the Post Office Department aided and abetted this railway discontinuance by withdrawing mail from continuing passenger trains.

There must be some foundation to our belief since during the time that en route distribution of mails was prevalent in the Postal Service through widespread use of passenger trains and the Motor Highway Truck Motor Post Offices, the services rendered by the Post Office Department were recognized as the best postal service system in the world, a reputation which, unfortunately, we do not presently enjoy!

The United Federation of Postal Clerks, AFL-CIO, when these massive discontinuances were taking place under previous postal administrations, vigorously opposed this program of discontinuance and resulting deterioration of service to the American people. We were constantly told by the then managers of the Post Office Department that they were powerless to stop the discontinuances because of the elimination of passenger train service. We attempted then to convince the Post Office Department that mail cars could be attached to the fast freight services and thus, have continued this most excellent service.

Regretfully, neither the Post Office Department nor the railroad industry were willing to expend—either separately or jointly—the small sums of money which would have been needed to convert mail cars so that they could have been used on the fast freights which were, even then, outstripping most of the crack passenger service in terms of speed and service. We believe that both the Post Office Department and the railroad industry failed to avail themselves of an opportunity

which could have rendered financial assistance to the railroad industry, itself, and would have continued a much needed service to the American public.

With the actions of the Congress and the administration which brought forth the system originally known as Railpax and now known as Amtrax, we reiterated our belief that en route distribution of mails on this new system could aid the Post Office Department in again restoring overnight delivery of mails to hundreds and thousands of cities through which these Amtrax trains will run.

Under date of December 3, 1970, the United Federation of Postal Clerks, AFL-CIO wrote Postmaster General Blount requesting that the Post Office Department or the U.S. Postal Service, whichever name we are presently operating under, to thoroughly investigate the feasibility of restoration of en route distribution on the passenger trains encompassed in this new network of trains.

(The letter referred to follows:)

DECEMBER 3, 1970.

HON. WINTON M. BLOUNT,
The Postmaster General,
Washington, D.C.

DEAR MR. BLOUNT: Recent newspaper reports indicate that the Federal Government is about to embark upon a program of subsidization of certain passenger railroad lines and we, of course, are most interested in the possible restoration of enroute distribution of mails on this new proposed network of passenger trains.

We believe that such a move would go a long way toward improving the present postal service as it applies to mail from one to the other of the cities involved in this new railroad pattern, as well as to the towns through which these passenger trains will pass.

We sincerely hope that the U.S. Postal Service will thoroughly investigate the feasibility of such restoration of enroute distribution of mails.

Representatives of this organization would be most happy to meet with you or persons designated by you to further discuss this matter should you so desire.

Sincerely yours,

FRANCIS S. FILBEY, *President.*

Mr. FILBEY. We would respectfully suggest that this committee might find it in the best interests of the Postal Service, if you were to look into this situation both from the standpoint of utilizing the AMTRAX sysem as well as the desirability and feasibility of utilizing the freight train systems of the railroad industry to further improve delivery of first-class mail and newspapers to the American people.

The United Federation of Postal Clerks, AFL-CIO shares with this committee and the Post Office Department a sincere desire to have the Postal Service of this Nation once again become the most outstanding Postal Service in the world. We intend to cooperate with the Post Office Department and the Congress in what I know is our mutual interest in reaching this goal.

SUMMARY

The United Federation of Postal Clerks of the AFL-CIO, as many members of your committee know, was the last major employee union to be forced into line in support of the Postal Reform Act.

Mr. UDALL. I noted that you were able to contain your enthusiasm up until the last without too much difficulty.

Mr. FILBEY. Absolutely, and as the members of your committee remember, it took a shotgun with an 8-percent pay increase to push us into line to support this particular legislation.

We welcome, also, the entrance of the Members of Congress into our club, because we have been suffering under the lack of consultation with postal officials for 10, these many years. It did not begin with Postmaster General Blount. We have had difficulty being consulted on things which affect us by Postmasters General ever since I can remember, and I started in the Postal Service in 1926.

We share with your committee the apprehension over some of the things that the present Post Office Administration is doing. We also share with you, Mr. Chairman, your approval of the efforts of the Postmaster General to remove the appointment of postmasters and rural carriers from the political field. We would have to say to you that, in all honesty, we believe that the Post Office Department has so far done a reasonably good job in removing these appointments from the political field.

As far as the gag rule is concerned, our organization responded to the first inquiries from our members in the field when the gag rule was issued that we did not intend to abide by that rule; that it was, in our opinion, a violation of the Lloyd-LaFollette Act; and that if any of our members were disciplined as a result of that ill-advised action on the part of whoever instigated it, that we would, if necessary, go as far as the Supreme Court to support them, and our position today is still the same. The managers in the field, many of whom were political appointees, immediately jumped on this gag order and in some instances very gleefully informed the officers of our local affiliates across the Nation that they now had them. They could not talk to Congressmen, and as I stated before, we advised our people we did not intend to abide by the order. We have not abided by it and we will not abide by it.

We share with you, Mr. Chairman, your approval of the Postmaster General's latest efforts to get overnight delivery of air mail. We would hope that eventually we would be able to get back and get overnight delivery within a reasonable distance of first-class and newspapers. I was particularly impressed by the gentleman from Minnesota who is having difficulty getting his newspapers.

Our statement, Mr. Chairman, deals with what we believe is one of the things that needs to be done to restore the Postal Service to its original outstanding record in the world, not only in the United States, and that is real consideration to the reinstitution of en route distribution of mail on the trains. With the Railpax or Amtrak, or whatever they want to call it, now being set up, instead of the Post Office Department using this new system or proposing to use this new system to give better service to the public, we find they are taking more mail

service off the trains and that within the not too distant future the only en route distribution of mail which will exist in this country will be on the trains running from Boston to New York to Washington.

We hope that your committee in its consideration will look into this matter. When the en route distribution was first started to be removed from the Postal Service back 10 or 12 years ago, we proposed to the then Post Office Department that they give some consideration to putting mail cars on the fast freights so this kind of service could be continued. Neither the Post Office Department nor the railroad industry would make the modest investment that would have been necessary to convert these cars so that they could have been used on fast freights.

So, basically, I would have to say, Mr. Chairman, we are not here to beat the present Postmaster General over the head or to support him. We are stuck with a piece of legislation which in the final analysis we had some part in drawing up, but is not a perfect setup, and we are going to make every effort to live under that legislation, hopefully, to negotiate a contract which will be acceptable and decent to our members.

We share with you and every Member of the Congress a desire that the U.S. Postal Service or the U.S. Post Office Department, whatever name it might be called, will in the not too distant future be restored to its former reputation when not too many years ago it was considered the best postal system in the world.

Thank you for the opportunity to appear before your committee and, again, welcome to the large group of people who fail to receive consultation.

Mr. UDALL. We thank you for taking your time and effort to compile such an excellent statement, and particularly for some of the specifics you have given us.

I am interested especially in this processing of mail on the trains, and in your suggestion that maybe the new Amtrak system can be utilized. I intend personally to follow this very closely because I recognize the contribution that kind of transit service can give us where the mail is processed en route.

The gentleman from Iowa.

Mr. GROSS. Thank you, Mr. Chairman.

Mr. Filbey, I believe it was the last appearance of the Postmaster General before this committee, and I believe it was the last version of the many versions of the Postal Reform Act that came before us, when I asked this specific question as the first question asked of the Postmaster General: Whether the Lloyd-LaFollette Act was a part of the postal reform legislation, and I am sure you will find it in the hearing record, and he said that it was. So it was with amazement in the light of his statement apparently endorsing the Lloyd-LaFollette Act—at least approving it having been placed in the Postal Reform Act and taking no exception to it at that time—it was with utter amazement that I read his edict saying that postal employees could not communicate with Members of Congress and vice versa.

Mr. FILBEY. So were we, Mr. Gross, and we responded as I stated. We advised the Postmaster General's representatives in a meeting that our organization had no intention of abiding by that most recent order of his; that we intended to abide by the Lloyd-LaFollette Act.

Mr. GROSS. Which would be a provision in the Postal Reform Act which you support. We are pleased to have your testimony.

Mr. FILBEY. At any time the Post Office Department or the U.S. Postal Service attempts to take any disciplinary action against any member of this union, or the merged union which will come about in a few days, whatever necessary action, court action if necessary, will be taken to protect them.

Mr. UDALL. Mr. Waldie.

Mr. WALDIE. No questions.

Mr. UDALL. Thank you, sir. We appreciate your attendance here this morning.

(The following exhibits were submitted by Mr. Filbey, and ordered made a part of the record :)

EXHIBIT A

THE POSTMASTER GENERAL,
Washington, D.C., January 12, 1971.

Memorandum to Headquarters Personnel:

Enactment of the Postal Reorganization Act last August provided the mandate for the Postal Service to completely remove itself from the political process. This legislative mandate applies with equal force to postal employees at all levels.

While the Postal Reorganization Act has removed Congress from operational decision-making in the Postal Service, we will remain a public service institution whose actions will be subject to a continuing review by both Houses of Congress. In order to avoid the possibility for incorrect information and misinterpretation, it is critical that the Postal Service speak to the Congress with only one voice.

Accordingly, I am directing that the Congressional Liaison Office be the sole voice of the Postal Service in communicating with the Congress.

Yours is a vital role in achieving this transition. For this reason, I have attached detailed procedures which clarify our future relationships with the Congress. I suggest that you apprise your staff and employees of these new procedures at an early date.

I shall expect the personal commitment of every postal employee in removing political considerations, of any type, from the Postal Service.

WINTON M. BLOUNT.

CONGRESSIONAL PROCEDURES FOR THE U.S. POSTAL SERVICE

BACKGROUND

Postal managers at all levels can share credit for the great progress that has been made to date in our goal to remove political considerations from the Postal Service's decision-making process.

For postal managers and employees, this transition will provide expanded career and promotional opportunities that are based upon individual merit and work performance. For the many dedicated persons throughout the Postal Service, this transition will offer challenging opportunities for revitalizing and improving the services that we provide to our "customers"—the people of the United States.

Under the postal reorganization concept, it will be the responsibility of those of us who manage the Postal Service to encourage our "customers" to come directly to us for solutions to their mailing problems. In the past, the field offices of many Representatives and Senators have referred the-to-day problems of their constituents directly to local postmasters and their staffs for solution.

Also in the past, there has been a hesitancy for anyone throughout the Postal Service to even begin trying to find a workable solution to the legitimate problems of our "customers" until a Congressional office had intervened on behalf of their constituent.

The need for this type of reliance on the Congress must now be eliminated by prompt and strong management attention, especially by our local managers, to the legitimate needs of our "customers".

It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service. At stake is the public credibility of our goal and commitment to completely remove political factors from the decision-making process of the Postal Service.

PROCEDURES

In order to achieve these objectives, I am directing that the following procedures, which are applicable to all postal employees, be immediately placed in effect:

1. Congressional Contacts

Direct contacts with Members of Congress, their staffs and Congressional Committees, on all matters involving the Postal Service, will be the exclusive responsibility of the Congressional Liaison Office and the General Counsel's Legislative Division.

In implementing these new procedures, Congressmen and Senators will be encouraged to send their postal communications directly to the Congressional Liaison Office. There may be an occasion when a Congressional request, such as a letter, a telegram, a telephone call, or even a personal conversation is addressed directly to you or to one of your employees.

In accordance with the intent of this new procedure, the recipient is to write, within 72 hours of its receipt (Sundays and holidays excluded), a candid, forthright, and fully responsive reply, on a top priority basis, for the signature of the appropriate Congressional Liaison Officer. The reply and the incoming communication should be forwarded to the Congressional Liaison Office.

This centralization of all direct contacts, by the Postal Service, with Congressional offices will make it unnecessary for individual postal employees to have direct contacts with Congressional offices.

In the event that a direct contact or visit with a Congressional office becomes necessary, it is to be coordinated in advance with the Congressional Liaison Office.

2. White House Staff Contacts

In addition to the Postmaster General and the Deputy Postmaster General, direct contacts with members of the White House staff will be the exclusive responsibility of the Executive Assistants to the Postmaster General, the Special Assistant for Public Information, and the General Counsel.

The single exception will be the Assistant Postmaster General for Finance and Administration's specific responsibility for direct contacts with the Office of Management and Budget on budget matters.

3. New postal facilities

The Postal Service will no longer hold the traditional formal dedication ceremony upon completion of a new postal facility. Instead, local postmasters will be authorized to hold an informal open-house ceremony and tour of the new facility for the general public.

The purpose of this highly visible change will be to highlight the role of our own postal employees in serving the residents of their community. *For this reason, participation in any informal ribbon-cutting ceremonies will be limited to full-time employees of the U.S. Postal Service. Non-postal participation on any informal program will not be authorized.*

4. Public announcements

Public announcements of Postal Service activities will be made concurrently to the news media and to Congressional offices, in a non-partisan manner.

The traditional practice of providing Congressional offices with a 24-hour advance notice of Postal Service activities is responsible for conveying the erroneous impression that political considerations play a role in every postal decision.

To eliminate the possibility for such an inference in the future, the Congressional Liaison Office will furnish Congressional offices with a copy of the Postal Service's public announcements concurrently with their release to the news media. Under this policy, Congressional notifications will be made in a non-partisan manner.

Under these procedures, Congressional matters will be the direct concern of the Congressional Liaison Office and the Postmaster General, who, through the Board of Governors, will be accountable to the Congress for the activities of the Postal Service.

In implementing these new procedures, I want you to know that they do not affect the right of any employee to petition, as a private citizen, his U.S. Representative or Senators on his own behalf.

The leadership of individual postal managers in insuring that the intent of these procedures is fully implemented will be vital to the goal of removing political considerations from the Postal Service.

WINTON M. BLOUNT.

January 12, 1971.

EXHIBIT B

TO ALL EMPLOYEES:

The following is a portion of a directive received from Postmaster General Winton M. Blount:

Enactment of the Postal Reorganization Act last August provided the mandate for the Postal Service to completely remove itself from the political process. This legislative mandate applies with equal force to postal employees at all levels.

Accordingly, I am directing that the Congressional Liaison Office be the sole voice of the Postal Service in communicating with the Congress.

It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service.

In order to achieve these objectives, I am directing that the following procedures, which are applicable to all postal employees, be immediately placed in effect:

1. Congressional Contacts

Direct contacts with Members of Congress, their staffs and Congressional Committees, on all matters involving the Postal Service, will be the exclusive responsibility of the Congressional Liaison Office.

Undoubtedly, there may be an occasion when a Congressional request, such as a letter, a telegram, a telephone call, or even a personal conversation is addressed directly to you or to one of your employees.

In accordance with the intent of this new procedure, the recipient is to forward, within 72 hours of its receipt (Sundays and holidays excluded), the draft of a candid, forthright, and fully responsive reply on a top priority basis, along with the incoming communication, directly to:

Congressional Liaison Office
U. S. Postal Service
Room 3408
12th & Pennsylvania Ave., N.W.

Postmasters are encouraged to assist any of their employees who may receive a direct Congressional communication in meeting this time schedule.

2. New Postal Facilities

The Postal Service will no longer hold the traditional formal dedication ceremony upon completion of a new postal facility.

Instead, local postmasters will be authorized to hold an informal open-house ceremony and tour of the new facility for our "customers" and the families of our postal employees.

For this reason, participation in any informal ribbon-cutting ceremonies will be limited to full-time employees of the U. S. Postal Service. Non-postal participation on any informal program will not be authorized.

In implementing these new procedures, I want you to know that they do not affect the right of any employee to petition, as a private citizen, his U.S. Representative or Senator on his own behalf.

EXHIBIT C

POST OFFICE DEPARTMENT

January 15, 1971

**WICHITA REGIONAL OFFICE
WICHITA, KANSAS 67225**

10-JFA:ve

Policy on Congressional Procedures for the United States Postal Service**All Postmasters**

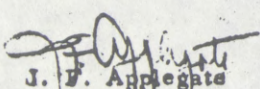
You have all received a memorandum dated January 12, 1971, from the Postmaster General outlining procedures for assuring separation of political considerations from the operations and decision-making process of the Postal Service. It is expected that each postmaster and postal supervisor will carefully read and reread the procedures as they were outlined to you.

In order to re-emphasize the importance of these instructions, I quote to you a paragraph from these procedures:

"It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service. At stake is the public credibility of our goal and commitment to completely remove political factors from the decision-making process of the Postal Service."

I must advise you that any evidence of deliberate disregard for these instructions will be dealt with severely. Therefore, such disregard will be considered as cause for imposing disciplinary action upon the responsible employee.

The Postmaster General pointed out to you in a letter dated November 18, 1970, that you would have a key role in making effective management of the new Postal Service a reality. I am certain that you will agree with me in wanting to establish the most efficient and economical Postal Service possible and postal reform has provided us with this opportunity. Postal managers must be free to achieve goals and objectives without unnecessary interference. Nothing less than your total cooperation is expected.

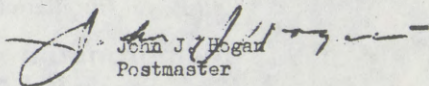


J. F. Applegate
Acting Regional Director

EXHIBIT D

The following message has been sent out by the Postmaster General pursuant to the Postal Reorganization Act and is to be distributed to all personnel of this office.

The following procedures, which are applicable to all postal employees, are immediately placed in effect:


John J. Hogan
Postmaster

1. CONGRESSIONAL CONTACTS

Direct contacts with Members of Congress, their staffs and Congressional Committees, on all matters involving the Postal Service, will be the exclusive responsibility of the Congressional Liaison Office.

In implementing these new procedures, Congressmen and Senators will be encouraged to send their postal communications directly to the Congressional Liaison Office. Undoubtedly, there may be an occasion when a Congressional request, such as a letter, a telegram, a telephone call, or even a personal conversation is addressed directly to you or to one of your employees.

In accordance with the intent of this new procedure, the recipient is to forward, within 72 hours of its receipt (Sundays and holidays excluded), the draft of a candid, forthright, and fully responsive reply on a top priority basis, along with incoming communication, directly to:

Congressional Liaison Office
U. S. Postal Service, Room 3408
12th & Pennsylvania Ave., N. W.
Washington, D. C. 20260

Postmasters are encouraged to assist any of their employees who may receive a direct Congressional communication in meeting this time schedule.

This centralization of all direct contacts, by the Postal Service, with Congressional offices will make it unnecessary for individual postal employees to have direct contacts with Congressional offices, including field offices which may be located within a local Post Office building.

In the event that a direct contact with a Congressional office becomes necessary, it is to be coordinated in advance with the Congressional Liaison Office.

In implementing these new procedures, I want you to know that they do not affect the right of any employee to petition, as a private citizen, his U. S. Representative or Senators on his own behalf.

The leadership of individual postal managers in insuring that the intent of these procedures is fully implemented will be vital to the goal of removing political considerations from the Postal Service.

January 12, 1971

S/ Winton M. Blount

EXHIBIT E

[From the Postal Bulletin of Jan. 21, 1971]

*All Postal Installations***Memorandum on
Congressional Contacts**

Enactment of the Postal Reorganization Act last August provided the mandate for the Postal Service to completely remove itself from the political process. This legislative mandate applies with equal force to postal employees at all levels.

While the Postal Reorganization Act has removed Congress from operational decision-making in the Postal Service, we will remain a public service institution whose actions will be subject to a continuing review by both Houses of Congress. In order to avoid the possibility for incorrect information and misinterpretation, it is critical that the Postal Service speak to the Congress with only one voice.

Accordingly, I am directing that the Congressional Liaison Office be the sole voice of the Postal Service in communicating with the Congress.

Yours is a vital role in achieving this transition. For this reason, I have attached detailed procedures which clarify our future relationships with the Congress. I suggest that you apprise your staff and employees of these new procedures at an early date.

I shall expect the personal commitment of every postal manager in removing political considerations, of any type, from the Postal Service.

WINTON M. BLOUNT.

CONGRESSIONAL PROCEDURES FOR THE U.S. POSTAL SERVICE

BACKGROUND

Postal managers at all levels can share credit for the great progress that has been made to date in our goal to remove political considerations from the Postal Service's decision-making process.

For postal managers and employees, this transition will provide expanded career and promotional opportunities that are based upon individual merit and work performance. For the many dedicated persons throughout the Postal Service, this transition will offer challenging opportunities for revitalizing and improving the services that we provide to our "customers"—the people of the United States.

Under the postal reorganization concept, it will be the responsibility of those of us who manage the Postal Service to encourage our "customers" to come

directly to us for solutions to their mailing problems. In the past, the field offices of many Representatives and Senators have referred the day-to-day problems of their constituents directly to local postmasters and their staffs for solution.

Also in the past, there has been a hesitancy for anyone throughout the Postal Service to even begin trying to find a workable solution to the legitimate problems of our "customers" until a Congressional office had intervened on behalf of their constituent.

The need for this type of reliance on the Congress must now be eliminated by prompt and strong management attention, especially by our local managers, to the legitimate needs of our "customers".

It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service. At stake is the public credibility of our goal and commitment to completely remove political factors from the decision-making process of the Postal Service.

PROCEDURES

In order to achieve these objectives, I am directing that the following procedures, which are applicable to all postal employees, be immediately placed in effect:

1. Congressional contacts

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In accordance with the intent of this new procedure, the recipient is to forward, within 72 hours of its receipt (Sundays and holidays excluded), the draft of a candid, forthright, and fully responsive reply on a top priority basis, along with the incoming communication, directly to:

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Postmasters are encouraged to assist any of their employees who may receive a direct Congressional communication in meeting this time schedule.

This centralization of all direct contacts, by the Postal Service, with Congressional offices will make it unnecessary for individual postal employees to have direct contacts with Congressional offices, including field offices which may be located within a local Post Office building.

In the event that a direct contact with a Congressional office becomes necessary, it is to be coordinated in advance with the Congressional Liaison Office.

2. New postal facilities

The Postal Service will no longer hold the traditional formal dedication ceremony upon completion of a new postal facility.

Instead, local postmasters will be authorized to hold an informal open-house ceremony and tour of the new facility for our "customers" and the families of our postal employees. The highly successful open-house ceremony in Santa Ana, California, which was featured in the November-December issue of *Postal Life*, can serve as a model for this type of ceremony.

All open-house ceremonies will be coordinated from Headquarters by the Office of Community Programs. When a new postal facility is ready for occupancy, the Office of Community Programs will automatically provide the local postmaster with a kit of information relating to the open-house ceremony.

In the future, postmasters will be allowed a small fund to defray some of the incidental costs of activities related to the open-house of a new postal facility.

The purpose of this highly visible change will be to highlight the role of our own postal employees in serving the residents of their community. *For this rea-*

son, participation in any informal ribbon-cutting ceremonies will be limited to full-time employees of the U.S. Postal Service. Non-postal participation on any informal program will not be authorized.

3. Public announcements

Public announcements of Postal Service activities will be made concurrently to the news media and to Congressional offices, in a non-partisan manner.

The traditional practice of providing Congressional offices with a 24-hour advance notice of Postal Service activities is responsible for conveying the erroneous impression that political considerations play a role in very postal decision.

To eliminate the possibility for such an inference in the future, the Congressional Liaison Office will furnish Congressional offices with a copy of the Postal Service's public announcements concurrently with their release to the news media. Under this policy, Congressional notifications will be made in a non-partisan manner.

Under these procedures, Congressional matters will be the direct concern of the Congressional Liaison Office and the Postmaster General, who, through the Board of Governors, will be accountable to the Congress for the activities of the Postal Service.

In implementing these new procedures, I want you to know that they do not affect the right of any employee to petition, as a private citizen, his U.S. Representative or Senators on his own behalf.

The leadership of individual postal managers in insuring that the intent of these procedures is fully implemented will be vital to the goal of removing political considerations from the Postal Service.

WINTON M. BLOUNT.

January 12, 1971.

[From the Postal Bulletin of Jan. 21, 1971]

All Postal Installations

EMPLOYEES RETAIN RIGHT TO PETITION

In order to clarify the foregoing procedures on congressional contacts as they relate to individual postal employees and employee organizations, the attention of all postal employees is invited to the provisions of chapter 71 of title 5 of the United States Code.

5 U.S.C. section 7101 provides in pertinent part that:

"A postal employee may not be reduced in rank or pay or removed from the postal service because of—

* * * * *

"(2) presenting, individually or as a member of a group of postal employees, a grievance to Congress or a Member of Congress."

5 U.S.C. section 7102 provides that:

"The right of employees, individually or collectively, to petition Congress or a Member of Congress, or to furnish information to either House of Congress, or to a committee or Member thereof, may not be interfered with or denied."

39 U.S.C. section 410 (b), as contained in section 2 of the Postal Reorganization Act, makes the foregoing provisions applicable to the new Postal Service. In addition, 39 U.S.C. section 1002 (g), as contained in the Postal Reorganization Act, states that the provisions of section 1002, dealing with political recommendations, shall not affect the right of an officer or employee of the Postal Service to petition Congress as authorized by section 7102 of title 5.

The new congressional procedures are designed to insure that when the Postal Service, as such, speaks to Congress or to individual Members of Congress, it will do so through the Congressional Liaison Office or other authorized channels. While postal employees, and organizations of postal employees, have a statutory right to communicate with Congress or Members of Congress, they may not speak for the Postal Service unless authorized to do so.—Office of the Special Assistant to the Postmaster General, 1-21-71.

Our final witness is Robert L. White, president of the National Alliance of Postal and Federal Employees.

Mr. White, we welcome you to the subcommittee.

STATEMENT OF ROBERT L. WHITE, PRESIDENT, ACCOMPANIED BY WYATT WILLIAMS, PRESIDENTIAL AIDE; ERIE DOYLE, PRESIDENTIAL AIDE; AND WESLEY YOUNG, VICE PRESIDENT; NATIONAL ALLIANCE OF POSTAL AND FEDERAL EMPLOYEES

Mr. WHITE. Thank you, and good morning, Mr. Chairman, and honorable members of the subcommittee.

I am extremely pleased to have this opportunity to appear before this subcommittee this morning to express some of our concerns about what is happening within the Postal Service.

If I may, I will introduce my assistants. On my left is Mr. Wyatt Williams, who is presidential aide. Next to me also is Mr. Erie Doyle, one of my presidential aides; and on my right is Mr. Wesley Young, from Chicago, the vice president.

Mr. UDALL. It is good to have these gentlemen, also.

Mr. WHITE. We have a prepared statement, Mr. Chairman, which will be presented to every member of the committee. We do not have it with us at this particular time.

We are very concerned in more than just the area of the gag rule which the Postmaster General introduced. We have four other areas that we are concerned about which is affecting the new Postal Service. We are speaking specifically about the reduction in force which is now taking place under the guise of adverse actions. Many employees are being removed from the Service. This is particularly true of female employees who are being let out of the Service for little or no reasons and we feel that it is something which affects us deeply as black employees; we are concerned because it is affecting black employees quite a bit.

We also are a little concerned about the alleged merit promotion system which is now involved in the Postal Service, particularly as far as the postmasters appointments are concerned. We have been trying to find out ever since the Postmaster General started appointing postmasters, the number of black postmasters or other minority group postmasters that have been named. We have been unable to get any information in this area at all, and from the little information we have, we realize now that we are faring worse under the so-called merit promotion system with the Postmaster General supposedly having removed politics from the promotion procedures, than we did under the political procedure.

We also are a bit concerned about the manner in which the new Postal Service is preparing to start hiring new employees for the Postal Corporation. It is our understanding that they are experimenting in some four different post offices throughout the cuntry whereby they are providing or letting the postmaster accept applications, and then have someone in the area screen these applicants. They are setting them up on the basis of an examination grade, but on the basis of best qualified, well qualified, qualified and so forth.

Also, they are using such things as cultural background, habits, and things like that, which we also realize is going to adversely affect minority and poor people.

Finally, we are concerned about the moving of many postal facilities outside of the main portion of the city into suburbia. This, too, we know, is going to adversely affect poor minority employees throughout most of the cities in the country.

We feel that your committee is doing the right thing in taking the position that you are taking certainly in making sure that every employee has a right to contact their Congressman. We recognize the fact that it is a violation of the Lloyd-LaFollette Act. We, to, have informed all of our members that they have every right to contact their Congressman and we will defend them if they have any trouble at all in regards to making contact with their congressional representative.

The Postal Service has been the one service that has really affected every citizen in this country from the poorest to the richest, and we feel that Congress should maintain a certain degree of autonomy over what happens with the Postal Service because every person in this country is affected directly or indirectly by the Postal Service.

As I stated, we have a prepared statement which will go into depth into the areas of our concern, but we did want to appear here this morning and let you know that we are not happy with the way things are going and we are certainly not happy with the gag rule. We are not abiding by it and we are informing our membership also not to abide by it.

Mr. UDALL. Thank you, Mr. White. We are grateful for your taking the time to come here this morning, and we recognize how very vigorously you and your organization represents the interest of your members.

Let me say first that I hope you will monitor very closely and let the subcommittee know as we proceed of developments that specifically affect your members.

In this connection, would you agree or disagree with the thought that the Post Office Department has been one area in the Federal Government at least where blacks could get an equal shake over the last few years, where there was a relatively high degree of opportunity?

Mr. WHITE. I would agree that there has been an improvement in the last few years in the opportunities for blacks throughout the Postal Service, but it is not anything that I could brag about at the present time.

Mr. UDALL. Compared with other agencies of Government, is it about the same or better or worse?

Mr. WHITE. It is a little better than some of the other agencies and it is worse than others, too.

Mr. UDALL. Is the opportunities for blacks in part due in the Post Office Department to low pay, that these are areas where competition is not quite as severe. Is this part of it?

Mr. WHITE. That is very, very true, sir. They are still, on the whole, in the lowest grades in the Post Office, just as they are in other Federal agencies, and even though there has been some advancements as far as middle management positions are concerned, they are not in some of the top managerial positions in the Post Office and throughout all the Federal agencies.

Mr. UDALL. I hope you will be prepared to watch this closely and give us information. It had not occurred to me how the appointment of

black and other minority postmasters might be affected by the Postal Reform Act, and I can see that maybe there might be some changes in that direction; and I, for one, would like to know about them.

It just came to my mind as you were talking that I recommended the appointment of—and he was actually appointed—a black career postal employee in one of the fairly large medium-sized post offices in my district. He has done an outstanding job and he is an outstanding man. I was just asking myself whether under this new system of non-political appointment he would have been selected, and I frankly doubt it.

I was anxious to give him some recognition and anxious to show, as all of us in politics are, that we are fair to minority group people. Maybe I leaned over backwards to pick a man who was fully qualified but who might not have been selected under some cold, analytical management-type, nonpolitical selection process.

So I hope you will ride herd on this and tell me and all of us on this committee if you think you are getting a worse shake under the new system than under the old one.

Mr. WHITE. I might add, sir, that we feel we are getting a very, very raw deal at the present time. As I stated, we have attempted to find out from the Postmaster General just how they are being selected. We know that even some of the new procedures, such as removing residence requirements, is going to adversely affect blacks, and when we made inquiries as to the biography of the postmasters which were being appointed, which the Postmaster General first stated you could get, they suddenly discontinued issuing that information completely.

Mr. UDALL. I think I will ask staff to prepare a letter on this so that I can ask the Postmaster General what the situation has been. Maybe we will get a little more information about it than you were able to get. Let's work together and keep me and Mr. Waldie and others informed as we go down the road.

I can also see the point you make about relocation of facilities to suburbia as having a very adverse effect on postal employees, transit problems, ability to get back and forth to work, too.

Mr. WHITE. Mr. Young would like to say something.

Mr. YOUNG. The only thing I was going to say is, out in Chicago we usually say as soon as blacks start making progress, they change the rules of the game. We reached these middle management positions in most of the urban areas merely because we developed political muscle, like when the Irish was in control they controlled the jobs; so when we get up the political muscle, we started obtaining and moving into the positions, so we feel by taking the politics out, it's going to be a detriment to us, especially in the urban area.

Mr. UDALL. Mr. Waldie.

Mr. WALDIE. I just wanted to add another part to the puzzle which is on the other side of the coin. In my own district, a major city, Richmond, has had a major political difficulty in the post office involving black and white employees, and it was because of the new system that the black postmaster became such. Given the political complexion of that community, it is highly unlikely that he would have been able to procure political appointment, and so I think the system deserves a fair analysis before we come up with this hard and fast judgment as to whether it is going to act as detrimentally as you suggested.

I think what you suggest might be so, but at least in this instance precisely the opposite occurred. The man was selected solely on ability and experience and I do not think he could have been selected under any system other than if politics were taken out of it.

I want to make that part of the record because this postal administration on that issue acted far better than did my own party's administration, and I presented the same problem to them and frankly they did not respond nearly as effectively as this one. So it is a situation that I think requires some countrywide examination before we come to any conclusion.

Mr. UDALL. Yes, and obviously, the only thing we can predict at this point is it would not operate quite the same way, and whether the net effect will be good or bad, only time will tell.

Mr. WALDIE. I think we can conclude that the net effect under the old system was not good. We only have to look at the number of black supervisors under the new and old system, and there were not any chicanos in most of the city post offices in California. So it may not be a great improvement, but it does not seem to be much worse under this system.

Mr. WHITE. Yes, sir. We agree with what you are saying and we are a bit familiar with the Richmond situation that you are speaking about. However, we still maintain that middle management positions—yes, we have been getting a sizable number of those throughout the Postal Service, but we still are not in the policymaking positions. This is what we are concerned about.

What we do not want to see happen is the Postmaster spoke in terms of 5,000 vacancies as far as postmasterships are concerned, and they were supposed to be filled based on merit and service if possible. We do not want to come up after 5,000 positions have been filled and find we only have two or three black postmasters or other minorities that have been named, because then, I say again, the pie will have already been sliced up and we will have been left out again. So, if we can only possibly find out how it is being done, I know very well that on a fair consideration of merit we will come up with a sizable number of postmasters because we have qualified blacks within the Postal Service, men who have been educated. We know that the Postal Service was the burial ground for most educated blacks for a long, long time, and many of them are still in the Service, and for them now to use the rules they are using such as eliminating residence, and other types of considerations which formerly would bring blacks, you might say, into the line of being considered properly, we are not getting it. This is what we are saying. Maybe it is not done intentionally, but as Mr. Young pointed out, it seems that every so often the rules are changed. They seem to change them to our disadvantage, for whatever reasons they see fit.

Mr. WALDIE. I wonder if the change in the residence requirement, if properly administered, would not have the opposite effect. It seems to me if it is properly administered, the changes would be to your advantage. If the old rule were in effect the number of post offices to which blacks would be entitled to become postmasters would be relatively few of the 5,000 vacancies because the black residential are concentrated where they are, unhappily, in the country.

I suspect the answer to that is going to depend on how well it is administered and it will be an interesting test to see if they move a qualified black to a suburban white postal department.

Mr. WHITE. Yes, sir, if properly administered.

Mr. UDALL. We can at least hope that under the new system, you can take a qualified middle management black who distinguished himself at the central post office and move him out to the suburban place and put him in charge. That would never happen under the old system.

Mr. WHITE. If properly administered, we have no doubts that it would work to our advantage, but that is our concern, to see that it is properly administered.

Mr. WALDIE. I think that is our concern, too. I think you are quite proper bringing the matter before the committee because it certainly is an area that we have a great interest in.

Mr. UDALL. We thank you for coming. This committee operates with great precision; having convened at 10 o'clock, we now adjourn at 12 o'clock.

(Whereupon, at 12 noon, the subcommittee was adjourned.)

(By a unanimous-consent request, the following memoranda of agreement were ordered placed in the record:)

MEMORANDUM OF AGREEMENT BETWEEN THE POST OFFICE DEPARTMENT AND THE DEPARTMENT OF THE ARMY PROVIDING FOR POSTAL FACILITIES ACQUISITION SERVICES

I. INTRODUCTION

1. This Memorandum of Agreement outlines responsibilities and areas of interest under which the Chief of Engineers, under the supervision of the Secretary of the Army, will furnish as requested by, and to, the United States Post Office Department (USPOD) and its successor, the United States Postal Service, the following services in connection with the acquisition of postal facilities: (a) real estate, (b) design and construction, and (c) administration of contracts required to carry out (a) and (b) above.

2. The Chief of Engineers is designated as the Department of the Army representative for all matters pertaining to the acquisition of postal facilities for USPOD.

3. The Chief of Engineers and the USPOD will develop a working agreement implementing the responsibilities and areas of interest covered by this Memorandum of Agreement; the working agreement will be consistent with the relationships and principles set forth herein. Further, representatives of the Chief of Engineers and the USPOD will develop such implementing procedures as are necessary.

II. POLICY

The Chief of Engineers will perform real estate, design, and construction services in the acquisition of postal facilities as requested by the USPOD. Public announcements and Congressional liaison will be the executive responsibility of the USPOD.

III. CONTRACTURAL SERVICE

1. In entering into and administering contracts for real estate and the design and construction of facilities, the Corps will follow its civil works procedures to include the handling of claims and disputes.

2. The Chief of Engineers will designate the Contracting Officer and the Corps activity to perform the services in connection with each project.

IV. OPERATING PROCEDURES

USPOD requests for real estate, design, and construction services will be in writing. The request will include the scope of the services desired, project funding and scheduling limitations, and the project design standards and criteria.

A. Real estate

The Corps will furnish all real estate services as requested in writing by the USPOD. In connection with site acquisition, USPOD will designate the real estate and the real estate interest to be acquired.

B. Design

The Corps, either with its own forces or through an Architect-Engineer (A-E), will prepare all drawings, technical specifications, and other construction contract documents necessary for the completion of the projects.

C. Construction

Subject to the provisions of the working agreement to be developed by the Chief of Engineers and the USPOD, the Corps' Contracting Officers will enter into and administer the construction contracts, issue change orders, execute supplemental agreements, decide disputes, and take all other necessary and appropriate actions to assure the successful completion of the projects.

D. Budget and finance

The costs of design, construction, site selection, or real estate acquisition or other real estate services undertaken by the Corps at the request of the USPOD will be funded by USPOD on the basis of total project costs, including costs of settling contractor claims and disputes arising under the provisions of the contracts. For this purpose, project costs are the customary charges which include applicable engineering and design services and construction expenses, whether by contract or hired labor, costs of supervision and inspection of construction, support costs, costs, of settling contractor claims and disputes and, in addition, include the costs attributable to the acquisition of real estate. Labor costs include surcharge rates established to cover employees' leave and government contributions for insurance, health benefits, and retirement.

VI. AMENDMENT AND TERMINATION

1. This Agreement will continue in effect for a period of three years following its effective date, and thereafter as may be agreed by the parties. This Agreement may be modified or amended by written agreement between USPOD and the Department of the Army.

2. In the event circumstances are such that either USPOD or the Department of the Army deems it necessary or desirable to terminate this Agreement before completion of any services initiated hereunder, USPOD and the Department of the Army will consult in advance of such termination and will, insofar as possible, fix a termination date sufficiently in advance so that the parties may make personnel and other adjustments in their operations in light of such termination.

VII. EFFECTIVE DATE

This Agreement will be effective commencing with the _____ day of _____, 19____.

Department of the Army

By: _____

Title _____

Post Office Department

By: _____

Title _____

MEMORANDUM OF AGREEMENT BETWEEN THE POST OFFICE DEPARTMENT AND THE CORPS OF ENGINEERS, DEPARTMENT OF THE ARMY, PROVIDING FOR POSTAL FACILITIES ACQUISITION SERVICES

I. INTRODUCTION

1. This Agreement establishes the responsibilities, terms, and conditions under which the Corps of Engineers (Corps), Department of the Army, will furnish to, for, and on behalf of the Post Office Department (USPOD) pursuant to the Memorandum of Agreement signed by the Postmaster General and the Secretary of the Army, dated March 11, 1971, and as requested by the USPOD, the following postal facilities acquisition services: site selection; site acquisition; design; construction; preparation, award, and administration of design and construction contracts, including mechanization; inspection and supervision of construction; architectural and engineering services during construction; acceptance of completed facilities; and ancillary services specified herein.

2. It is understood that the USPOD desires to utilize the services of the Corps under this Agreement, and that the Corps desires and is in a position to furnish such services, for the principal purposes of providing needed, highly functional-type postal facilities on strict time schedules at minimum cost. Accordingly, it is mutually agreed that all requests for services, transmittals, re-

views, approvals, and other actions required by or in furtherance of this Agreement, will be performed with a consistently maintained high level of priority, cooperation, and dispatch; and it is further agreed that the Corps will investigate and, whenever in its judgment significant time or cost savings or superior construction can be achieved by contracting for the use of advanced construction techniques and materials, by phased contracting, or by contracting for construction on a basis other than fixed price, the Corps will so contract after obtaining the written approval of the USPOD.

II. POLICY

1. The Corps will recommend and acquire postal facility sites and perform all design, construction, and acceptance services for projects on which such services are requested by the USPOD. The USPOD will provide funds to cover the work to be performed by the Corps in accordance with the provisions of section V of this Agreement. Public information releases and announcements of projects covered by this Agreement will be made by the USPOD; thereafter, public information releases pertaining to the day to day operational aspects of the services being provided by the Corps for these projects are to be coordinated with the local postmaster. All public announcements involving policy and the overall program will be made by the USPOD. Congressional liaison relating to any matter covered by this Agreement will be the exclusive responsibility of the USPOD. Congressional inquiries received by the Corps regarding all work performed under this Agreement will be sent with the Corps' suggested response, on a priority basis, to the USPOD's Congressional Liaison Office for disposition.

2. A Corps of Engineers Postal Construction Support Office will be established by the Corps in the Office of the Chief of Engineers, and will be the primary point of contact in the Office of the Chief of Engineers for purposes of this Agreement. Any communication made to or received from the Corps of Engineers Postal Construction Support Office by the USPOD will be deemed for all purposes of this Agreement to have been made to or received from the responsible Corps authority. The Office of Program Management, Facilities Department, USPOD, will be the primary point of contact in USPOD for purposes of this Agreement. Any communication made to or received from the USPOD Office of Program Management by the Corps will be deemed for all purposes of this Agreement to have been made to or received from the responsible USPOD authority. The Corps of Engineers Postal Construction Support Office, the USPOD Office of Program Management, and higher authorities in the Corps and the USPOD, may from time to time designate in writing additional offices or officials within their respective agencies to originate and receive specified communications.

3. In performing site selection and acquisition services under this Agreement, the Corps will act as agent for the USPOD. Any contracts necessary to the acquisition of land, and acceptances thereunder, will be executed by the Corps for and on behalf of the Postmaster General of the United States. In all title deeds, the legend, "The above-described premises are acquired for and on behalf of the Post Office Department", will be inserted directly following the metes and bounds description.

4. In performing design and construction contracting services under this Agreement, the Corps will contract in the name of the United States of America in accordance with usual Corps procedures, and will make disbursements to contractors pursuant to the terms of such contracts.

5. All requests for services under this Agreement will be made in writing by the USPOD. Each request for services will include, to the maximum extent practicable, all Corps services desired by the USPOD in connection with the same project. Each such request will specify the intended beneficial occupancy date of the facility and the scope of the Corps services desired. Each request will be accompanied by a USPOD Project Authorization which will authorize the obligation of funds within specific limitations for the services requested. Promptly after receiving each request for services under this Agreement, the Corps will acknowledge the request in writing and will specify the Corps Activity, or Activities, responsible for performing the services requested.

6. The Corps and the USPOD will consult and endeavor to agree upon a solution whenever, in the opinion of either party, any person employed by the other party in the provision of any services under this Agreement, is incompatible, lacking in competency, or otherwise objectionable.

III. REAL ESTATE SERVICES

A. Site selection

1. In connection with each USPOD request for site selection services, the USPOD will specify the place or area in which a site is desired, the approximate size of site desired, the access and operational requirements, and other applicable criteria. Subject to extension of time by mutual agreement, the Corps' site selection services will be accomplished within a target period of 30 days following receipt by the Corps of the USPOD's specifications and criteria.

2. The Corps will provide site selection services as requested by the USPOD including the following:

a. Location, analysis, and comparison of alternative sites in and around the place or area designated by the USPOD and conforming generally to the criteria specified by the USPOD. The Corps' site review team will include a representative of the USPOD.

b. Preparation and submission to the USPOD for designation by the USPOD of the site to be acquired, or other action, of a Real Estate Planning Report. The Report will include the Corps' gross estimate value of each site considered, the Corps' siting recommendation, and the factors on which the recommendation is based.

B. Site acquisition

1. In connection with each USPOD request for site acquisition services, the USPOD will specify the site to be acquired and the kind of real property interest to be acquired. The applicable USPOD Project Authorization will state the approved gross estimate value of the site and will authorize the obligation of funds in accordance with the provisions of this Agreement.

2. The Corps will provide site acquisition services as requested. It is understood and agreed that, if the apparent total cost of any site as evidenced by offers to sell obtained by the Corps through negotiation plus the total appraised value of any parcel or parcels which the owners refuse to sell exceeds the USPOD Project Authorization gross estimate value of the site by more than the percentages allowed by Engineer Regulation 405 1-62¹ as in effect on December 1, 1970, the Corps will consult with the USPOD and will not commence purchasing parcels until after a determination is made by the USPOD as to whether to abandon the site, acquire some or all of the offered parcels by purchase, or proceed against some or all of the offered parcels by condemnation in lieu of purchase. If necessary, a revised USPOD Project Authorization will be issued.

3. With regard to lands, or interests therein, under the jurisdiction, custody, or control of other Government agencies, including lands in the public domain, the Corps will arrange for the use by, or transfer to, the USPOD of such lands or interests and will prepare and transmit to the USPOD, for signature and forwarding, of requests for such use or transfer.

IV. DESIGN AND CONSTRUCTION SERVICES

A. Contractual services generally

1. The Corps will enter into and administer any necessary contracts for the design and construction projects for which such services are requested under this Agreement. Subject to the provisions of this Agreement, the civil works contract procedures normally followed by the Corps, including the handling of claims and disputes, will be followed by the Corps in entering into and administering contracts hereunder. The Corps will keep the USPOD currently advised concerning contractor claims by submitting the Corps' claims reports, and revisions thereof, to the USPOD.

2. All contractual matter referred by the Contracting Officer to higher authority for decision or approval will be brought to the attention of the USPOD.

3. If, after consultation, the USPOD requests termination of any contract for the convenience of the Government, the Corps will so terminate such contract.

B. Design

1. For each project on which the Corps' design services are requested, the USPOD will provide the Corps with applicable project design standards, specific design criteria, general functional requirements, mechanization requirements, and any descriptive material or sketches needed to define the general quality of construction, space allocation, functional layout, and operating characteristics

to be incorporated into the design of the project. An agreed time schedule within which the design services are to be completed by the Corps will be established.

2. The Corps will prepare or cause to be prepared, either by Corps personnel or by an Architect-Engineer (A-E) all designs, plans, drawings, specifications, and technical requirements necessary for the completion of the project in accordance with the USPOD Project Authorization and the USPOD design standards, criteria, general functional requirements and layout, and mechanization requirements. The Corps also will make, or cause to be made, soil tests and sub-surface investigations as needed either for selection as between alternative sites or for project design and construction. Whenever the services of an A-E are to be used, the A-E will be selected by the Corps, with the USPOD having membership on the A-E Selection Board.

3. The Corps will submit to the USPOD for approval, outline specifications and concept drawings, to include site plans, floor plans, building elevations, building cross-sections, space allocation, functional layout, and operating characteristics, including mechanization. This submission will also contain the Corps' estimated completion date of the project and its estimated costs of the project. Subsequent development of drawings and specifications for the project will be accomplished under the supervision of the responsible Corps activity in accordance with the established time schedule and Project Authorization limitations, and in conformity to the USPOD-approved concept drawings and design concepts.

4. The Corps' reviews and approvals of intermediate phase drawings will be accomplished in the office of the A-E. The reviews and approvals of the final phase submittals may be accomplished in the appropriate District office. The Corps will notify the USPOD of the time and place of all such reviews as much in advance as possible so that the USPOD may arrange to have personnel present to participate in the reviews. All final working drawings will be approved by the USPOD as to conformity to the approved concept drawings and design concepts. If at any time during the course of the project any change or revision in the project cost estimate is made, such change or revision will be reported immediately to the USPOD together with a statement of the reasons therefor, and, if the change or revision is an increase, possible alternatives to reduce or eliminate the increase. If necessary, a revised USPOD Project Authorization will be issued.

C. Construction

1. The USPOD Project Authorization accompanying each USPOD request for the Corps' construction services will state the construction project funding limitation and will authorize the obligation of funds within specific limitations for the services requested and the construction project funding limitation.

2. The Corps will contract for construction of the project, including mechanization, in strict accordance with the USPOD Project Authorization construction project funding limitation, scheduled occupancy date, and approved final working drawings, plans, and specifications furnished by the USPOD or prepared by or under the direction of the Corps pursuant to this Agreement, and will perform all necessary inspection, supervision, and other architectural and engineering services during construction. Subject to the provisions of this Agreement, the Corps Contracting Officer will advertise, award, and administer the construction contract, issue change orders, execute supplemental agreements, decide disputes, and take all other necessary and appropriate action to assure the successful completion of the project. In contracting for facilities which are to contain mechanization, the Corps will include both construction and mechanization in a single prime contract unless the Corps determines that significant time and/or cost savings will result from separate contracting, and so advises the USPOD.

3. The Contracting Officer will take all pre-award actions including the preparation and issuance of the solicitation for bids or proposals for construction of the project. The Contracting Officer will not reject all bids, nor award a contract for a price exceeding the funding limitation in the applicable USPOD Project Authorization, without first obtaining the concurrence of the USPOD and a USPOD Project Authorization revision if funding adjustments are necessary. The USPOD will be afforded the opportunity to send representatives to the pre-construction conference held after award.

4. Approved shop drawings, including manufacturers' literature, will be made available to USPOD personnel for review at the project site. As-built

drawings will be furnished to the USPOD within 60 days after transfer of accountability for the facility to the USPOD.

5. Representatives of the USPOD will visit the site from time to time as the USPOD deems necessary or desirable during construction and will report any observed deficiencies to the Corps. The Contracting Officer will modify the construction contract if necessary to comply with the written requirements of the USPOD. A USPOD Project Authorization revision will be issued if additional funding is required.

6. The Corps will not extend the time for completion of any project by more than a total of 30 days beyond the scheduled completion date, nor negotiate supplemental agreements for work outside the scope of the contract, without the prior written approval of the USPOD. The Corps will not, without the prior written approval of the USPOD, issue any single change order or contract modification which increases the contract price by more than \$100,000 unless otherwise agreed in writing. However, notwithstanding the foregoing limitations, nothing in this Agreement shall be construed as limiting the Contracting Officer's, or a Board of Contract Appeals', authority to decide any dispute concerning a question of fact arising under a contract pursuant to the Disputes Clause thereof and to grant whatever relief the contractor is determined to be entitled to. If at any time the Corps determines that the cost of the project will, or is likely to, exceed the USPOD's construction project funding limitation, or that the completion of the project will, or is likely to, be delayed beyond the scheduled completion date, the Corps will so advise the USPOD, giving the estimated amount of the anticipated excess or delay, and the reason or reasons therefor. If necessary, a USPOD Project Authorization revision will be issued.

7. Upon completion of a project, representatives of the USPOD and the Corps will make a joint final inspection to determine whether the work has been completed satisfactorily. In the event of deficiencies resulting from design error or failure of the contractor to comply with the plans and specifications, the Corps will take necessary action with the contractor to correct the same. Acceptance of the completed facility, including the fixed mechanization, will be effected by the Corps with the concurrence and assistance of the USPOD. Transfer of accountability for the facility will be accomplished by the use of a DD Form 1354. The USPOD will assume the custody, operation, and maintenance of the building on the effective date of the transfer of accountability. Any construction deficiencies which, with the USPOD's acquiescence, are not corrected prior to acceptance, will be listed on the reverse of DD Form 1354. The Corps will be responsible for action with the contractor for correction of all deficiencies listed on the reverse of DD Form 1354 at the earliest practicable time. However, the transfer of accountability for the facility will not be delayed pending such correction.

8. All necessary parts lists and maintenance and operating manuals and instructions, and all warranties and guaranties required by the contract specifications, will be delivered to the USPOD at the time of transfer of accountability for the facility to the USPOD. The Corps will make all necessary arrangements for, and will conduct, all inspections and operational tests of the fixed mechanization and other equipment in the facility, notifying the USPOD well in advance of the dates set for such inspections and tests so that USPOD personnel may be present. The Corps will contract for and will take necessary action with the contractor for accomplishing the training of USPOD personnel in the operation and maintenance of the building and the fixed mechanization. Such training will be scheduled so as to be completed in time for the USPOD's assumption of the operation and maintenance of the building and the fixed mechanization, respectively. The USPOD will assume the operation and maintenance of the fixed mechanization after successful completion of the operational tests. The Corps will schedule these tests to commence before or concurrently with the USPOD's beneficial occupancy of the building. The tests should be completed as soon as practicable after occupancy so that full utilization of the facility may be effected promptly.

V. BUDGET AND FINANCE

1. The obligation of USPOD funds for projects and specific services requested under this Agreement will be authorized individually by USPOD Project Authorizations. The Corps will not start work on any project or specific services until it receives the applicable USPOD request for services. Each request for services will identify the project or specific services to which it relates and will contain

a general description of the scope of the services requested. In addition, each request for service will be accompanied by a Project Authorization which will set forth the approved funding and any specific limitations. For this purpose, project costs are the customary charges which include applicable engineering and design services and construction expenses, whether by contract or hired labor, cost of supervision and inspection of construction, support costs, costs of settling contractor claims and disputes and, in addition, costs attributable to the acquisition of real estate.

2. Design, Construction, and Mechanization. The USPOD will fund all payments to contractors pursuant to the provisions of contracts entered into by the Corps in accordance with this Agreement, including costs of settling contractor claims and disputes. The USPOD will additionally fund the costs incurred by the Corps in connection with each individual project, to include the Corps' costs for supervision of design, engineering, construction and mechanization. The Corps will establish controls over its operations to ensure that its costs for such services will not exceed 5.5 percent of the total program payments to contractors for design, construction, and mechanization and for any Corps in-house design. This rate is based on the assumption of a continuing program of not less than \$250 million annually and a schedule of projects at least six months in advance of dates on which services are required. Should this assumption not materialize, the Corps and the USPOD will consult to develop a mutually acceptable course of action. Regardless of the terms of this Agreement, the Corps will continuously seek ways of performing its services in the most efficient and economical manner.

3. Real Estate. The USPOD will fund all payments for land acquired through purchase contracts or by condemnation requiring deposits of estimated compensation together with any deficiency which may be awarded. The USPOD will additionally fund all costs incurred by the Corps in providing real estate services pursuant to this Agreement. It is estimated that the Corps' costs for site selection for budgeting purposes will average \$3,500 per location and that the Corps' costs for site acquisition will average \$3,800 per parcel inclusive of administrative and support costs, provided, however, that the USPOD will fund the actual costs incurred by the Corps in connection with each individual project. The Corps will effect continuing aggressive management to minimize its costs to the extent practicable.

4. At the end of Fiscal Year 1972 and each succeeding fiscal year while his Agreement is in effect, the USPOD and the Corps will conduct a joint review and analysis of the costs specified in paragraphs 2 and 3 of this section to include the status of Corps costs in not exceeding the 5.5 percent program limitation, with particular emphasis on problem areas, if any, and to consider the need for any adjustments, as appropriate.

5. The specific funding procedures are as follows:

a. *Existing USPOD Contracts for Which the Corps Designates a Successor Contracting Officer.* The USPOD Project Authorization applicable to each contract will include the status of contract financing and will authorize contingency funds in a specific amount for the issuance of change orders and/or contract modifications as authorized by this Agreement. Change order and contract modification documentation will be forwarded to the USPOD to be recorded against the contingency funds authorized to be obligated by the Corps. Vouchers for payments due under the contract will be certified by the Corps and forwarded to the USPOD for payment. Services performed by the Corps under the terms of this Agreement and within the budget estimate for the project or specific services requested will be on a reimbursable basis. Standard Forms 1080 will be forwarded to the USPOD for reimbursement.

b. *Projects for Which the Corps is to Let Contracts During FY 1971.* Total Program funding, including the Corps related costs, both direct and indirect, will be transferred to the Corps on SF 1151. The authorization to proceed with individual projects will be given by specific USPOD Project Authorizations. Unexpended balances as of June 30, 1971, will be transferred back to the Postal Service on Standard Form 1151. Cash to cover payments for projects commenced prior to July 1, 1971, will be included in the Standard Form 1151 described in Paragraph c below.

c. *Projects on Which the Corps is to Commence Providing Services on and After July 1, 1971.* On or before July 1, 1971, the Corps will be issued a SF 1151

and a Budget Authorization authorizing the Corps to obligate Postal Service funds required to accomplish planned projects, subject to receipt of specific requests for services and accompanying Postal Service Project Authorizations. Promptly after receiving the Budget Authorization, the Corps will prepare and submit to the Postal Service a projection of monthly expenditures by project for one year in advance. The projection will be revived in February of each year for the twelve months commencing the next previous January 1st, and in August of each year for the twelve months commencing the next previous July 1st, and at such other times as may be necessitated by changes in the Budget Authorization or otherwise. The cash required by the Corps for disbursements in accordance with the monthly projection will be transferred to the Corps monthly in advance, or as otherwise agreed by the parties. If at any time additional funds are required for any project, or it becomes evident that additional funds are likely to be required, the Postal Service will be so advised.

VI. AUDIT

The USPOD may examine all records and documents pertaining to direct and indirect costs charged to the USPOD pursuant to this Agreement.

VII. REPORTS

In addition to all other reports, consultations, advice, notifications, and transmittals provided for in this Agreement or indicated by emergent developments, the Corps will submit in writing to the USPOD the following periodic reports:

A. *Monthly Project Progress Reports.* For each project on which the Corps is providing services under this Agreement, the Corps will submit to the USPOD each month on a mutually agreeable date a Project Progress Report detailing, in an agreed format, the status and progress of the project as of the last day of the preceding calendar month. Each such report will cover all major activities involved in the project for which the Corps has responsibility including, as appropriate, site selection, site acquisition, design, and construction. Each Report will include pertinent information concerning the scheduled and actual commencement and completion dates for the major activities involved in the project, and will show: the scheduled and actual percentages of completion of each major activity; the estimated and/or actual costs of site selection and acquisition; the basic terms of contracts as they are let and modified; increased costs and time extensions made by change order, supplemental agreement, or otherwise; developments having, or likely to have, a significant effect upon the cost or time of completion of the project; and such other information as the USPOD may reasonably request.

B. *Monthly Project Fiscal Status Reports.* For each project on which the Corps is providing services under this Agreement, the Corps will submit to the USPOD each month on a mutually agreeable date a Project Fiscal Status Report detailing, in an agreed format, the fiscal status of the project as of the last day of the preceding calendar month. Each such report will include the original and current amount of the Budget Authorization and the applicable Project Authorization, the amount of accrued expenditures, the undelivered orders, the unobligated balance, and such other information as the USPOD may reasonably request. The Corps will also submit monthly on the agreed date a summary report reflecting the totals of the individual project fiscal status reports.

C. *Special Reports on Completed Projects.* Concurrently with the submission of the final progress and fiscal status reports on each project, the Corps will submit to the USPOD a special report setting forth, in an agreed format, such fiscal and physical data on the completed project as the USPOD may reasonably request.

VIII. AMENDMENT, DURATION, AND TERMINATION

1. This Agreement may be modified or amended by written agreement between the USPOD and the Corps, and it is understood that appropriate amendments may be made as appear necessary or desirable when the Post Office Department is succeeded by the United States Postal Service. It is also understood and agreed that detailed forms and procedures will be adopted, and coordinating groups may be established to implement this Agreement.

2. This Agreement will continue in effect for a period of three years following its effective date, and thereafter as may be agreed by the parties. The USPOD

and the Corps will consult in advance of termination of all or any part of this Agreement and will, insofar as possible, fix a termination date sufficiently in advance so that both parties will have a reasonable period of time to make personnel and other adjustments in their operations in light of such termination. For the purposes of this paragraph, a period of six months will be deemed to be a reasonable period of time. Upon termination of this Agreement, all pertinent documentation requested by the USPOD relating to projects handled by the Corps under this Agreement will be delivered to the USPOD.

IX. EFFECTIVE DATE

This Agreement will be effective commencing with the 11th day of March, 1971.

Corps of Engineers

Department of the Army

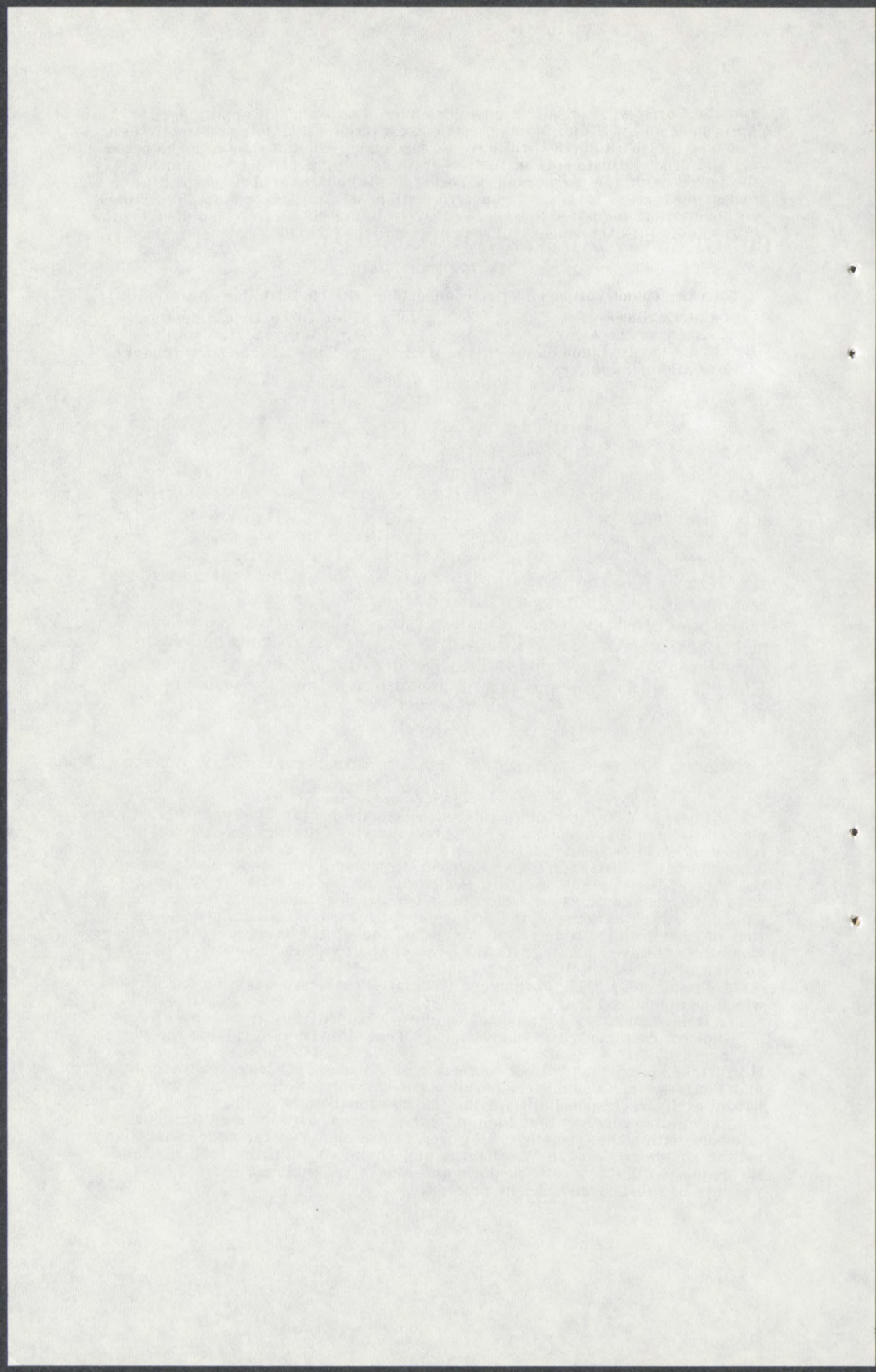
By: F. J. CLARKE, Lieutenant General, USA

Title: *Chief of Engineers*

Post Office Department

By: WINTON M. BLOUNT,

Title: *Postmaster General.*



CONGRESSIONAL RELATIONS WITH THE U.S. POSTAL SERVICE

WEDNESDAY, MAY 26, 1971

U.S. HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON POSTAL SERVICE OF THE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C.

The subcommittee met, pursuant to adjournment, at 10:13 a.m., Cannon House Office Building, Hon. Morris Udall (chairman of the subcommittee) presiding.

Mr. UDALL. The subcommittee on Postal Service will come to order.

We are continuing our series of hearings this morning and I must say I have been impressed with the number of our colleagues who responded to the invitation to submit statements.

Without objection we will make a part of the hearing record a statement by Congressman William D. Ford; a letter from the Washington Newspaper Publishers Association; and a statement from Mr. Elmer Cerin, lawyer and postal consultant, formerly Assistant Postmaster General.

(The statements referred to follow:)

STATEMENT OF HON. WILLIAM D. FORD, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF MICHIGAN

Mr. Chairman, and my distinguished colleagues on this Subcommittee, I am pleased to have this opportunity to express my views during the Subcommittee's review of Congressional relations with the U.S. Postal Service. I also want to commend the Chairman for his efforts in providing a chance for us to examine the present policies and the future direction of the new Postal Service.

As a member of the Post Office and Civil Service Committee, I have become painfully aware of some of the problems which have resulted since the formation of the Postal Service. Unfortunately, one of the most serious problems which have evolved has been in the area of the relationship between Congress and the Postal Service.

On January 12, 1971, Postmaster General Blount issued a memorandum in which he announced that:

It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service.

He further stated that "direct contacts with Members of Congress, their staffs, and Congressional Committees on all matters involving the Postal Service will be the exclusive responsibility of the Congressional Liaison."

First of all, let me say that I am in total agreement with the need for improved efficiency within the Post Office. However, I must challenge the notion that channelling simple requests to Washington and having Washington then re-channel the requests all the way back down the line to the regional or local level can possibly be labelled an efficient procedure.

But more importantly, the gag rule edict was especially shocking since it was issued in direct contradiction to the Lloyd-LaFollette Act of 1912 which specifically protected the rights of postal employees to present their grievances to their Congressmen. Chapter 71 of Title 5 of the U.S. Code states that:

the right of employees, individually or collectively, to petition Congress or a Member of Congress, or to furnish information to either House of Congress, or to a committee or Member thereof, may not be interfered with or denied.

I found it almost incomprehensible that the Postmaster General would presume to deprive this group of workers of their constitutional rights of free speech and petition. It is a basic constitutional right of all citizens, regardless of their occupations, to have free and direct access to their Congressmen without fear of retaliation.

The gag rule attempted to intimidate postal workers from communicating with their Representatives in Congress and, at the same time, this ruling sought to isolate Congress from any involvement with the activities of the Postal Service. Yet, this is the branch of government which, under the Postal Reorganization Act, was specifically allowed to retain its broad power of direction and veto over the Postal Service.

I will fully acknowledge the fact that for many years the Post Office Department was extremely vulnerable and susceptible to political interference. Political pressures undoubtedly added to the inefficiencies and problems that plagued this Department for so long. However, it is a very serious matter when the Postmaster General equates free communication between a Representative and his constituent with political interference and pressure. This attempt to arbitrarily destroy the communication between citizens and their elected officials is both shocking and frightening.

During his testimony before the Post Office and Civil Service Committee on March 11, 1971, Postmaster General Blount attempted to reply to my criticism of the gag rule by saying that one of the primary reasons "customers" turned to their Congressmen for assistance was the failure of the Post Office to respond to their complaints. Therefore, he continued, the challenge of the Postal Service Corporation is "to institute the kind of management philosophy that will make us responsive to our customers and will obviate the need to drain the time of you gentlemen (Congress) and your staffs, and will enable you to apply yourselves to more important matters." This is merely a sugar-coated justification for his attempts to isolate Congress from its oversight role and to deny postal workers their right to present their grievances to Congress.

I would like to submit that, contrary to Mr. Blount's statement, representing and responding to the problems of our constituents is one of our most important matters.

Mr. Chairman, when the Post Office Reorganization bill was debated, I had serious reservations about the arguments put forth that the creation of a semi-independent corporation would help to modernize the Post Office, increase its efficiency, and reduce political pressures upon it. Since the establishment of the Postal Service Corporation, the means by which some of these goals have been interpreted and applied by the Administration have confirmed my doubts. The attempt to restructure the Post Office has not been successful and, I still believe, that reform might just as easily, and maybe more successfully, be achieved within the framework of the previously existing Post Office Department.

I am afraid that in trying to de-politicize the Postal Service, the Postmaster General has either misunderstood or overlooked the role of Congress. I share former Postmaster General Lawrence O'Brien's feelings when he recently stated that:

the attitude of Mr. Blount and his colleagues toward Congress and the public has been one of disdain. They have indicated that they simply do not understand the legislative process and the proper role of legislative oversight. As a result, the Postal Service has reached an all-time low in Congressional relations.

In conclusion, I want to state that if the Post Office, in any form, is to succeed, the feelings of dissatisfaction and antagonism which now exist between Congress, the public and the Postal Service must be reduced. The Nixon Administration and postal management have thus far only succeeded in alienating two of the Postal Service's most important allies, Congress and the public.

Thank you, Mr. Chairman.

WASHINGTON NEWSPAPER PUBLISHERS' ASSOCIATION, INC.,
Seattle, Wash., May 7, 1971.

Mr. WILLIAM G. MULLEN,
*Director of Legislative Relations, National Newspaper Association, National
 Press Building, Washington, D.C.*

DEAR BILL: By the time this letter gets to Washington, D.C. the sub-committee hearings on postal service will be a matter of record. Your "pink sheet" on the postal service hearings, dated May 3, arrived in this office on May 6, which is not really too bad considering the pony express rider was held up by student demonstrations in Goethenburg, Nebraska protesting the use of horses as a government vehicle, plus a strike of the Stable Cleaners Association in Cody, Wyoming who wanted greater fringe benefits (pitchforks with longer handles and a separate lunchroom for meals and coffee breaks). Other than that, the pony express service is not too bad. I almost forgot one item. We've had a little problem with one of the riders stopping too long in Pendleton, Oregon to drink beer with the rodeo cowboys who wanted to talk shop, and possibly swap horses. We think that situation may be corrected as we have filed an unfair practices complaint with the Trail Users Association, the Senate Subcommittee Investigating Human Treatment of Horses and the Consumer Protection Division of the League of Women voters.

Meanwhile, back at the ranch in the wild, wild State of Washington where the U.S. Postal DisService requires two to three days to deliver first-class mail within King County (Seattle to Kent—about 25 miles from the WNPA office to the Kent News-Journal in South King County), we have problems.

Have we complained? You bet! We have more people with whom we lodge complaints at the Seattle Regional office of the Postal Service than you have congressional subcommittee lawyers in the nation's capital.

I must confess that the Postal Service people in the Seattle Regional Office are extremely good listeners and when alerted to a problem have taken remedial steps. However, there is a doubt in my mind that although the remedial steps were taken to correct an immediate colossal error at the time, the same thing isn't happening on a fairly repetitive basis.

It is easy to fire scatter shots at a government agency in Washington, D.C. some 3,500 miles away from here, but this office is concerned about the poor service for first-class mail in the metropolitan area of Seattle, which really encompasses Pierce County to the South and Snohomish County to the North when speaking of postal service, or lack of it. First-class mail delivery is reasonably good to Eastern Washington (Spokane) with overnight service for the most part. No doubt the Seattle Terminal Annex, the major distribution point, has its share of problems and probably everything possible is being done to alleviate the bottlenecks, but more emphasis should be placed on moving the mail faster than it has in the past.

Only the immediate problems of this office are being recorded in the letter; however, if publishers in our state are having difficulties having their newspapers distributed, the complaints have not been filed with us. For the most part if problems have developed, the publisher and the local postmaster have been able to resolve it. We did experience a little hassle when one of our Eastern Washington publishers reported that his local postmaster was insisting on first-class postage for the newspaper during the recent rail strike. Fortunately, the strike didn't last long or we would have had all kinds of trouble. One other small problem that happened last was disastrous when the post office failed to deliver newspapers (sample copies) to several neighboring small communities until after the weekend promotion. So, this year the publisher in Eastern Washington hauled the papers himself instead of trusting the Postal Service.

In summary, all I could say is that this office, the publishers, and for the most part the business community, do not have too much confidence in the Postal Service's ability to perform if the time factor is critical.

Amen.

Sincerely,

JERRY ZUBROD, *Manager.*

STATEMENT OF ELMER CERIN

(Mr. Cerin is an attorney-at-law and consultant on postal and transportation matters. In 1968, he retired from the Postal Service. He was graduated with a B.S. degree from the Johns Hopkins University; M.A.

degree from the American University; and J.D. degree from the University of Michigan Law School. Mr. Cerin is a member of the Bar of the State of Michigan and the District of Columbia, and has been admitted to practice before the Interstate Commerce Commission.)

INTRODUCTION

I herewith submit a statement for the record in the current hearings on the Postal Service. This testimony is concerned with the service requirements as spelled out in the Postal Reorganization Act (P.L. 91-375, 39 U.S.C.) and the service actually rendered by the Postal Service for preferential mail. I wish to thank the Chairman of this Subcommittee for granting me the opportunity of presenting this statement. As is evident, my appearance here is as an individual, and not as a member of any group, organization, or association. For your information, I am also submitting a brief note setting forth my qualifications. My only purpose is to present a status report on the quality and level of postal services, and thus assist this Subcommittee in its deliberations.

THE NEW POSTAL SERVICE

For the first time in the history of the United States Post Office Department, a thorough-going reorganization is now taking place. While the Postal Service is to remain within the Executive Branch of the Government, it will possess independent status. Except for an annual payment by the Congress to cover public service costs and revenue foregone for below-cost postal rates, to meet its obligations the Postal Service will need to rely on its revenues; management of its operations, personnel, and facilities; and open market borrowings.

In the postal policy objectives of the Postal Reorganization Act,¹ Congress set forth a number of goals toward which the Postal Service is to strive. Included in these objectives are the following provisions:

"It shall provide prompt, reliable, and efficient services to patrons in all areas and shall render postal services to all communities."²

"The Postal Service shall provide a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining."³

"In determining all policies for postal services, the Postal Service shall give the highest consideration to the requirement for the most expeditious collection, transportation, and delivery of important letter mail."⁴

"In selecting modes of transportation the Postal Service shall give highest consideration to the prompt and economical delivery of all mail. . . . Modern methods of transporting mail by containerization and programs designed to achieve overnight transportation to the destination of important letter mail to all parts of the Nation shall be a primary goal of postal operations."⁵

"In planning and building new postal facilities, the Postal Service shall emphasize . . . a maximum degree of convenience for efficient postal services, proper access to existing and future air and surface transportation facilities. . . ."⁶

Thus, service to the mailing public is a paramount consideration of the Postal Reorganization Act. However difficult may be the financial problems of the Postal Service, reversing the deteriorating mail service is far more complex and difficult. The problems confronting the Postal Service in achieving an efficient and economical operation, geared to the present and future needs of the Nation, are well recognized. To improve postal services will be hard and require a long period of time.⁷ It would be well, therefore, to determine what is the status of the service rendered by the Postal Service to the mailing public.

TESTS OF POSTAL SERVICE

For many years the Postal Service has conducted numerous tests on the service it performs. These tests included all categories of mail, and measured

¹ 39 U.S.C., sec. 2-101.

² 39 U.S.C., sec. 2-101(a).

³ 39 U.S.C., sec. 2-101(b).

⁴ 39 U.S.C., sec. 20101(e).

⁵ 39 U.S.C., sec. 20101(f).

⁶ 39 U.S.C., sec. 20101(g).

⁷ Address by Hon. James W. Hargrove, Assistant Postmaster General (Finance and Administration), before Investment Bankers Association, Dec. 3, 1970.

total transmission time, from time of deposit to time of delivery to the addressee. Test letters and parcels were introduced at specific collection or acceptance points and delivered to cooperating patrons and postal employees.⁸ The total elapsed time was then determined from the responses sent in by those participating in the tests. In addition, large mailers, on occasion, were invited to cooperate with the Postal Service by placing inserts in their regular mailing. These inserts would then be returned to the Post Office Department by the patron with the date of receipt noted. But these tests, while pinpointing the condition in the service and thus giving postal officials the opportunity to correct service inadequacies, were neither statistically reliable nor sufficiently comprehensive as to geographical or time coverage.

In 1967 the Postal Service undertook the program of testing the feasibility of utilizing the probability sampling techniques developed for the Cost Ascertainment System (now Revenue and Cost Analysis). This study disclosed that sampling live mail bearing a postmark could be used in determining certain segments of the total elapsed time from deposit to delivery.

Total elapsed time consists of three distinct segments:

- From point of drop to cancellation;
- From cancellation to the time the mail is turned over to the carrier for sequencing to addresses or to the clerk for effecting box delivery, firm holdout, or general delivery; and
- From exit point to addressee.

The decision was made that only the second segment would be tested on the theory that "the exclusion of the initial and final handlings (segments 1 and 3) would have little effect on the calendar days elapsing in the total system."⁹ This live-mail test procedure has now been reported for almost three years, Postal Quarter III, Postal Fiscal Year 1968 (January 13, 1968-April 5, 1968) through Postal Quarter I, Postal Fiscal Year 1971 (June 27, 1970-October 16, 1970).

The National Service Index Program is nationwide in scope and includes 559 post offices, selected by random sampling techniques from the total post office population. Within these 559 post offices there are some 160,000 exit points, such as city delivery routes, rental box sections, firm holdouts, and rural delivery routes. The exit points and the sample test days of the postal quarter for mail testing are selected randomly by the computer for each type of route or mail delivery system.

Each quarter the sample size consists of approximately 2,500 sample points, and at each of these points ever tenth piece of first-class mail or airmail, which is delivered through that point over a 24-hour period, is selected and the service characteristics noted. From these raw data two basic calculations are derived, namely, elapsed time from day of cancelation to day when the carrier (or other exit point) receives the mail, and the origin and destination points to ascertain the distance travelled. Statistically, the National Service Index is a sound and accurate measure of postal performance and can, therefore, be used to determine the changes in that portion of the postal services which the Index covers. It should be noted that, while the National Service Index does not report on the total elapsed time, from the point of drop to delivery to the addressee, it does present a continuous history of postal performance of the time span for important segments of mail handling, namely, processing and transportation.

As noted above, the postal policy enunciated in the Postal Reorganization Act specifically states that primary consideration should be given to "the most expeditious collection, transportation, and delivery of important letter mail" and that methods should be "designed to achieve overnight transportation to the destination of important letter mail to all parts of the Nation." The National Service Index is available to determine how well the Postal Service has performed during the period January 1968-October 1970 in achieving these goals. Even without the Congressional mandate, expeditious handling and delivery have always been underlying objectives of the Post Office Department.¹⁰ For example, in 1958 the objective of the Postal Service was expressed in the following terms: "Move Today's Mail Today in a Businesslike Way."¹¹ Indeed, for many years the overnight

⁸ Annual Report of the Postmaster General, FY 1957, p. 16; FY 1958, p. 6; and FY 1959, p. 5.

⁹ The Quality of Postal Service, Bureau of Finance and Administration, Post Office Department, July 1969, p. 4.

¹⁰ Towards Postal Excellence, The Report of the President's Commission on Postal Reorganization, June 1963, annex vol. III, pp. 2-43 (Services).

¹¹ Testimony of the Deputy Postmaster General before the Appropriations Subcommittee of the House of Representatives, Hearings on the Post Office Appropriations for FY 1959, 85th Cong., 2d sess., p. 8.

delivery of first-class mail has been one of the primary goals of the Post Office Department.¹²

That the Postal Service is not meeting its service target as far as preferential mail is concerned is evident from a review of the National Service Index. What is far more disturbing is the fact that this service is not only not improving but is actually further deteriorating, thereby causing a retrogression in the goal of overnight delivery of first-class mail. In addition, postal difficulties with the handling of parcels and other bulk mail have been greater than ever.¹³

ANALYSIS OF THE QUALITY OF POSTAL SERVICES

Although a lengthy test period was conducted, the National Service Index was first officially published for the Postal Quarter III, Fiscal Year 1968. While this Index reports only on the elapsed time between cancellation and mail transfer to carrier or clerk for sequencing and distribution preliminary to effecting delivery, and had been limited originally to first-class mail and airmail, it does present the best indicator of the quality of service rendered by the Post Office Department in the handling of preferential mail.

Table 1 sets forth, for the period Postal Quarter I, PFY 1967, through Postal Quarter I, PFY 1971, the average days required to handle mail from the time of cancellation to the time the mail is given to the carrier or other exit point. Whereas the elapsed time for airmail increased slightly, first-class mail handling operations have required over 27% additional processing time, despite the introduction of considerable quantities of mail sorters, facer-cancellers, edger-stackers, and other fixed and non-fixed equipment during these four years.¹⁴

That the processing time for letter mail is constantly increasing is evident from the data in Table 1. Converting the available processing time for the reported periods to a simple linear expression yields the following least squares equation:

$$Y = 1.325 + 0.0244x$$

This signifies that there has been a constant increase in the handling time and that this increase, on an annual basis, amounts to over two hours per day. Evidently, unless this trend is reversed, the handling time for first-class mail will alone be approaching two days. The effect, manifestly, is to lengthen the total transmission time. While the policy of "next day" delivery may be paramount in Congressional objectives and in the minds of postal officials and the mailing public, it is becoming less and less realistic under present operating conditions. To accomplish "next day" delivery for a significant portion of first-class mail, postal operations will need to be profoundly changed. Obviously, the time for superficial adjustments and grandiose programs is past; what is needed at the minimum is a substantial increase in productivity and the by-pass of large metropolitan areas with their numerous and costly delays and bottlenecks.

TABLE 1.—AVERAGE DAYS TO HANDLE PREFERENTIAL MAIL (SEGMENT 2 ONLY)

Postal quarter	First-class mail (days)	Airmail (days)
PQ I, PFY 1967	1.40	(1)
PS III, PFY 1968	1.49	2.09
PQ II, PFY 1969	1.63	2.21
PQ III, PFY 1969	1.50	2.06
PQ IV, PFY 1969	1.44	2.03
PQ I, PFY 1970	1.60	2.13
PQ II, PFY 1970	1.77	2.29
PQ III, PFY 1970	1.74	2.27
PQ IV, PFY 1970	1.73	2.15
PQ I, PFY 1971	1.78	2.24

¹ Not available

Source: National Service Index, Bureau of Finance and Administration, Post Office Department, table 5 (various dates). Data for PQ I, PFY 1967 derived from Towards Postal Excellence, the report of the President's Commission on Postal Organization, annex vol., June 1968, pp. 2-45 (services).

¹² Study 7, Overnight Delivery of First-Class Mail, in Towards Postal Excellence, The Report of the President's Commission on Postal Reorganization, June 1968, pp. 164-167.

¹³ Wall Street Journal, Dec. 18, 1970, p. 1, col. 1.

¹⁴ Mechanization and Modernization Program, Bureau of Operations, Post Office Department, September 1970.

While national increases in elapsed time may measure overall performance, a more precise comparison is available in relating the time required to handle first-class letters between paired cities. The National Service Index reports on the following ten major post offices as origin and destination points:

New York	Baltimore
Chicago	Houston
Los Angeles	Cleveland
Philadelphia	Washington
Detroit	St. Louis

The average days to handle first-class letters between these ten cities in Postal Quarter III, PFY 1968, and Postal Quarter I, PFY 1971, are reported in Table 2. Since the volume of first-class letter mail between cities is not available in published reports, an unweighted average must be used for determining elapsed time in each of the two periods. These averages are:

PQ III, PFY 1968	2.1 days
PQ I, PFY 1971	2.7 days

TABLE 2.—AVERAGE DAYS TO HANDLE 1ST-CLASS LETTER MAIL (SEGMENT 2 ONLY)

Destination post office	Days required	
	PQ III, PFY 1968	PQ I, PFY 1971
New York	2.1	2.8
Chicago	1.8	2.4
Los Angeles	1.9	2.4
Philadelphia	1.9	2.6
Detroit	1.9	2.6
Baltimore	2.2	2.7
Houston	2.3	3.0
Cleveland	2.3	3.0
Washington	2.0	2.6
St. Louis	2.3	2.4
Total	2.1	2.7

Source: National Service Index, Bureau of Finance and Administration, Post Office Department, Table 13.

Thus, between PQ III, PFY 1968 and PQ I, PFY 1971, a period of 2½ years, the handling of letter mail between the principal post offices required 0.6 additional days, or an increase of over 28% in handling time. Not only has there been a substantial increase in letter mail handling time, but these data establish another fact, namely, that the service given to first-class letter mail is markedly poorer between these major cities than the total service rendered to the entire Nation. Whereas all nonlocal first-class mail requires 1.3 days from cancellation to carrier, the same handling operations between the ten major cities take 2.7 days.

SPECIAL PROGRAMS TO IMPROVE POSTAL OPERATIONS

The Postal Service has instituted a number of programs which are designed to improve postal operations and, thus, to restore the service that had previously been in effect. In April 1968, Programed Distribution of Outgoing First-Class Mail was installed in New York, and in November 1968 the program was extended to Chicago.¹⁵ This project was undertaken, first as a test and then as an ongoing program, to assist in obtaining improved use of mechanization and workspace as well as in the better allocation and assignment of manpower. Ostensibly, this program should have resulted in the reduction of the elapsed time between New York and Chicago, on the one hand, and the other large offices, on the other. A review of the National Service Index, however, reveals that a comparison of the elapsed time before the program was initiated and for the latest available Postal Quarter establishes that the handling time had increased by 23% for letter mail originating in New York, and by 18% for Chicago. Table 3 develops this comparison.

¹⁵ Annual Report of the Postmaster General for FY 1969, p. 12.

TABLE 3.—LETTER MAIL HANDLING TIME—NEW YORK AND CHICAGO AS ORIGIN OFFICES TO OTHER MAJOR CITIES

Origin office	PQ III, PFY 1968	PQ I, PFY 1971	Percent increase
New York.....	2.2 days.....	2.7 days.....	22.7
Chicago.....	do.....	2.6 days.....	18.2

Thus, a program, which was heralded as the mechanism for making better use of manpower, facilities, and equipment, has resulted in increasing mail handling time by over 20% for outgoing letter mail originating in New York and Chicago. As to whether this program has reduced postal costs, no conclusion can be reached in the absence of published cost analysis studies, but there is no question that, on the basis of official postal reports, the Programmed Distribution of Outgoing Letter Mail has played a substantial role in the further deterioration of the mail service.

Furthermore, under the mechanization and modernization program, the Postal Service has been engaged in testing or had actually installed processing procedures and equipment which were designed to accelerate the handling of letter mail. For example, with public cooperation the level of the use of the ZIP Code on letter mail has reached the point where many post offices have converted a significant portion of their letter mail processing from memorized schemes to distribution by ZIP Code. A companion development has been the conversion of a large number of letter sorting machines from manual to high-speed ZIP Code distribution by means of optical character readers.¹⁶ Nevertheless, these developments have, thus far, not been able to overcome the other factors making for a continuing increase in overall processing time and for further deterioration in service. The Postal Service, evidently, needs to determine what are the underlying causes for the additional mail processing time and institute the necessary corrective measures, whether they are individual productivity, more effective management and supervision, or better mechanization.

TOTAL ELAPSED TIME OF POSTAL SERVICES

The original assumption of the National Service Index was that measuring processing time—that is, segment 2—would suffice as a standard for determining the quality of mail service. The inference was that the inclusion or exclusion of collection time (segment 1) and delivery time (segment 3) would have little impact or effect on total transmission time since these operations were more or less standard.¹⁷ However, since the commencement of the National Service Index in PQ III, PFY 1968, both collection and delivery services have undergone fundamental and overriding changes. The number of both full-time and part-time collection routes, for example, have declined and the average number of hours used in the collection service has been reduced substantially, as Table 4 demonstrates. This cutback in service has occurred even though the mail volume, the number of families and businesses served, and the number of possible deliveries continue to increase.¹⁸

Specifically, for FY 1971, it is estimated that mail volume will increase by 2.4%; that there will be an additional 1.2 million families, 50,000 additional businesses, and 275,000 additional rural families. In total, the number of possible city deliveries will increase by 2.2% and the geographical area served by the city delivery routes will expand by 4.0%.¹⁹ These increases are well within the range of service factors and other increments taking place during the past decade. Despite these increases in demand on the postal capacity, the number of business routes for FY 1968, FY 1969, and FY 1970 has declined and many 3-trip business routes have been converted to 2-trip routes, and 2-trip routes converted to one-trip routes, as Table 5 presents. In addition, on a number of business routes the Saturday delivery schedule has been curtailed.

¹⁶ *Ibid.*, p. 13.

¹⁷ See Footnote ⁹, above.

¹⁸ Post Office Department Estimates of Appropriations Submitted to the Congress, FY 1970, p. 0-31, and FY 1971, p. 0-42.

¹⁹ *Ibid.*, FY 1971, p. 0-35.

TABLE 4.—COLLECTION ROUTES

Fiscal year	Full-time routes	Part-time routes	Average number of hours daily	Percent change from fiscal year 1968
1968.....	1,314	12,094	35,693	-----
1969.....	1,170	10,667	33,516	-6.10
1970.....	1,117	9,525	27,762	-22.22

Source: Annual Report of the Postmaster General for fiscal year 1968, fiscal year 1969, and fiscal year 1970, table 404

TABLE 5.—BUSINESS ROUTES

Fiscal year	1 trip		2 trips		3 trips		Total		
	Full time	Part time	Full time	Part time	Full time	Part time	Full time	Part time	Total routes
1968.....			2,088	118	4,489	549	6,577	667	7,244
1969.....			2,157	121	4,150	547	6,307	668	6,975
1970.....	529	155	3,743	117	1,918	466	6,190	738	6,928

Source: Data furnished by Operations Department, Post Office Department.

No comment is being made as to the desirability or appropriateness of reducing the number of trips on business routes, but the fact remains that business mail, which originates 73.6% and receives 33.4% of all mail, is not getting as good service with cutback in collection service, fewer delivery trips, and a smaller number of delivery routes. Thus, with the reduction in the number of hours in the collection service and in the number and frequency in business delivery routes, the inevitable effect is that the elapsed time for segment 1 and segment 3 must necessarily increase, the amount of which cannot be precisely ascertained since the Postal Service does not yet report or publish such data. It is certain, however, that the assumption that the collection and delivery time intervals continue unchanged and unaffected, and would remain constant in the computation of total elapsed time from deposit to delivery, no longer holds true.

OTHER FACTORS AFFECTING SERVICE FOR FIRST-CLASS AND OTHER PREFERENTIAL MAIL

The Postal Service has instituted a number of mail processing, mail acceptance, and service changes, all of which have had the effect of extending the time span for handling and delivery of first-class mail. Recently, for example, the postmasters in a number of large post offices, including Washington, D.C., with the sanction and approval of their Regional Directors, have notified business patrons that:

"Postal regulations require meter mail bearing the date of mailing must be deposited in a mail chute in the building or street collection box before the last collection of that day. Mail prepared after the last collection must bear the next day's date.

"Meter mail improperly prepared will be returned with instructions to enclose in new envelopes bearing the correct date in meter stamp."

A review of the old Postal Manual as well as the new Postal Service Manual failed to disclose any authority for these new requirements with respect to metered mail. Nevertheless, this provision is bringing a severe, costly, and mail-delaying burden on the business community. With the cutback in collection service, the last collection in the downtown area is approximately 5:30 p.m. Any metered mail deposited after that time faces being returned for reprocessing with consequent additional cost and delay in delivery.

The Postal Service has also reduced the airlift service formerly scheduled for first-class mail having destinations over 225 miles. In place of airport near origin to airport near destination airlift, changes in the first-class-by-air schedules resulted in the extension of the minimum distance from 225 to over 500 miles. In addition, the airlifted first-class mail is concentrated at major air terminals and then trucked to destination instead of being airlifted over the entire route.

A recent visit to the Washington, D.C. post office disclosed other practices that affected the service rendered to first-class mail. In response to questions, postal officials advised that:

First-class mail in the Managed Mail Processing Program received after 6 p.m. would not be processed until Tour 2 (daylight hours) on the following day. Thus, this mail would be delayed by at least one day.

Letter sorting machines are used for outgoing letter mail only and not for incoming mail. This reduces the utilization of these expensive machines and delays mail processing since the productive rate on letter sorting machines is at least 25% higher than manual distribution.

Weekend processing has been reduced "to bare-bones operation." Thus, mail that formerly was delivered on Monday does not reach the addressee until Tuesday at the earliest.

Daily newspapers, paying second-class rates, are given a "super priority." When these newspapers are received on the platform, they are rushed onto the workroom floor and immediately distributed, even, if necessary, at the expense of first-class mail.

Two additional changes have had the effect of further deteriorating the service. Recently, the Postal Service notified the mailing public that, after May 15, 1971, the time period for which mail will be forwarded is reduced from two years to one year.²⁰ The impact on the sending of greeting cards, especially during the Christmas season when almost 4 billion cards are exchanged, is apparent.²¹

The second change is far more serious. Effective May 1, 1971, the National Railroad Passenger Corporation (AMTRAK) assumed responsibility for most of the intercity passenger train service still operating. Under the provisions of the Rail Passenger Service Act of 1970 (P.L. 91-518), AMTRAK had determined what trains and routes would be in its system, except for those still retained in operation by railroad companies. The resulting changeover has eliminated about one-half of the passenger trains, a number of which carried mail. Although the Postal Service had been kept advised as to what trains would be included in the AMTRAK unified national railroad network and what trains would be continued by individual carriers, nevertheless the Postal Service was not able to arrange in a number of instances for adequate substitute highway service.

For example, since May 1, with the discontinuance of train 2 on the Baltimore & Ohio Railroad on the St. Louis, Cincinnati and Washington run, preferential mail, including first-class, formerly making connections at St. Louis and Cincinnati for eastern destinations, has been delayed for several days and longer because of inadequate star route service. Indeed, a time-value periodical, published in Tulsa, which formerly was dispatched to arrive in Washington for Monday delivery had not been received in the Washington Post Office by the following Friday. A thorough search failed to disclose the whereabouts of this important mail, consisting of 7 to 10 sacks. To be sure, these difficulties will be corrected, but the fact remains that the ultimate effect of the discontinuance of additional mail carrying trains will doubtlessly result in further deterioration of service for preferential mail.

CONCLUSION

The foregoing analysis demonstrates that the transmission time, since the initiation of the National Service Index, has increased substantially. While no amount of time, in terms of calendar days, can be determined from existing reports, it is reasonable to estimate that in a little over two years the total elapsed time from deposit to delivery of first-class mail has increased by one day—0.6 days for mail handling (segment 2) and 0.4 days for collection and delivery services (segments 1 and 3). Since transmission time is probably the single most important element of the mail service,²² further deterioration in an already inadequate collection, processing, and delivery schedule should be a primary and critical concern to Congress, postal officials, and patrons. The National Service Index merely points out the changes in the quality of the service, both the improvements and the failures, and it is the responsibility of the postal officials to correct the inadequacies by reversing the unsatisfactory trend in mail processing time by instituting modifications in the collection and delivery

²⁰ Federal Register, vol. 36, No. 72, Apr. 14, 1971, pp. 7050-7051.

²¹ Towards Postal Excellence, *supra*, annex vol. II, p. 1-6 (Marketing).

²² *Ibid.*, annex vol. III, pp. 2-43-2-47 (Services).

services in order to maintain the high standards for which the Postal Service had formerly been distinguished. Anything less spells the continuation of a deteriorating Postal Service.

Mr. UDALL. First off this morning we will hear from John Griner, president of the American Federation of Government Employees.

Mr. Griner, you were under the weather yesterday but we are glad to see that you are alive and well today.

STATEMENT OF JOHN F. GRINER, PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO; ACCOMPANIED BY CARL K. SADLER, LEGISLATIVE DIRECTOR

Mr. GRINER. Thank you, Mr. Chairman. I am happy to be here. In fact, I am happy to be able to be here.

Mr. UDALL. To be anywhere this morning.

Mr. GRINER. That is about right.

Mr. Chairman and members of the committee: For the record, my name is John F. Griner, national president of the American Federation of Government Employees, and to my left, Mr. Carl Sadler.

Mr. UDALL. We have never seen him before.

Mr. GRINER. Yes. He is the legislative representative of this organization.

On behalf of the American Federation of Government Employees, which does not represent any employees in the postal field services but which is the largest union of Federal employees ever to exist in American history—I might say after this merger of Post Office unions I may have to take second place, but it won't be for long.

I wish to express our gratitude to this subcommittee and to its distinguished chairman, Congressman Udall, for the opportunity to testify on the committee resolution regarding congressional relations with employees in the Postal Service.

Since the passage of the Postal Reorganization Act of 1970, our organization has intentionally abstained from commenting on matters affecting the Postal Service. However, the issues raised by the "gag rule" controversy in the Postal Service are of such widespread significance that our organization now feels it has a direct interest in the outcome of this issue. We believe that unless this attempt to abridge the rights of Postal Service employees is stopped, this new gag rule could, and may, be used as a precedent for attempts by other departments and agencies in the executive branch to introduce similar abridgements of congressional relations with the Federal employees whom we represent.

It is not my purpose to present to you the facts at issue and the circumstances in which these arose. The draft of the resolution itself states that these involve action departing from the letter and the spirit of the Postal Reorganization Act of 1970. Specifically, the resolution would put this committee and the House of Representatives on record as disapproving of all directives and guidelines which have led, or could lead, individual Postal Service employees to believe that they may not freely communicate with their Congressmen. Similarly, the House would disapprove of the denial by local postal officials, on the basis of these guidelines, of information requested by Members of Congress.

From the testimony available to date, certain statements of fact appear to emerge as uncontested. Among the most salient is a memorandum to headquarters personnel dated January 12, 1971, issued by the Postmaster General, portions of which were distributed as new orders and regulations to all employees, under the heading "Congressional Procedures for the U.S. Postal Service." The following language is quoted literally from the communication to all employees:

Mr. UDALL. Mr. Griner, we have the full text of that in the record and you can skip it if you would like to.

Mr. GRINER. I will skip that.

On January 15, 1971, certain postmasters in regional offices issued implementing letters on the basis of the order of January 12, 1971. For example, the acting regional director for the Wichita regional office, J. F. Applegate wrote:

I must advise you that any evidence of deliberate disregard for these instructions will be dealt with severely. Therefore, such disregard will be considered as a cause for imposing disciplinary action upon the responsible employee.

I must quite frankly state my astonishment at this sequence of events. I had hoped that any officials of the executive branch, in notifying employees of new regulations, would be very precise and would not resort to exaggerated language. Specifically, I had come to hope that in matters dealing with disciplinary action, precise and clear references would be made to the regulations and to their relevance in the matter of disciplinary action. Furthermore, the employees would have been apprised in detail of their appeal rights.

None of these appear in any of the communications which were issued by the Postal Service authorities. In the context in which these new orders were issued, they are unquestionably a violation of the rights of employees. In fact, the violations of employee rights are twofold and impose double jeopardy because, as Postmaster General Blount formulated his order, even a request by a postal employee to Congress asking for congressional study of that very order is itself a violation of the order. Thus, one of the most fundamental principles of the rule of law, that is, the provision of an appeals mechanism, is itself arbitrarily precluded.

The actions of the Postmaster General seek to turn back history by 69 years, to January 31, 1902. When President Theodore Roosevelt issued his order forbidding all postal and other Federal employees "either directly or indirectly or through associations to an increase of pay or to influence or attempt to influence on their own any other legislation whatever, either before Congress or its committees, or any other way save through the head of the departments in or under which they serve on penalty of dismissal from the Government's service."

Fortunately, with the passage of time the Congress of the United States came to recognize that such an order infringed not only on the basic human rights of Federal employees but also on the constitutional rights of Congress itself. The passage of the Lloyd-Lafollete Act of 1912 restored some sense of balance regarding the rights and duties of the Federal employees. It obliterated the gag order of January 31, 1902 by stating in statute that all Federal employees have the right to petition Congress and its committees.

Our organization is most grateful, therefore, that this subcommittee has seized the initiative and has clearly and precisely drafted a resolution putting the House of Representatives clearly on record in this matter.

In closing, I wish to thank the chairman of this subcommittee once again for the opportunity to testify on this very important issue and I shall be pleased to answer any questions.

I would like to say that the American Federation of Government Employees wholeheartedly endorses the committee resolution in its entirety.

Mr. UDALL. Thank you, Mr. Griner and Mr. Sadler. We appreciate your contribution to these hearings.

Isn't it true, that while you have members of your organization in most of the departments of the executive branch, probably the largest number in your membership are employed by the Department of Defense?

Mr. GRINER. Probably are, yes.

Mr. UDALL. I have had discussions with Mr. Blount and others and I have said and will continue to say that we ought to get political influence with regard to hiring and promotion out of the Postal Service. But I felt we could do this and still keep the freedom of employees to communicate, to keep members of Congress involved on some basis so we could get information and influence from the Department and so on.

I have cited the Defense Department as the kind of arrangement which has worked out quite satisfactorily.

My office, before the House goes in this afternoon, will probably contact the Defense Department 20 times dealing with things as leave, sick servicemen, and so on.

My question is, have you felt there is any difficulty or trouble in the kind of relations you have had with the Defense Department that has injected politics into a situation where a Congressman influences promotions and personnel matters in the Department of Defense in a political way?

Mr. Griner. I cannot recall a single instance of where politics with respect to promotions had come to the surface. In other words, it has been our experience that if you only get the story that the DOD would want to give Congress through their congressional liaison, you would get only that part that they would want to give you. They don't give you the full facts and I know this. Because time after time after time, I have contacted different Members of Congress and they have contacted the liaison officers of the different arms of the Defense Department and they have come back with an entirely different answer from what I knew to be the facts. I think probably there has been a time or two when I have come to you in these cases.

Mr. UDALL. In your judgment, is there some value to the national interest, as well as the individual interest, in having Congress reasonably free to visit military installations and talk to the employees, consult directly with the base commander, this type of thing?

Mr. GRINER. Congressman, that is the only way the Congressmen and Senators of this country will actually know what is going on at any installation or in the Department.

Mr. UDALL. It is ironic—

Mr. GRINER. They tried to put the gag rule on our members.

Mr. UDALL. When was this?

Mr. GRINER. We have situations where there might be a leak. One in particular, Mr. Anderson got some information, and they thought one of our members was involved. And they have done everything they could. They never could prove anything on him, but they suspected him and he is being shoveled around. He has been questioned hour after hour. But the whole problem of it, Mr. Anderson had the facts as I later determined to my own satisfaction. What is wrong with bringing out the facts?

Mr. UDALL. It is a little ironic to me in a time when we are moving toward greater freedom for Federal employees—we have been talking in another subcommittee on a bill of the employee bill of rights—and when we are talking of liberalizing the Hatch Act so Federal employees can participate more actively in politics, without going back to the spoils system, here in one Department we are moving off in precisely the opposite direction.

As you say in your statement, back to 1902 employees were even forbidden to approach Congress regarding their pay.

Mr. GRINER. That is right.

Mr. UDALL. Mr. Hillis?

Mr. HILLIS. I don't have any particular questions. I enjoyed your statement.

I might ask: You mentioned about the Hatch Act that is pending before this committee. Do you feel this is a step in the right direction?

Mr. GRINER. The Hatch Act?

Mr. HILLIS. No; permitting employees to have greater freedom in political activities?

Mr. GRINER. Yes; we expect to have a bill introduced this year. Frankly we are working on it at the present time. We are asking for some changes in it, not the repeal of it, but some changes in the Hatch Act that would give the Federal employees greater political freedom.

Mr. HILLIS. That is what I am talking about.

I take it, based on your statement, you basically favor freedom of communications between Federal employees and Congressmen, except in national security and defense areas, or something like that?

Mr. GRINER. In the case of national security that is something that of course—I am in sympathy with. If it is a matter that involves the national security of this country and the people placed on those jobs should realize it, and they should not be inhibited to talk about things that they see—that is a different matter. We are talking about the day-to-day operations.

Mr. HILLIS. Right.

Mr. GRINER. Now let me point out something on the other side of this.

About a year ago, to the best of my recollection, Time magazine carried a very damaging article about a Veterans' Administration hospital up in New York. We happened to have exclusive recognitions there, and when the article appeared I did some investigation because the situation had not been reported to me as it had been reported to Time as Time magazine had reported. I believe it was Life.

Mr. HILLIS. Right; that is right.

Mr. GRINER. I said to myself, that the true facts in this case were not as reported by Life magazine. The conditions were bad, yes; it needed improvement. But in no way was it as bad as it was reported to be. I addressed a letter to the Administrator of the Veterans' Administration giving him my findings, and this was from the employees who knew the conditions, not from some man who went up and, I believe, frankly, just set up the conditions for his article, or it set up by some disgruntled groups.

We believe in being fair. Certainly these employees should not be gagged, they should be able to tell the people that they work for—a citizen and taxpayer, they should tell what is going on.

Mr. HILLIS. Mr. Griner, in your opinion what effect does the "gag rule" have on the morale of the employee that it is imposed on. Do you have an opinion on that?

Mr. GRINER. I can't speak for the postal employees. If it were imposed on the people I would represent, it would have a demoralizing effect.

Mr. HILLIS. Your people are career people; are they not?

Mr. GRINER. That is right. In other words, we represent employees in practically every department and agency of Government, except the Post Office Department.

Mr. HILLIS. That is all the questions I have.

Mr. GRINER. In other words, we represent about 650,000 Federal employees.

Mr. UDALL. We thank you very much for coming and helping us make a record in this hearing. Thank you.

Mr. GRINER. Thank you.

Mr. UDALL. The next witness is Lonnie Johnson, director, National Post Office Mail Handlers Division of LIUNA, accompanied by James La Penta.

STATEMENT OF LONNIE JOHNSON, DIRECTOR, NATIONAL POST OFFICE MAIL HANDLERS DIVISION OF LIUNA, AFL-CIO; ACCOMPANIED BY JAMES LA PENTA, DIRECTOR OF FEDERAL-PUBLIC SERVICE EMPLOYEES DIVISION, DIVISION OF LABORERS' INTERNATIONAL UNION

Mr. JOHNSON. My name is Lonnie L. Johnson and I am director of the National Post Office Mail Handlers Division of LIUNA, AFL-CIO. Our organization has national exclusive recognition for approximately 50,000 post office mail handlers, watchmen and messengers.

Mr. CHAIRMAN. I am not going to saddle this committee with a long, drawn-out statement. First I would like to comment briefly on clause C of your resolution.

Clause C reads:

The committee supports and approves the actions of the Postal Service which have been designed to bring about . . . The consideration and implementation of new ways to better serve the public.

Mr. Chairman, from what we have been hearing from our members who work in the field we do not know of such consideration and implementations of better postal service. Indeed, our members have been hearing of possible layoffs in the work force. Our members continue

to see work being contracted out and performed more expensively and less efficiently than we can handle it. Our members continue to see the service practice the sloppy, inefficient management assignment of employees one pay level higher than our members to do our work which in many instances they are completely unfamiliar with and which, in extensive documentation to the Postmaster General, we have reported, costs the service tens of millions of dollars a year.

Mr. Chairman, I would like to present, as an exhibit, copies of our correspondence to Postmaster General Blount on this matter and a report compiled by our representative in the Dallas region.

Mr. UDALL. OK. The exhibit is entitled "Report on the Mail Handler Craft in the Post Offices of the Dallas Region."

The report referred to is retained in the files of the subcommittee.

Mr. JOHNSON. In reference to the notorious gag rule which the Postmaster General is now trying to reimpose on postal employees after it had been buried for over 69 years, I want to say that we will continue to strenuously oppose this order. It takes away our members' rights and brings us back to a status which is equivalent to loss of citizenship. Therefore, Mr. Chairman, I join with my other colleagues from the other unions as vociferously as I can the need to have this order rescinded.

Again, Mr. Chairman, as I turn to another subject matter, I realize that once again my colleagues have discussed it in length, however, for the record I want the committee to know this postal management has reduced collective bargaining, provided for so clearly and hopefully as a means to improve morale and increase productivity and efficiency in the Postal Service, to a meaningless series of meetings wherein many instances we did not even get the courtesy of discussion of our collective bargaining proposals, but merely statements such as, "we reject this in principle," or "management will not counter-propose on this issue."

Since the Postal Reorganization Act, Mr. Chairman, postmasters have begun to institute a plan checking into employees' personnel folders looking for information of past record to bring adverse actions that would remove these employees from the service. They have also instituted a tremendous cutback in substitute mail handlers work and many mail handlers who were working 80 hours a pay period are now getting 16 or 20 hours a pay period. Some of these employees have been working full time for 8 or 10 years and this kind of economic hardship is a disaster to themselves and their families.

I could now go on, Mr. Chairman, in the usual repetitive fashion and speak to a number of other issues but they have already been brought to your attention by testimony of the other postal unions in the previous hearings that you've held. I want to say that I strongly support my colleagues in their presentations.

At this time I would let Mr. La Penta talk of exhibit 2.

Mr. LA PENTA. Mr. Chairman, first of all, let me say the mail handlers division of the laborers' endorse as do the other unions, the committee's resolution.

Exhibit No. 2 which we would like to submit, Mr. Chairman, is an exhibit entitled "Collective Bargaining in the Post Office Department under Executive Order 10988 and the Postal Reorganization Act." This was prepared by Jules Bernstein, Associate General Counsel, and my-

self for the seven unions which hold exclusive recognition and currently bargaining with the postal service.

Briefly, that exhibit outlines what transpired under Executive Order 10988 and it gives you a chronology of what has happened since the strike when there was subsequent bargaining with the postal service and two agreements consummated, one April 2 and unconditional agreement providing for 6-percent raise and April 16 which was a conditional agreement which provided for a raise, but also provided that both parties would work together in submitting legislation to the Congress relative to the Postal Reorganization Act.

And the conclusion of the exhibit brings you up to date to the current time whereby as you know we are engaged in factfinding because of the breakdown of the negotiations, or I should say, because at the end of a certain statutory provision in the act we did not reach agreement on any item.

Let me, in order to set a little better frame of reference, read a couple of important excerpts which I think will provide me with an opportunity to make some very, very brief comments, because I think there is an analogy to draw here, Mr. Chairman.

I think what has happened to the relationship between the Postal Service and the Congress and the relationship between the Postal Service and the unions has brought about a situation which instead of bringing together the three parties who put together the legislation subsequently passed in tripartite partnership has broken up. This was inherent in the legislation and what the legislation calls for, and this has not transpired.

It seems to me that the legislation in no way called for the parties to be adversaries. It didn't call for the Postal Service to be an adversary of the Congress. The legislation did not call for the postal unions and Postal Service to engage in adversary collective bargaining. To the contrary, this legislation had a precedent, the Railway Labor Act of 1926 when the parties went to Congress jointly and said we have agreed on the principles we are going to conduct and guide ourselves by and we want Congress to endorse this.

This is, as I said, the only precedent in the annals of labor industrial relations in this country. We went to Congress in the same way.

As you know, Mr. Chairman, with the exception of two situations, the union security provision and provision for allowing the National Labor Relations Board to determine the bargaining units, the legislation that was passed with those two exceptions, incorporated what the parties had agreed to, and I say the legislation did not call for three parties to be adversaries.

I think I can say to you candidly, Mr. Chairman, it seems to me as a result of the "gag rule" and as a result of the conduct in the negotiations at this time, "adversaries" is a mild word.

The analogy is that the Postal Service is treating the Congress and treating the unions as if they were mortal enemies, and this is precisely why we endorse the resolution that you, Mr. Chairman, and your committee have passed.

As I said, I won't take much more time of the committee, but let's—

Mr. UDALL. I appreciate this. I have been scanning the document "Collective Bargaining in the Post Office Department." I want to read

it fully when I have more time. It looks as though you have done a good job in this. We are glad to have it.

Mr. LA PENTA. I would like to read what President Nixon said on television a day or two after the strike, if I may. May I read that?

Mr. UDALL. What page is that on?

Mr. LA PENTA. Page 7.

From the time I came to Congress 23 years ago, I have recognized that the hundreds of thousands of fine Americans in the mail service—the Post Office Department—are underpaid and they have other legitimate grievances.

For the past year, almost since the day we took office, both the Postmaster General and I have been working to alleviate not only the legitimate grievances of postal workers but to move to eliminate the source of those grievances—that is, the obsolete postal system itself, a system that no longer serves its employees, its customers or the country as it should.

Later on in his message to Congress, on page 12:

The Congress is now presented with an opportunity to pass legislation that will bring a new measure of fairness to postal employees, a new efficiency to the system itself, and long overdue equity to the taxpayer.

Neither better pay nor better organization will, in and of itself, guarantee better mail service.

Laws do not move the mail, nor do dollars. What moves the mail is people—people who have the will to excel, the will to do their work to the very best of their ability.

The United States is fortunate to have such people in its postal system today. As the Postmaster General has urged, these people must be retained. . . .

If I can digress a minute, there doesn't seem to be any move toward retention today. There are thousands of people who are resigning from the service in recent days as a result of things going on now. I think you know what I am alluding to.

Mr. UDALL. Yes.

Mr. LA PENTA.

Enactment of the legislation that I now propose would give our postal employees the means to attain a goal they have never before had the means of attaining—the goal of building, in America, the best postal system in the world.

That is a goal worth striving for. With this postal reform legislation, it is a goal that can be achieved. I hope the Congress will lose no time in enacting the laws that are needed to let our postal people get on with the job.

Mr. Chairman, your long service on the committee, in the hearings that were held, you—like many people—came to realize that the problem with the postal system was that they didn't have the capability they needed, they needed to get efficiency in the workplace, and they needed to provide a better setting for employees so they could be productive employees and help to move the mails.

That part of the legislation that dealt with labor relations was supposed to accomplish that particular end. If you will read the exhibit that I have presented I think that you will see the story as it unfolded. I think as it continues to unfold as we go to additional bargaining and perhaps arbitration, I think the committee again would want to look at the record to see how and what has transpired, to see if this is in consonance with the law, and we will do what we can to present to you whatever exhibits or testimony you will need in order to be cognizant and aware of what is going on.

Mr. UDALL. Good. We will follow this closely and I want to read this report line by line.

Do you have anything further to offer?

Mr. JOHNSON. No, Mr. Chairman, that is all we have.

Mr. UDALL. We appreciate very much your coming. Thank you.

(The exhibit entitled "Collective Bargaining in the Post Office Department," and so forth, follows:)

COLLECTIVE BARGAINING IN THE POST OFFICE DEPARTMENT UNDER EXECUTIVE ORDER 10988 AND THE POSTAL REORGANIZATION ACT

(Prepared by the Council of American Postal Employees)

The seven Unions which are party to the pending fact-finding proceeding have been in existence for several decades, with some dating back to the nineteenth century. All but the Rural Letter Carriers are presently affiliated with the AFL-CIO. In 1968, the Mail Handlers merged with the Laborers' International Union of North America, AFL-CIO, and is now a division thereof. The jurisdictions of the seven Unions have been established along craft lines which have coincided with the historic internal structure of the Post Office Department. Prior to 1962 there were no formal procedures governing labor relations within the Post Office Department (POD), and there was no formalized collective bargaining of any kind. The Unions engaged in lobbying and in informal contacts with the Department regarding employee problems.

On January 17, 1962, President Kennedy issued Executive Order 10988, which established for the first time formal labor relations procedures governing agencies of the federal government as well as the right of federal employees to union representation of their own choosing. Under the Order, federal agencies were required to establish labor relations policies which would afford recognition to unions representing their employees in appropriate units to be determined by the agencies. Such units could be established along plant, craft, functional, or departmental lines.

In accordance with § 6(b) of E.O. 10988, when a union was recognized—

As the exclusive representative of employees of an appropriate unit, it [was] entitled to act for and to negotiate agreements covering all employees in the unit and [was] responsible for representing the interests of all such employees without discrimination and without regard to employee organization membership.

Pursuant to the Executive Order and after consultation with all unions representing postal employees, the POD, in 1962, conducted national mail ballot elections among its employees in nationwide units established along the seven traditional craft lines.

In the elections, the Letter Carriers, Postal Clerks, Maintenance Employees, Motor Vehicle Employees, Rural Letter Carriers, and Special Delivery Messengers received a majority of valid ballots cast among employees in their respective crafts and were thereafter certified by the POD as national exclusive representatives. Subsequently, in an election conducted in 1964, the Mail Handlers Union was certified as the national exclusive representative of the mail handler craft.

Pursuant to the foregoing certifications, the seven national exclusive Unions have engaged in national negotiations with the POD in the seven national craft units on a coordinated basis, and have entered into a single Master Agreement which has included special craft supplements. There have been four such National Agreements since 1962.

As is indicated by the most recent National Agreement, which was entered into in 1967, the scope of bargaining under E.O. 10988 was extremely narrow, and the issues subject to bargaining were quite limited.

Pursuant to the bargaining structure established under the National Agreements, subsequent to reaching agreement on the national contracts, bargaining over local conditions commenced between local unions or branches and local postmasters. A procedure was developed by the parties at the National level to deal with resolving impasses reached in local negotiations. This procedure provided that matters as to which the parties were deadlocked locally would be referred to the regional (multi-state) level for consideration between the regional labor relations officer of the POD and the appropriate regional officials of the Unions. An agreement reached at the regional level could be entered into over the objection of local representatives. Similarly, if agreement was not reached regionally, the deadlocked issues were forwarded to Washington,

D.C., for negotiation between the national Unions and the POD. Of the 3,000-odd local negotiations conducted in 1966 after national-level negotiations were concluded, approximately 800 impasses were referred to the regional level where all but 137 were resolved; the latter in turn were referred to the national level where all but about 38-40 were settled. There were no procedures established under E.O. 10988 for the final and binding resolution of impasses reached at the national level.

In addition to the foregoing procedures, review procedures were developed to insure that provisions of local agreements would not conflict with the National Agreement. Local agreements were reviewed at the regional level by the POD to see that no such conflicts existed. If conflicts were found, regional officials of the POD met with the regional Union representatives, and decisions they reached were considered as binding upon local representatives. If agreement was not reached at a regional level, the matter was then referred to Washington, D.C., where the POD—before invalidating a provision—reviewed the issue with the national bargaining representative.

On October 29, 1969, President Nixon issued Executive Order 11491, which superseded E.O. 10988 and sought to eliminate many of its defects.

By telegram dated March 5, 1970—ten days prior to the expiration date of the then-current National Agreement, then-Deputy Postmaster General Klassen advised the Unions as follows:

The Department proposes that the existing national agreement with supplements be extended to October 15, 1970, subject, however, to termination at any time by mutual agreement or by written notice of intention to terminate within 30 days, served on the Post Office Department by the unions, party to the agreement or by the Post Office Department on said unions. Collective bargaining for a renewed agreement is not possible until outstanding questions concerning the right of representation of organizations are resolved. Further, it is our view that the climate will not be favorable for negotiations until all parties concerned are no longer completely preoccupied with legislative matters. Your immediate reply to our proposal for extension of the agreement is requested by wire.¹

In response to the telegram, the seven Unions replied jointly on March 6, 1970, in part, as follows:

This will advise the Post Office Department that we are of the opinion that the Department's action constitutes a willful violation of the Agreement and Section 19.6 of Executive Order 11491. This is to notify the Department that we are reserving to ourselves those rights embodied in the Executive Order and the implementing regulations concerning the filing of an alleged unfair labor practice. However, in order to avoid disruption of the Postal Service, the Unions agree that the existing National and Local Agreements with all supplements thereto be extended to October 15, 1970, subject, however, to termination at any time by mutual agreement or by written notice of intention to terminate within 45 days served on the Post Office Department by the Unions party to this agreement.

We are forced into this position because of the Post Office Department's statement, "Collective bargaining for a renewed Agreement is not possible until outstanding questions concerning the right of representation of Organizations are resolved."

It is regrettable that the Department's action now deprives over 500,000 postal employees represented by seven Exclusive Unions improvements in personnel policies, practices, and working conditions because of the frivolous challenges filed by the National Postal Union in craft units of two of the unions party to the National Agreement. This action by the Department and the NPU is further proof that Labor-Management by law is an absolute necessity and we are going to urge that Congress act immediately to pass legislation that will remedy this situation which denies and delays the changes in working conditions to which postal employees are entitled.

On March 18, 1970, a work stoppage commenced in New York City involving thousands of postal employees. On the same day, the principal officers of the seven Unions issued the following joint statement:

¹ The reference to "outstanding questions concerning the right to representation" in the wire referred to election petitions filed by an outside union with respect to the mail handler and maintenance crafts which were then still pending, but which were withdrawn shortly thereafter.

Because of the provisions of Executive Order 11491, the labor agreement existing between our organizations and the Post Office Department, and existing statutes, we cannot support or condone the service interruption which has occurred and we collectively instruct all affected postal employees to return to work immediately. We further request an immediate, full and objective Congressional investigation of all of the conditions and circumstances which brought this situation about.

On March 19, 1970, the principal officers of the seven Unions sent a telegram to then-Secretary of Labor George P. Shultz, which provided as follows:

On behalf of all seven of the National Exclusive Representatives of postal employees we call upon you to intervene immediately and use your good offices and expertise in bringing about a conclusion to the growing interruption in mail service presently in progress. In addition, we recommend that you commence meetings between the Post Office Department and the exclusive unions in an effort to seek means whereby the interruption may be halted so that the issues which underlie this interruption may be resolved promptly and peaceably.

In response to the foregoing telegram, the principal officers of the seven Unions were invited to, and attended, a meeting with the Postmaster General, the General Counsel of the POD, the Secretary of Labor, and the Undersecretary and Assistant Secretary of Labor on March 20, 1970. At the conclusion of the meeting, a joint press release was issued which declared:

The Presidents of the seven exclusive postal unions met from 6 to 7:30 p.m. today with the Postmaster General and his General Counsel, the Secretary of Labor, the Under Secretary and Assistant Secretary of Labor.

Agreement was reached on the procedures to be followed in determining an end to the postal work stoppages and procedures for working out satisfactory answers to the outstanding issues.

The parties join in urging all employees to return to work promptly, so that these meetings can go forward.

Notwithstanding these efforts by the government and the Unions to end the walkout, it continued and spread across the country so that by March 23, 1970, President Nixon found it necessary to declare a state of national emergency, to issue an Executive Order calling up the National Guard for the purpose of moving the mail, and to deliver a television address to the nation regarding the postal strike. In the course of his television address, President Nixon declared in part as follows:

From the time I came to Congress 23 years ago, I have recognized that the hundreds of thousands of fine Americans in the mail service—the Post Office Department—are underpaid and they have other legitimate grievances.

For the past year, almost since the day we took office, both the Postmaster General and I have been working to alleviate not only the legitimate grievances of postal workers but to move to eliminate the source of those grievances—that is, the obsolete postal system itself, a system that no longer serves its employees, its customers or the country as it should.

The postal strike ended on March 24, 1970. Negotiations between the seven Unions and the POD commenced on March 25, 1970. On April 2, 1970, an agreement was reached which declared as follows:

Memorandum of Agreement between United States Post Office Department hereinafter referred to as "Department" and National Association of Letter Carriers, AFL-CIO; National Association of Post Office and General Services Maintenance Employees, AFL-CIO; National Association of Post Office Mail Handlers, Watchmen, Messengers and Group Leaders (affiliated with Laborers' International Union), AFL-CIO; National Association of Special Delivery Messengers, AFL-CIO; National Federation of Post Office Motor Vehicle Employees, AFL-CIO; National Rural Letter Carriers Association; United Federation of Postal Clerks, AFL-CIO; hereinafter referred to as "Unions".

GENERAL WAGE INCREASE

A general wage increase of 6% retroactive to December 27, 1969 for all postal employees.

OTHER POST OFFICE PROVISIONS

In order to meet the special needs of the unions in their representation of the Department's employees and the needs of the Department to enable adequate management of the services for which it is responsible, the parties will agree

upon and jointly sponsor a reorganization of the Department which amongst other things will:

A. Enable collective bargaining procedures under a statutory framework establishing methods for conducting elections, providing one or more methods for resolving negotiating impasses, and requiring collective bargaining over all aspects of wages, hours, and working conditions including grievance procedures, final, and binding arbitration of disputes, and in general all matters that are subject to collective bargaining in the private sector.

B. Provide an additional 8% wage increase for postal workers effective as of the date the enabling legislation becomes law.

C. Provide that negotiations with the Unions be immediately undertaken to establish a new wage schedule whereby an employee reaches the maximum step for his labor grade after no more than 8 years in that grade. When the new schedule becomes effective, an employee will immediately be advanced to the next step in the schedule if at that time he has been in his present step for the period provided in the new schedule.

D. Provide a structure for the Department so that it can operate on a self-contained basis and endow it with authority commensurate with its responsibilities to improve, manage and maintain efficient and adequate postal services.

ADMINISTRATION APPROVAL

It is the understanding of the parties that the Administration will recommend to Congress the necessary legislation to effectuate this Agreement.

DRAFTING

It is understood that the parties will commence work at once to prepare the agreed legislation with a view to having it ready for submission not later than April 10, 1970.

DISCIPLINE

No disciplinary action will be initiated by the Post Office Department at any level against any postal employee with respect to the events of March 1970, until discussions have taken place between the Department and such employee's union on the policy to be followed by the Department.

WINTON M. BLOUNT.
J. H. RADEMACHER.
MONROE CRABLE.
LONNIE L. JOHNSON.
MICHAEL J. CULLEN.
CHESTER W. PARRISH.
HERBERT F. ALFREY.
FRANCIS S. FILBEY.

In accordance with the agreement, negotiations were promptly thereafter commenced for the purpose of drafting appropriate legislation. The negotiations were concluded on April 16, 1970, and resulted in a second agreement which provided as follows:

MEMORANDUM OF AGREEMENT ON THE "POSTAL REORGANIZATION AND SALARY ADJUSTMENT ACT OF 1970"

Memorandum of Agreement between United States Post Office Department hereinafter referred to as "Department" and the AFL-CIO; National Association of Letter Carriers, AFL-CIO; National Association of Post Office and General Services Maintenance Employees, AFL-CIO; National Association of Post Office Mail Handlers, Watchmen, Messengers and Group Leaders (Affiliated Laborers' International Union), AFL-CIO; National Association of Special Delivery Messengers, AFL-CIO; National Federation of Post Office Motor Vehicle Employees, AFL-CIO; National Rural Letter Carriers Association; United Federation of Postal Clerks, AFL-CIO; hereinafter referred to as "Unions".

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Pursuant to the earlier agreement of April 2, 1970 between the Department and the above-named unions, the parties have jointly developed, through the collective bargaining process, proposed legislation which provides for a major

reorganization of the Post Office Department and an 8% pay increase for postal employees. It shall be known as the "Postal Reorganization and Salary Adjustment Act of 1970". The parties have jointly agreed to support this legislative package without qualification and that together they will urge the Congress to enact this legislation without change. The agreed-upon legislative proposal provides, amongst other things, for the following:

Organizational structure

Reorganized United States Postal Service becomes an independent establishment within the Executive Branch of the Government.

Postmaster General appointed by and serves at the pleasure of the Commission on Postal Costs and Revenues, which has 9 public members named by the President and confirmed by the Senate.

Labor relations

Enable collective bargaining under a statutory framework establishing methods for conducting elections, providing one or more methods for resolving negotiating impasses, and requiring collective bargaining over all aspects of wages, hours, and working conditions including grievance procedures, and in general, all matters that are subject to collective bargaining in the private sector.

Ban on federal employee strikes continues; binding arbitration if bargaining impasse persists 180 days from start of bargaining.

National Labor Relations Board to supervise representation elections and enforce unfair labor practice provisions.

Finance, rates, and rate-making

Post Office can borrow up to \$10 million from the Treasury or general public.

Rate changes subject to public hearing before 3-man Postal Rate Board named by President; final rate decision by Commission on Postal Costs and Revenues, but subject to veto by two-thirds vote of either the U.S. House of Representatives or the U.S. Senate.

Post Office to be generally self-supporting by January 1, 1978.

Postal pay increase

8% pay increase for employees of the Post Office Department effective as of the date when this enabling legislation becomes law.

Promptly after enactment, collective bargaining will be required on wages, hours, and working conditions, and to compress to 8 years the time for postal employees to reach the maximum step in whatever labor grade may be established through collective bargaining. When the new schedule becomes effective, an employee will immediately be advanced to the next step in the schedule if at that time he has been in his present step for the period provided in the new schedule.

It is the understanding of the parties that the Administration will recommend to Congress the necessary legislation to effectuate this Agreement.

It is the further understanding of the parties that no disciplinary action will be initiated by the Post Office Department at any level against any postal employee with respect to the events of March 1970, until discussions have taken place between the Department and such employee's union on the policy to be followed by the Department.

On April 16, 1970, the proposed legislation which had been prepared by the POD and the seven Unions was transmitted to Congress by President Nixon. The bill was designated as "The Postal Reorganization and Salary Adjustment Act of 1970." In his message to Congress accompanying the bill, President Nixon declared as follows regarding those provisions of the bill dealing with employee-management relations:

II. POSTAL EMPLOYEE-MANAGEMENT RELATIONS

"The negotiators have agreed that there should be a statutory framework for collective bargaining in the postal establishment resembling that of private industry.

"The people of this nation cannot and will not submit to the coercion of strikes by employees of the Federal Government. Since strikes by employees of the new Postal Service must be prohibited, a workable alternative to strikes must be provided—an absolutely impartial means of resolving differences between postal management and postal employees without the public being subjected to interrup-

tions in the postal service. That is what the proposed legislation agreed upon by the postal negotiators provides.

"I propose that the new United States Postal Service be empowered to engage in collective bargaining with recognized employee organizations over wages, hours, and working conditions generally, with negotiating impasses being finally resolved, if necessary, by binding arbitration."

"Determination of national collective bargaining units, recognition of collective bargaining representatives and adjudication of unfair labor practice charges would be handled by the National Labor Relations Board under procedures similar to those that have long been followed in the private sector.

"In addition to wages and hours, matters that are subject to collective bargaining would include such things as grievance procedures, final and binding arbitration of disputes, seniority rights, holidays and vacations, life insurance, medical insurance, training and promotion procedures. Employee benefits enjoyed today would be carried forward, and, in the case of rank and file postal employees, any change in such benefits would be subject to the collective bargaining process.

"Negotiations over new labor agreements would be expected to begin ninety days before the expiration of existing agreements. There would be a statutory guarantee of final and binding third party arbitration to resolve negotiating impasses after a ninety day cooling-off period, during which time an outside fact-finding panel would try to assist the parties in reaching agreement. Opportunities for mediation and conciliation would also be provided.

"All postal employees would retain their full benefits under the Civil Service retirement system and under the existing Federal Workmen's compensation laws. The provisions of the Veterans Preference Act would apply, as would the provisions of Title VI of the Civil Rights Act of 1964. The labor standards provisions to which Government contracts generally are made subject would be applicable to contracts entered into by the new Postal Service to the same extent as elsewhere in the Government.

"Finally, the right of every postal employee to petition Congress would be expressly preserved by statute.

The President concluded his message as follows:

"The Congress is now presented with an opportunity to pass legislation that will bring a new measure of fairness to postal employees, a new efficiency to the system itself, and long overdue equity to the taxpayer.

"Neither better pay nor better organization will, in and of itself, guarantee better mail service.

"Laws do not move the mail, nor do dollars. What moves the mail is people—people who have the will to excel, the will to do their work to the very best of their ability.

"The United States is fortunate to have such people in its postal system today. As the Postmaster General has urged, these people must be retained, in the years ahead, more like them must be recruited. This legislation would represent an important step toward that end.

"Enactment of the legislation that I now propose would give our postal employees the means to attain a goal they have never before had the means of attaining—the goal of building, in America, the best postal system in the world.

"That is a goal worth striving for. With this postal reform legislation, it is a goal that can be achieved. I hope the Congress will lose no time in enacting the laws that are needed to let our postal people get on with the job."

Committee hearings were held and the bill was thereafter debated in both houses of Congress during the spring and summer of 1970. For the most part, the labor-management provisions as submitted by the Administration and the unions were adopted intact. The major exception was an amendment [39 U.S.C. § 1209(c) (p. 19)], which was intended to prohibit the negotiation of a union shop agreement between the Postal Service and the Unions. Another difference between the Administration-Union bill and the Act as passed was that the original bill would have made the existing national craft units the only appropriate units. As enacted, the bill provides, however, that the National Labor Relations Board may determine the question of appropriate units in the course of its representation proceedings, but that during the initial "transitional bargaining" period provided for under § 10, bargaining is to be conducted on a national basis between the POD and the seven Unions which held national exclusive recognition under the prior Executive Orders.

On August 12, 1970, after Senate-House differences were resolved in Conference, President Nixon signed the Postal Reorganization Act into law.

The labor-management provisions of the Act may be compared with those of the Railway Labor Act of 1926, 44 Stat. 577, 45 U.S.C. §§ 151-163, in that both statutes were jointly drafted and supported in Congress by the parties who would thereafter be regulated thereby. See *Texas & N.O.R. Co. v. Brotherhood of Ry. & SS. Clerks*, 281 U.S. 548, 563 (1930); *Shore Line R. Co. v. United Transportation Union*, 396 U.S. 142, 148 (1969). In this sense, the provisions of the Act are themselves the product of the collective bargaining process. Therefore, as is also the case with regard to the Railway Labor Act, the provisions of the Postal Reorganization Act must be read as reflecting a basic understanding between postal management and the Unions as to the conditions which would thereafter prevail with regard to the establishment and maintenance of terms and conditions of postal employment.

The accord arrived at in the Act for the future guidance of the parties' relationship is cornered on 39 U.S.C. § 1209(a) (p. 19), which provides that labor-management relations in the Postal Service will be governed by the provisions of §§ 1-104 of the National Labor Relations Act, as amended, 29 U.S.C. §§ 151, *et seq.* The parties thus agreed to be bound by most of the basic protections provided under §§ 7, 8, 9, and 10 of the NLRA, and they thereby subjected themselves to the processes and procedures of the National Labor Relations Board. On the other hand, the parties deliberately chose to omit from their legislative proposal many of the more restrictive provisions of Taft-Hartley, such as §§ 302 and 303, which are more appropriately addressed to private sector labor relations.

Under § 410 of the Act, the parties acquiesced in the continued application of those provisions of 5 U.S.C. § 7311, which prohibit postal and other federal employees from engaging in strikes, as well as in 18 U.S.C. § 1918, which declares participation in such strikes to be unlawful. Accordingly, the heart of the National Labor Relations Act, i.e., the "cherished right to strike." *Brotherhood of Railroad Trainmen v. Jacksonville Terminal Co.*, 395 U.S. 369, 384 (1969), which is protected in both §§ 7 and 13 of the NLRA, was forfeited by the Unions in favor of a labor relations regime whereby all disputes and impasses between the parties over contract terms, grievances, and adverse actions would be resolved by submission to neutrals. Hence, the Act establishes an overall policy that in the event the parties are incapable of reaching agreement with respect to either contract terms or grievances, either party may submit its disputes to final and binding arbitration. See e.g., § 1206(b) (p. 17); § 1207(c) (p. 18); and § 10(d) (p. 67). See also § 1208(b) (p. 19), which is identical to § 301 of the Taft-Hartley Act and must, therefore, be read as incorporating into the Act an intention to encourage "the therapy of arbitration," *Carey v. Westinghouse Corp.*, 375 U.S. 261, 272 (1964), and the application to postal labor relations of the developing federal common law of labor contracts. See *Textile Workers v. Lincoln Mills*, 353 U.S. 448 (1957); *c.f. Machinists v. Central Airlines*, 372 U.S. 682, 691-2 (1963).

In addition to establishing arbitration as the method of resolving negotiating impasses and grievances, the Act guarantees that pre-existing employment conditions may not be undetermined or destroyed without either Union consent or, at the very least, neutral third-party intervention. Hence, for example, § 1203(b) (p. 16), declares as follows:

Agreements and supplements in effect on the date of enactment of this section covering employees in the former Post Office Department shall continue to be recognized by the Postal Service until altered or amended pursuant to law.²

Although the Act makes collective bargaining, followed if necessary by final and binding arbitration, the principal methods for establishing employee compensation and benefits, the Act also protects the pre-existing rights and benefits of postal workers from diminution. Hence, § 1005(f) provides as follows:

Compensation, benefits, and other terms and conditions of employment in effect immediately prior to the effective date of this section, whether provided by statute or by rules and regulations of the former Post Office De-

² Similarly, § 5(a) of the Act declares that "all . . . contracts . . . made . . . by (1) any department or agency, any functions of which are transferred by this Act . . . and (2) which are in effect at the time the United States Postal Service commences operations, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or appealed by the Postal Service . . . (in the exercise of any authority vested in it by this Act) . . . or by operation of law."

partment or the executive branch of the Government of the United States, shall continue to apply to officers and employees of the Postal Service, until changed by the Postal Service in accordance with this chapter and chapter 12 of this title. Subject to the provisions of this chapter and chapter 12 of this title, the provisions of subchapter I of chapter 85 and chapters 87 and 89 of title 5 shall apply to officers and employees of the Postal Service, unless varied, added to, or substituted for, under this subsection. No variation, addition, or substitution with respect to fringe benefits shall result in a program of fringe benefits which on the whole is less favorable to the officers and employees than fringe benefits in effect on the effective date of this section, and as to officers and employees for whom there is a collective-bargaining representative, no such variation, addition, or substitution shall be made except by agreement between the collective-bargaining representative and the Postal Service.

This provision is designed to maintain compensation and benefit standards of postal employees as they have previously existed. Hence, it declares that existing compensation, benefits, and other terms and conditions of employment in effect immediately prior to the effective date of the Section, regardless of whether provided under law pursuant to rules and regulations of the POD or the Executive Branch of the government, are to continue to apply to officers and employees of the Postal Service until and unless changed by the Postal Service in accordance with the collective bargaining provisions of the Act.

The Section also declares that subchapter I of Chapter 85 of Title 5, U.S.C., which establishes unemployment compensation for federal employees, and Chapters 87 and 89 of Title 5, which provide federal employees with life insurance and health insurance protections, shall continue to apply to officers, and employees of the Postal Service, "unless varied, added to, or substituted for. . ." Hence, the provision expressly contemplates that such benefits may be improved through the collective bargaining process.

The Section further declares that any variation, addition, or substitution with respect to fringe benefits may not result in a fringe benefit program which on the whole is less favorable to the officers and employees of the Postal Service than the fringe benefits in effect on the effective date of the Section. Accordingly, a floor on existing fringe benefits has been established.

Finally, § 1005(f) declares that with respect to officers and employees of the Postal Service for whom there is a collective bargaining representative, no such variation, addition, or substitution shall be made except by agreement between the collective bargaining representative and the Postal Service.

In addition to the foregoing protections, existing employee pension rights are preserved and continued under § 1005(d), which provides as follows:

Officers and employees of the Postal Service (other than the Governors) shall be covered by chapter 83 of title 5 relating to civil service retirement. The Postal Service shall withhold from pay and shall pay into the Civil Service Retirement and Disability Fund the amounts specified in such chapter. The Postal Service, upon request of the Civil Service Commission, but not less frequently than annually, shall pay to the Civil Service Commission the costs reasonably related to the administration of Fund activities for officers and employees of the Postal Service.

Similarly, § 1005(e) of the Act provides as follows:

Sick and annual leave, and compensatory time of officers and employees of the Postal Service, whether accrued prior to or after commencement of operations of the Postal Service, shall be obligations of the Postal Service under the provisions of this chapter.

This provision establishes as an obligation of the Postal Service accrued sick and annual leave and compensatory time of officers and employees of the Postal Service. Hence, future sick and annual leave and compensatory time are made completely subject to collective bargaining negotiations which would not result in benefits less favorable to employees than those presently in effect.

In addition, § 1005(c) provides:

Officers and employees of the Postal Service shall be covered by subchapter I of chapter 81 of title 5, relating to compensation for work injuries.

This provision continues in effect those provisions of law which provide for compensation for work injuries of federal employees.

The Act also sets forth specific guidelines which are to be adhered to by the Postal Service and, if necessary, by neutral third parties in establishing employment conditions. Hence, § 101(c) (p. 1), declares that—

[a]s an employer, the Postal Service shall achieve and maintain compensation for its . . . employees comparable to the *rates and types* of compensation paid in the private sector of the economy of the United States. It shall place particular emphasis upon opportunities for career advancements of . . . employees and the achievement of worthwhile and satisfying careers in the service of the United States (emphasis added).

Section 1003 is a similar statement of policy regarding employee compensation. It declares that:

It shall be the policy of the Postal Service to maintain compensation and benefits for all . . . employees on a standard of comparability to the compensation and benefits paid for comparable levels of work in the private sector of the economy. . . .

Of similar import is § 101(g), which declares that

[I]n planning and building new postal facilities, the Postal Service shall emphasize the need for facilities and equipment designed to create desirable working conditions for its officers and employees. . . .

The preceding provisions must be viewed as guidelines established by Congress for the purpose of guaranteeing that the Postal Service will become a model employer whose employees will be compensated on the basis of a fair comparison with the compensation provided to their appropriate counterparts in the private sector. The foregoing provisions also make clear that the Postal Service has been charged by Congress with the responsibility of providing career advancement opportunities for its employees, and that postal employees are entitled to expect that they will be provided with worthwhile and satisfying careers. Similarly, these provisions require that postal facilities and equipment must be provided so as to make certain that the work environment of postal employees is both safe and pleasant.

The foregoing is especially significant since it leaves no doubt that the Postal Service has as one of its missions and functions the creation and maintenance of model employment conditions, a desirable work environment for its employees, as well as decency and dignity in the work place.

The notion of achieving comparability to the most favorable employment standards in existence in the private sector is also carried over in § 1001(b) of the Act, which declares in part as follows:

Officers and employees of the Postal Service . . . shall be in the postal career service, which shall be a part of the civil service. Such appointments and promotions shall be in accordance with the procedures established by the Postal Service. The Postal Service shall establish procedures, in accordance with . . . chapter 12 of this title, to assure its officers and employees meaningful opportunities for promotion and career development and to assure its officers and employees meaningful opportunities for promotion and career development and to assure its officers and employees full protection of their employment rights by guaranteeing them an opportunity for a fair hearing on adverse actions, with representatives of their own choosing.

Section 1005(b) makes it clear that the cost-of-living allowance (COLA) for employees outside of the continental United States or in Alaska, which is now provided for under 5 U.S.C. § 5941, will be continued. The latter statutory provision maintains COLA for postal employees "stationed outside the continental United States or in Alaska," which "may not exceed 25% of the rate of basic pay."

Section 5(f) of the Act protects other pre-existing statutory rights of postal employees:

Provisions of title 39, United State Code, in effect immediately prior to the effective date of this section, but not reenacted by this Act, shall remain in force as rules or regulations of the Postal Service established by this Act, to the extent the Postal Service is authorized to adopt such provisions as rules or regulations, until they are revoked, amended, or revised by the Postal Service.

Similarly, with respect to the processing of employee grievances and adverse actions, § 1005(a) of the Act declares as follows:

(a) (1) Except as otherwise provided in this subsection, the provisions of chapter 75 of title 5 shall apply to officers and employees of the Postal Service except to the extent of any inconsistency with—

(1) the provisions of any collective bargaining agreement negotiated on behalf of and applicable to them. . . .

The foregoing provision declares that the parties may provide in their collective bargaining agreement for procedures for the handling of employee grievances and adverse actions, and that such contractual procedures may entirely pre-empt the existing statutory adverse action procedure set forth in Chapter 75 of Title 5 of the U.S. Code. The foregoing provision is limited, however by § 1005(a)(2) of the Act (p. 13), which protects the existing rights of so-called "preference eligibles" under 5 U.S.C. § 2108(3) from modification under any collective bargaining agreement.

The parties—and subsequently Congress—provided in § 10 of the Act for the prompt implementation of the statute's collective bargaining procedures. Under § 10(a), the Postmaster General and the seven national exclusive Unions were authorized promptly after the law's enactment to "negotiate an agreement or agreements covering wages, hours, and working conditions of the employees represented by such labor organizations." Accordingly, on September 21, 1970, the Unions served a joint notice upon the Postmaster General which advised him as follows:

In accordance with the provisions of Section 10(a) of the Postal Reorganization Act, the undersigned representatives of the seven labor organizations which hold national exclusive recognition rights, collectively and individually hereby notify you of their desire to commence negotiations, no later than thirty (30) days from the date of delivery of this notice, for a collective bargaining agreement covering wages, hours, and working conditions for the employees we represent.

It is our intention that negotiations be commenced on a coordinated basis for the seven nationally recognized craft units.

Pursuant to § 10(b) of the Act, on November 8, 1970, the parties concluded an agreement establishing "a new wage schedule whereunder postal employees . . . reach the maximum pay step for their respective labor grades after not more than 8 years of satisfactory service in such grades."

In addition, the parties agreed that January 20, 1971, would constitute "the commencement of collective bargaining" for the purposes of § 10(d) of the Act. Accordingly, by having failed to reach agreement by April 19, 1971, the parties were bound to submit their outstanding disputes to a "fact-finding panel . . . established in accordance with the terms of § 1207(b)" of the Act.

Mr. UDALL. The next witness is Edward V. Dorsey, executive director, National Association of Postmasters of the United States.

STATEMENT OF EDWARD V. DORSEY, EXECUTIVE DIRECTOR, NATIONAL ASSOCIATION OF POSTMASTERS OF THE UNITED STATES

Mr. DORSEY. Mr. Chairman, I want to thank you for this opportunity to appear before your committee.

My name is Edward V. Dorsey and I am the executive director of the National Association of Postmasters of the United States, whose membership is composed of approximately 90 percent of the postmasters in the U.S. Postal Service.

Mr. Bremer Ehrler, postmaster at Louisville, Ky., is the president of the association and Mr. Emmett E. Sutherland, postmaster at Galena, Kans., is the secretary-treasurer.

I might add, Mr. Chairman, it is not in the statement, I was in the postal service for 23 years before I retired in 1969; 16 of which were spent as a postmaster.

Mr. Chairman, NAPUS was the first organization of postal personnel to endorse the enactment of postal reform legislation and thus postmasters are clearly on the record as favoring a reorganization of the Postal Service and are committed to making sure that the law enacted by the Congress last year really works to the best interests of everyone concerned.

In your letter of April 27, 1971, Mr. Chairman, inviting testimony or statements for the record, you called attention to the recent instruc-

tions issued by the Postmaster General with respect to future relationships between the postal service and the Congress.

Of particular concern is that portion of the instructions which has been interpreted by some as being a "gag rule" when it comes to a postal employee's right to contact a member of Congress.

Mr. Chairman, on behalf of the National Association of Postmasters of the United States, let me state that our association does not place any such interpretation on these instructions nor has our office here in Washington been advised by any member who feels that his or her individual right to petition the Congress as provided for by 5 U.S.C. 7101 and 7102 has in anyway been restricted or denied. The fact that this statement is being made for the record is substantiation that as an association, we have not been denied nor restricted in the exercise of our right as well as our responsibility to express our views before the Congress on postal matters.

Mr. Chairman, we support the efforts of the Postmaster General to remove politics from the Postal Service and we submit that those efforts thus far have been very effective. No longer are there any partisan political considerations involved in the selection and appointment of postmasters and rural carriers.

Promotions are not contingent on which side of the "political fence" you happen to be. In our judgment, the selection, appointment and promotion of postmasters, supervisors, rural carriers, and all other employees on a basis of merit and qualification is a most significant step forward. We must add, at this point, Mr. Chairman, that we have seen no indication whatsoever that this policy of "no politics" in the selection and appointment of postmasters and rural carriers has in anyway been violated or compromised. I can assure you, Mr. Chairman, that we intend as an association, to pay very close attention to it in order to make sure that politics does not once again become a part of the procedure.

Mr. Chairman, the postmasters of this Nation are very much aware of the problems that face the Postal Service today and they recognize that the task of making postal reform work, as anticipated by the Congress and the President with enactment and approval of Public Law 91-375 last year, is not going to be an easy one. But, we are convinced that it can be done and it is toward that goal that we have been and are striving.

We recognize, as you do, Mr. Chairman, that there is room for improvement in the Postal Service. To say otherwise would be ridiculous. Much has been done but there is much more to do.

The Postal Service is too vast and too complex an operation to expect to turn it around overnight. It will take time, money, good management, sound operational decisions and necessarily involved is an item of risk. The risk that is always present when you break new ground, adopt new methods and change the old way of doing things. We feel that it can be done and that a very creditable beginning has been made.

Mr. Chairman, in closing, let me emphasize once again that we do not interpret the instructions as issued by the Postmaster General with respect to congressional contacts as a "gag rule" on the individual rights of our members nor as a restriction on the right of our Associa-

tion to represent our members before the Congress when the situation calls for such representation.

We appreciate this opportunity to make known our views on this matter and we would be happy to respond to any questions members of the committee may have.

Thank you, Mr. Chairman.

Mr. UDALL. Thank you, sir. I have great regard for your organization and for the very forthright way in which you approach the problems we have had over the years. I particularly appreciate the balanced candid statement you brought here this morning.

Do you feel that there is anything ill advised, or unwise, or possibly deleterious to the Postal Service in individual Congressmen contacting a local postmaster with regard to local problems? You have worked in the post office, if I were the local Congressman and came by, do you think this compromises your integrity and independence?

Mr. DORSEY. I don't think it does. I think one of the problems created over the years was that many times the postmaster felt that he had to respond to the Congressman even though it was contrary to the principles of the whole thing.

One of the problems I have heard you say many times was that there was an unbelievable level of political influence in promotions and so on, and this doesn't lend to good management as you have observed many times.

Mr. UDALL. Do you think we can eliminate that but keep what is good in the ability of a Congressman who is interested in the town to drop by and talk about complaints and problems?

Mr. DORSEY. I don't believe Mr. Blount meant this. So many people have placed this interpretation on it. I don't think anybody, whether he be a Cabinet officer or anybody else, can ever say to the U.S. Congress you can't go into a Federal installation.

What he was saying is that the Postal Service has to speak with one voice about policy. Now as I said in my statement, the Postal Service is a vast and complex thing and it looks very different looking up at it from the postmaster level as opposed to looking down upon it by the Postmaster General.

The postmaster doesn't have a grasp of all the problems nationwide.

Mr. UDALL. Right. I don't know if we will get into it or not, but there has been great interest expressed here. Has your organization had a chance to study, evaluate, come to any conclusions, or do you have opinions about this new order eliminating the old regions and establishing the five regions giving the local postmaster a little more leeway?

Mr. DORSEY. We have talked of this. We very much are in favor of it. There may have been some things we would have done differently, but overall I think the movement of this reorganization is in the right direction. To provide the postmaster, who in the final instance has the responsibility to run the Postal Service on a day-to-day and hour-to-hour basis, with the authority to make the decisions that are consistent with the demands made upon him.

Mr. UDALL. Was it your view that the region was an unnecessary intervening extra layer?

Mr. DORSEY. I do not think they were intended to be, but they became more involved in the hour-to-hour decisionmaking process.

A postmaster became inculcated into a system that said, don't do anything until you write to somebody and he tells you to do it. Well, that is not conducive to good management.

Mr. UDALL. All right, sir, thank you very much. We appreciate your help.

Mr. DORSEY. Thank you.

Mr. UDALL. Our final witness is William G. Mullen, general counsel, National Newspaper Association.

STATEMENT OF WILLIAM G. MULLEN, GENERAL COUNSEL, NATIONAL NEWSPAPER ASSOCIATION; ACCOMPANIED BY THEODORE A. SERRILL, EXECUTIVE VICE PRESIDENT, NATIONAL NEWSPAPER ASSOCIATION

Mr. MULLEN. Thank you, and good morning. I presume since all of my discussions concerning our testimony have been with myself and Mr. Gabusi of your staff, he presumed I would offer the testimony and he never directly asked if I would and I never thought to tell him it would be somebody else. But Mr. Serrill, who is our executive vice president, is going to give the testimony.

He has been our executive vice president for many, many years and has experience with postal service and mail service in general. He goes back a few years longer than I do.

Mr. UDALL. I will chastise Mr. Gabusi and maybe he can chastise you for this unforgiveable mistake.

Mr. SERRILL. Mr. Chairman, I don't believe we need to chastise anybody. I came in late from Rochester, N.Y., and I have traveled a great deal. But I was in your State about the time of the last snow storm.

Mr. UDALL. We expect relatively little snow in July in Phoenix. Or in May, for that matter.

Mr. SERRILL. Mr. Chairman, counsel and I have prepared a list of items of correspondence we have had in the past few weeks regarding postal service. I might point out I noted two letters from member publishers regarding postal problems.

We are across Pennsylvania Avenue from the Postal Department and we have fine relationships with the Post Office Department in solving problems. We represent some nearly 7,000 newspapers and publications in the United States.

Anything I say today is not derogatory of the Post Office Department as such, and its services, and in its efforts to solve the problems that do arise from time to time in day-to-day operations with nearly 7,000 users of the postal service by our member publishers.

As counsel has pointed out, I have had nearly 11 years in this responsibility, plus 13 running the Pennsylvania Newspaper Publishers Association and three with the Washington, D.C., association.

I am going to summarize what we say here. I do want to bring out about three points.

Postal service is a distribution operation. I think it has deteriorated in two respects somewhat, unfortunately not of its own control.

The decline of railroad service in the United States has been tragic. We have not yet found an economic means of delivering mail and sorting mail to provide the kind of service we used to get when you had

railway mail cars and railway mail clerks who did sort mail on route from point to point.

I have a map up on my wall which shows the tremendous amounts of railroad network in the United States. It dates about 30 years ago. I got it from McGraw-Hill and it is out of date. And I keep it on my wall as a recollection of what railroad service was in the United States and what service it provided in the delivery of the mail because I think it was just as important to deliver the mail on these passenger trains as it was to deliver passengers. It was a combination carrier.

Mr. UDALL. Aren't the figures something like 20,000 daily passenger trains 25 years ago and we are down to 500 now?

Mr. SERRILL. In that ratio; yes. We have airplanes, we have trucks, but I don't think that we have developed an adequate changeover from the rail service which we had to these other modes of transportation and I think we have lost the kind of service that we had previously because of that.

Mr. UDALL. This en route sorting was a key element?

Mr. SERRILL. Yes, also the dependability and stability of service provided. Now I think that there has to be a consideration given that we have to have a modern type of delivery concept, scheduling and trafficking in the mails. I know from experience and friends of mine who are airline pilots that mail—this is the other point in transportation—the airlines are flying weekends but they are not carrying mail because it is not available for them to carry. So they go with empty holds at that time and there is a complete drop in efficiency.

The 5-day workweek has come into being in the Post Office. The number of holidays has increased over the years and we have—not complete but almost—complete disruption of mail sorting.

Mr. UDALL. Friday afternoon until Monday.

Mr. SERRILL. Yes, or until Tuesday if there is a holiday. And it backs up. And it does so on inadequate facilities which haven't been modernized since they were built during the 1930's when I first came to Washington, when there was a great building of mail facilities. As I say I didn't come to criticize but I came to suggest that the U.S. Postal Service has a major problem of reworking these concepts because the delivery of the mail is a distribution problem and it of course involves the aspects of personnel and costs and these escalate. It has changed over the years but I don't think we have kept up with the potential of the change.

The truck is a very modern device. Back on the farm we went from horses to truck when I was in grade school. But we haven't used it fully.

Mr. UDALL. It is a very versatile and flexible piece of machinery.

Mr. SERRILL. That is right. I don't know as we have used the bus service to its fullest. I don't know if we have the type of buses that can carry mail along with passengers. So I leave this thought with you. As I say I didn't come to criticize but to suggest that these things have not had sufficient attention and merit that consideration of both the Congress and the Post Office should have given it.

Mr. UDALL. I received a long and somewhat bitter letter from an old newspaper publisher in Arizona who was in the business a long time and he cited similar things—the deterioration in distribution of his newspaper and how badly this hurt him and the other people. And

it is very clear to me from the outpouring of testimony we have had that something has happened.

There has been a deterioration. I was lunching yesterday with a group of Congressmen, and after exchange of rather bitter comments from them about the Postal Reform Act, I was saying, "You fellows blame this on postal reform, the fact is that the damn thing hasn't even taken legal operation yet. We are 6 weeks away from the thing going into effect. I don't know whether you are blaming something that doesn't exist for troubles or what."

I said that in my judgment this deterioration would exist whether or not we passed postal reform. You can't expect results for several years, or a couple of years anyway, unless you do the basic rethinking that you are talking about.

Do you agree with that?

Mr. SERRILL. I agree with you wholeheartedly. I believe there are some things that can be done. I think financing of new structures and new ideas, new equipment, and so on, should be speeded as far as possible but I know the time will go past. There haven't been arrangements for a bond issue to finance this construction. I think it was a good idea for the Army Corps of Engineers to be brought into this. Because it can be speeded up. There is an operation in being that can take over some of the responsibility. I am concerned about the fact that the present deterioration in delivery of the mail is going to bring a great number of protests. I know that—I know the protest. I happen to be a great user of the mail. I subscribe to the Annapolis paper, I am a property owner over there. And I get miserable service to my apartment on Connecticut Avenue 35 miles away. Some of my other publications I have delivered to my home or office and sometimes there would be 2 days difference and it is only 40 blocks distance between my home and our office.

In our operation we have a trade publication of about 16,000 distribution to every newspaper office in the United States. One copy to five copies go to every paper so that publication goes into something like 10,000 post offices. We had to go to a greater expense to prepare our copy here, to make negatives, ship negatives by TWA to St. Louis, Mo., to print and distribute from there.

We first tried to distribute from Chicago and that was a rather difficult problem. The Chicago Post Office has completely outgrown its work. Then we came to Washington but it was too far east. So we have devised a way of getting half way across the continent. Many others have had to do so.

The cost, of course, is great. Because the post office service has deteriorated, we can't except to get the service that we need from one coast, either for a newspaper, or magazine.

Mr. UDALL. My newspapers from Arizona are vital to my knowing things that are going on. I went on a trip not too long ago and ran into the wife of a dear friend and supporter of mine. Her husband died 8 days previously and I didn't know about it. It was in the paper, but I hadn't gotten it yet.

I am determined in these hearings to get to the bottom of this. I think no one can deny the serious slowdown in the mail, especially in second class, trade journal type things that play a vital role in the country. I want to find out what the elements are. Clearly, you put

your finger on a couple. There is total decline of rail passenger service, which isn't the fault of this Postmaster General or the past Postmaster General; the pattern of having no mail processing, as you suggest, on weekends, so with the interruption of 3 or 4 days, you have that problem.

I want to find out to what extent morale, failure to devise new ways to use trucks and airplanes and maybe even freight trains plays a part.

Would you like to comment on that?

Mr. SERRILL. Yes. I had a conversation with someone in the Press Club who works for the Missouri-Pacific. There are no more mail cars on Missouri-Pacific, but they are piggybacking and it has provided an increasing method of distributing mail. It is a faster way. I don't know how much it is being done around the country, but this is speeding it up.

Mr. UDALL. They put the trailer truck on the train?

Mr. SERRILL. Yes; on the flat car. In other words, they don't have to unload and load so much. So there is a speedup there.

I am also concerned about the older, more experienced people in the Post Office over the years. They are leaving. I know—this is a problem that you folks, you have in determining Federal wage and employee policy—5 years ago, it was a leaving of skilled people from the Government. They were encouraged to leave. My next-door neighbor retired because he—he was a young man, 59 years of age, but you folks pushed him out, sort of, with the money incentives. This has been going on for quite a while and I don't think you have replaced him with those people with the needed skills. That has been going on and I look forward with a little bit of concern about this new push-out, as far as Post Office is concerned. Because good men and women can leave these Federal jobs and get other jobs which, along with their pension rights, give them a pretty good lift. You encourage the better people, from the expense point of view, to leave the Government.

Mr. UDALL. Yes; morale is a factor.

Mr. SERRILL. The second thing is, I am for this, I did a lot of labor negotiations over the years. You have not found an answer to seniority system that came into effect in the Post Office. And priority, which is not the same, but the same elements are relative. Where the more skilled jobs went to the skilled people, 9 to 5, 5 days a week, Monday to Friday. But the mails must move 7 days a week, 24 hours a day. So the lesser skilled people are on the less preferential shifts. But that is where the bulk of the problem arises and that is when the mail moves.

In the newspaper business, we have to pay—we work every day, you know, in the week, and every day in the year, for that matter. We pay premiums for this other type of work. And I think this is a matter for the labor experts in the Post Office Department to work on.

Mr. UDALL. This is something I want to look into. I was in Japan 2 weeks ago and an amazing economic miracle has been wrought over there and I tried to analyze why. What is there in the Japanese system? The yen is strong and the dollar is going down. I was talking to one of the industrialists and he said they have a real spirit in the company, if you go to work for Mitsubishi, you are there for life like you are in the Post Office Department. But there was a picture in the

paper indicating the president of the company was to go to Chicago or London, and the workers fell out in the yard and sang the company song and he was carried off on their shoulders to the airport. Like rooting for a football team. This was a company. They had good morale.

And I thought to myself, if Henry Ford was going to London, the UAW could care less. They don't have this morale. The aim of the unions is to get the most for their boys, and get another coffee break, and the profit and loss—that's management. Hurrah for us, to hell with the company.

It occurred to me in terms of the company. How could we get a feeling and spirit so that the employees have something involved in making this work, to get the teamwork idea between supervisors and postmasters. I don't know.

Do you have a comment?

Mr. SERRILL. I am really pleased that there has been a good rapport between our publishers, from all over the United States and we have almost a hundred percent representation in your home State, that these people are getting along with the local post offices. Our local delivery problems are minimal, in town and in county. It is when we move beyond the county line or beyond a reasonable distance from the office then we get into problems like space. I think the reason my newspaper doesn't come to me every day from Annapolis is that there is backup on the platforms en route.

I think it is the inadequacy of the tools with which the post office has to work. Plus the tremendous changes in methods of distribution. I am not at all proud that we have not achieved success with these new methods of transportation that we have.

Mr. UDALL. It would be interesting to take your Annapolis newspaper and several others around the country and follow them and see on what platforms they sit and why. What schedules or policies hold them there?

Mr. SERRILL. You have one thing about second-class mail that has really deteriorated. They are mixing second and third class and parcel post all together and they put it in a truck and they work it from the tail end of the truck. First loaded is last unloaded and it gets to the bottom of the pile and sits three for a day or two or more. This is because of the inadequate machinery and so on; just space.

I was in the Chicago Post Office that was completely bogged down and in others, too. The facilities are completely out of date. Much of our local delivery—our people have been able and they are doing a great deal of their own processing. So that they bypass some of the inadequacies, indeed much of the inadequacies of the post office.

I am specifically familiar in northern Pennsylvania where they used to send four trucks at 2 o'clock in the morning to go around to 20 post offices each to deliver their papers to these places on circle routes to get them into their readers hands the next day. Well, that is more and more prevalent in this business. I know some of our major complaints in this area are from the Dakotas, Iowa, Minnesota, Montana, where there are great distances to cover. And the newspaper publisher has had to find alternate means of getting into the ultimate post office of destination.

Mr. UDALL. Okay.

Well, we appreciate you coming this morning. You have been very helpful.

Mr. SERRILL. Thank you very much.

We have a formal statement and I appreciate your putting it into the record.

Mr. UDALL. It will be put in the record.

(The full statement follows:)

STATEMENT OF THEODORE A. SERRILL, EXECUTIVE VICE PRESIDENT, NATIONAL
NEWSPAPER ASSOCIATION

Mr. Chairman, my name is Theodore A. Serrill. For the last 11 years I have been executive vice president of the National Newspaper Association which represents over 6,600 weekly and small-city daily newspapers in every state.

Our Association was informed by your Committee's staff that as part of your current hearings on relations with the new Postal Service, you would accept statements concerning levels of mail service from interested individuals and organizations.

As a result of this information, we notified each of our affiliated state, regional and national organizations of this opportunity to make their complaints on mail service known to the members of the Subcommittee.

We are informed that some of them have communicated directly with members of the Subcommittee, while others have contacted their own congressmen concerning their complaints on postal service.

What we wish to present today is a summary of the complaints which have come to our attention either through our own experience or through the complaints of our members.

We list below some individual states and the particular complaints that have come from each of them:

General

1. Delays in delivery of newspapers are caused when they are sent first to sectional centers, then returned to nearby subscribers
2. Starting times of mail routes are not geared to newspaper delivery
3. Local delivery is not matched with time of arrival of mail at local post office
4. Discontinuance of mail on passenger trains
5. Papers stack up over holiday periods, especially with long holiday weekends
6. Mixing classes of mail in trucks, causing late delivery of newspapers

Arizona

1. Monday holidays and other service cutbacks
2. Not hiring extra help at Christmas
3. General decline in day-to-day service
4. Getting Editor & Publisher two weeks after it is mailed

Iowa

1. Printer of trade magazines says delivery bogs down after leaving the local post office
2. "Anything but satisfactory service"

New Jersey

1. "Serious slow-down in U.S. mail delivery service"
 - a. Letters and news releases sent by first class mail within state or from Philadelphia and New York City take 3-4 days to reach destination
2. Packages with advertising plates mailed first class parcel post to New Jersey publishers by New York City and Philadelphia ad agencies take 4-5 days for delivery, often missing publication deadlines.
3. Subscribers don't get newspapers until 3-4 days after date of publication
4. "Suspects delays occur in large sectional centers"

Washington State

1. 2-3 days to deliver first class mail within King County (Seattle to Kent)
2. First class service reasonably good (generally overnight) from Seattle to eastern Washington (Spokane)

3. During recent rail strike (December, 1970) one local postmaster insisted that publishers pay first class rates for his newspapers to be mailed

4. Not "too much confidence in the Postal Service's ability to perform if time factor is critical"

Vermont

1. No mail is worked in post office from noon Saturday until 7:30 a.m. Monday
2. Used to get overnight mail by 8:00 a.m.—now between 8:30 and 10:30 a.m.
3. Afternoon mail not worked until next morning
4. Airmail delayed a day or so

Pennsylvania

1. Four pieces of first class mail received March 11, 1971 were all mailed from Arizona on February 26, March 2, 3 and 9
2. Two pieces mailed from Arizona February 19, and 26 were both received March 3
3. Special delivery usually takes longer than first class
4. Mail that gets lost and either never arrives or arrives weeks late

Michigan

1. Publishers wrap, package and bag newspapers, also zip code, etc., often deliver them themselves directly to carriers and still get bad service

2. Publishers must maintain mailing lists in pre-sorted order

3. Subscribers 100 miles away get newspapers faster than subscribers 5-10 miles away

Frankly, we have been surprised at the relatively small number of complaints that have been brought to our attention. In our opinion, this indicates that people in general and our members in particular have more or less given up in their attempts to improve mail service. Service generally has been deteriorating for such a long period of time that it is difficult for most persons to recall when they last received good mail service.

We must hasten to add, however, that the Post Office personnel, both at the local and national levels, has generally been most cooperative in attempting to resolve particular problems. Resolution of these problems, however, is not always complete, due not to inadequacies of postal personnel but to postal policies and traditions.

Mr. UDALL. We will recess the subcommittee until June 14 when we will have some department witnesses on the regional reorganization idea.

The subcommittee will stand adjourned.

(Whereupon, at 11:15 a.m. the subcommittee was adjourned.)

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CONGRESSIONAL RELATIONS WITH THE U.S. POSTAL SERVICE

TUESDAY, JUNE 15, 1971

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
SUBCOMMITTEE ON POSTAL SERVICE,
Washington, D.C.

The subcommittee met at 10:15 a.m., in room 210, Cannon House Office Building, Hon. Morris K. Udall presiding.

Mr. UDALL. The Subcommittee on Postal Service will come to order. We are continuing our hearings this morning on the Postal Reorganization Act, and the various complaints, comments, and suggestions that have been made by many of our colleagues and members of the public.

This morning we want to take up the reorganization action recently taken by the Postmaster General to consolidate and eliminate various regional offices. It was suggested that we have either the Postmaster General or his representative come before us to discuss this and to answer questions.

We are very pleased to have Hon. William J. Sullivan, Deputy Assistant Postmaster General for Planning, here because of his special experience in postal reorganization and postal reform. I am sure, Mr. Sullivan, that you have a fine statement for us, and maybe through this exchange this morning we can both profit.

So you may proceed.

STATEMENT OF WILLIAM J. SULLIVAN, DEPUTY ASSISTANT POSTMASTER GENERAL FOR PLANNING, U.S. POSTAL SERVICE

Mr. SULLIVAN. Thank you, Mr. Chairman.

My name is William J. Sullivan. I am Deputy Assistant Postmaster General for Planning and I appear in response to the subcommittee's recent suggestion that the Postmaster General have a member of his staff discuss with this subcommittee the management reorganization currently underway in the Postal Service. Since January of this year, I have been a member of a task force set up by the Postmaster General to recommend those organizational and administrative changes needed for the successful functioning of the Postal Service as an independent establishment of the Federal Government.

For the record, I joined the Post Office Department in 1964 and have served in a planning and analysis capacity on the staffs of the last four Postmasters General. From June 1967 to July 1968, I left the Post Office to be the Assistant Staff Director of the Kappel Commission. I have been continuously involved with postal reform activi-

ties from their start with former Postmaster General O'Brien until the present. It is therefore a particular pleasure for me to appear on this occasion.

I am accompanied by Mr. Louis Cox, the Deputy General Counsel of the Postal Service.

The Postal Reorganization Act of 1970 represents a massive delegation of authority to postal management, and transfers to the Postal Service responsibility for many support functions formerly performed by other executive agencies.

When the act is fully operative on July 1, 1971, the Postal Service will have virtually total responsibility for providing this Nation with high-quality, dependable mail service.

It will no longer be possible to blame others for any shortcomings in service or in efficiency. Postal management will have, with some exceptions, the authority it asked for, and should properly be held to account for its performance.

Let me assure you that the present management is acutely conscious of this responsibility and of the consequences of failing to discharge it properly.

In order to meet this responsibility, it is essential that we make major changes in the way we conduct our business.

The first change is the establishment of an internal organization which links the many parts of the postal system together into a cohesive management structure. At present, the Nation's 32,000 postmasters report to 15 regional directors, an average of about 2,100 postmasters to each regional director. The only way such a fragmented, disconnected organization can be run is "by the book."

Since 2,100 postmasters cannot be effectively supervised, the discretion of local managers has been held within narrow limits. Most operating decisions, including many minor ones, have been made in Washington.

The traditional organizational structure would be a serious roadblock to the success of the new Postal Service, and so it is being changed.

The Postal Service can successfully meet the challenges it faces only if it has a strong, self-confident, well-trained local management. Those managers must feel themselves to be a part of a larger organization. The support it needs from higher management in terms of decisions and guidance, as well as funds and new equipment, must be available rapidly.

If I may direct your attention to the chart on my left, Mr. Chairman.

To assure such support, the sectional center offices are being given responsibility for the performance of all offices within their areas. As you know, the 555 sectional centers of the Nation have long been the basis of our mail distribution network, and underlie the ZIP code system.

Many decisions formerly made at the regional level will hereafter be made at the sectional center, which becomes the basic operating unit of the Postal Service.

Sectional centers around major cities are in turn grouped into metropolitan units; other sectional centers are grouped into districts. The metropolitan manager or district manager is responsible for all postal operations within his area. He provides managerial support and direc-

tion for the sectional centers under his supervision. These managers report to one of the five regional postmasters general.

The five regions are the top of the chain of command for all but the most important policy decisions and those relatively few matters which must be handled centrally such as pricing and nationwide processing systems. The only line officials in Washington are the Postmaster General and the Deputy Postmaster General. Everyone else here provides staff support.

The headquarters organization is also being changed to combine the former six bureaus into three major staffs: Mail processing, customer services, and support. These three staffs and the five new regions report directly to the Deputy Postmaster General who, with the five regional postmasters general, is responsible for day-to-day operations.

A list of metropolitan cities and the composition of each of the districts was announced last week. With your permission, Mr. Chairman, I am submitting a copy of this information, with maps, for the record.

Mr. UDALL. We'll be happy to have it, and it will be a part of our record.

Mr. SULLIVAN. Thank you.

This reorganization gives the new Postal Service the managerial structure necessary for a performance-oriented organization.

In addition to establishing a structure to connect all levels of postal management, the new organization reflects the two different kinds of businesses we are engaged in. All of those activities which bring us into direct contact with the public—delivery, lobby operation, customer relations work—are combined into one staff, known as customer services. This group also handles market analysis and product management to insure that the needs of our customers are met effectively.

All of the workroom floor functions, mail distribution and processing, and operation of the transportation network are under the direction of the mail processing staff. This group also directs the development of new systems for the improved processing of mail in the future.

We anticipate that by organizing our management around our two major postal purposes, we will be more responsive to the needs of the public and of our own employees. The requirements of these two businesses are, in many ways, different. Our new organization reflects these differences.

The new structure places postal operations throughout each metropolitan area under the direction of one man. Sixty percent of our employees work in metropolitan areas, including the New York metropolitan region, and mailers in these places generate almost two-thirds of our total revenue. Our facilities, service, and recruitment problems are at their worst in these areas.

The new organization strengthens management in these areas and permits coordinated programs to overcome metropolitanwide problems.

More than anything else, however, the new organization is intended to make the most of our most valuable asset, the men and women of the Postal Service. Operating by the book, through an impersonal, bureaucratic organization, is not a particularly effective way to deliver the mail. More importantly, it is no way to live. We have one of the largest work forces in the Nation; more people work for the Postal Service than for any other single corporate entity in this country.

They come into daily contact with millions of citizens, and the way in which they view their jobs, and themselves, speaks volumes about the success of the U.S. Government as an employer.

With certain exceptions, the Post Office and the Congress over the years have treated postal employees well, in terms of job security, compensation, and fringe benefits. But in one important respect, postal employees have been denied an opportunity open to workers in most large enterprises: a chance to grow.

There are, of course, exceptions, but generally speaking, the opportunity to climb up the ladder, which is common in industry, has not been available to postal people because of the way we were organized, because management development was neglected, and because of the tradition of political appointments.

The new organization gives people the chance to grow. A man or woman doing well in one job can be given a better one. The new organizational structure allows us to identify promising people in a way that "by the book" management did not.

We take this step not only to do right by our employees—although that is reason enough—but because virtually all of those who will run the postal system for the next 20 years are today working in the post offices of the Nation.

There is absolutely no way we can recruit from outside the Service all or even most of the managers we need to run—and to improve—the postal system; they must come from within.

By decentralizing authority and encouraging local managers to use their discretion, we will be able to identify people who are superior performers. We will train them, we will promote them, and we will give them added authority, for their sake and for the good of the Service.

If I have dwelt upon the human aspect of the reorganization, Mr. Chairman, it is because it is by far the most important. No set of charts or regulations will move the mail. Only people do that. And they do it best when they feel they are part of an organization which cares for them and for their future.

Because of the decentralization of operating authority, the new Postal Service will need a smaller administrative staff than the Post Office Department used. The 15 regions are being reduced to five, and the headquarters organization will no longer perform many of its traditional functions.

Over the last decade, there has been a significant growth in the size of the postal administrative staff. There has not been a corresponding increase in efficiency or in the quality of postal service.

The Post Office Department, in short, has become topheavy. As part of the reorganization, therefore, the size of the headquarters staff is being reduced and its role being changed.

It will no longer direct day-to-day postal operations; that will be done by sectional centers, the districts, and the metropolitan areas. The regions will provide support and executive direction, and headquarters will restrict itself to establishing policy, overall performance review, and certain specialized functions such as issuing bonds and ratemaking.

Our headquarters employees were notified last December that a manpower requirements study was beginning. In January, they were told that the reduction in force would take place in accordance with civil service procedures. On May 12, the Postmaster General announced the new headquarters and regional organization, and said that the normal civil service practice of liberalizing retirement eligibility would be followed for the period of the RIF.

In addition, he announced that a special Postal Service bonus of 6 months' pay would be given to employees who retired during the period May 16 to June 15.

The retirement bonus, together with the 4.5 percent cost-of-living increase for retirees on the rolls by May 31, has resulted in a substantial number of retirements, almost 1,900, in headquarters and the regions. The reduction in force will thus be much less extensive than it would have been had there not been so many retirements.

In the course of the reduction in force, every attempt will be made to retain employees where positions are being abolished. When it is necessary to terminate employees, they will receive severance pay in accordance with their age and years of service. Further, an employment counseling and placement service is being set up to assist employees who are separated.

The employment reduction is no reflection whatever upon the personal or professional qualifications of the employees affected. Many highly talented employees, indeed, have taken advantage of the bonus and have decided to take retirement.

One of the costs of a staff reduction is the loss of such employees. Under the civil service procedures we are following, however, the test is whether the job needs to be done at all, not how well or poorly someone is doing it.

Mr. Chairman, this reorganization is the first step in getting ourselves together into an effective, performance-oriented organization. It is not just "one more reorganization," any more than the Postal Reorganization Act itself is "one more postal law."

It is the internal counterpart of postal reform and an absolutely essential step if we are to have a manageable postal system. There are bound to be mistakes made in designing and staffing the new organization; they will be corrected as they are discovered.

We are under no illusion that there is a single, ideal solution to any problem as complex as that of running the postal system. What we have tried to do is create an internal organization which will permit the men and women of the Postal Service to work together in the most productive way toward our common goal of postal excellence.

Thank you, Mr. Chairman.

Mr. UDALL. You say in several places that you are no longer going to have this "by the book" operation in which large detailed decisions are made at the Washington level, put into a manual, and then thousands of postmasters in widely different circumstances are required to follow that manual. In this manual, or the book which you keep referring to, being rewritten to reflect this new policy that you several times referred to?

Mr. SULLIVAN. Yes, sir; it is.

Mr. UDALL. When do you expect to have this done, and the new manual out?

Mr. SULLIVAN. The new approach is one of transferring to the field the responsibility for day-to-day operations of the Postal Service, reserving to headquarters certain powers, that must be exercised centrally, in contrast to the former arrangement where it was assumed that all power resided in Washington and was delegated, item by item, to the field.

Under the new system, the book will control headquarters. And it will give responsible people in the field the authority they need to keep the mail moving.

The postal manual will provide that certain things are reserved to higher management levels. I would expect, Mr. Chairman, a much smaller postal manual, and I would anticipate that toward the end of the summer, these instructions will be going to the field.

Mr. UDALL. Say I am the postmaster in Phoenix or Las Vegas or some other city. Give an example of the kind of thing that I cannot do now, the kind of decision I cannot make now, that I will be able to make once this new procedure is fully in effect.

Mr. SULLIVAN. If you want to extend a rural route, or extend city delivery, you require regional and sometimes headquarters approval.

In the future, you will be making those determinations at the local level for your associate office if you are in a sectional center, with one level of review instead of several, if you are a sectional center postmaster.

Furthermore, if you need a hole cut in the wall so you can move your mail more directly out to the dock, within the limits of your budget you will be able to get that done.

Mr. UDALL. Now do you have to go to Denver or Washington for that?

Mr. SULLIVAN. Yes, sir; you do. It becomes literally a Federal case if you dare to lay a hand on a public building.

Mr. UDALL. Referring back—you mention the business of selection and promotion. Now the local manager will have considerable autonomy in regard to this.

One of the problems I have seen coming out as we go through these hearings is that there is a great residual of fears and suspicions—a carryover from the past with the political system. Under that system, as I have said here many times, I could call Denver and have a big say in whether someone got promoted or hired.

There is a fear among Democrats that alleged Republicans have been put in as regional directors and in a few cases as postmasters in an area, that this power, freedom, and flexibility will be used by these men to hire all kinds of friends and buddies. They may well take under the table advice from the local Democratic mayor or State senator or whomsoever.

On the other hand, there is a fear I have heard expressed by some of my Republican friends around here that because the Democrats were in power for so many years and had filled many of the positions, that delegating this power to them will really mean that you will have local backscratching and local Democratic politics controlling these kinds of things, rather than what we all hope and expect.

Could you comment?

Mr. SULLIVAN. Yes, sir. The Postmaster General has made it very clear to his staff that in this reorganization all staffing is to be done without any regard whatsoever for political affiliation, supposed or proven.

Mr. UDALL. What controls do they have? Suppose it comes back to me, as it undoubtedly will, in individual cases, that the selection of a supervisor or the hiring of some people for the Christmas rush has been done in circumstances where it is alleged that Republican politics are involved.

What will I be able to do in that case, if anything?

Mr. SULLIVAN. The Postal Service is determined not to let political influence affect any promotion, appointment, or any other personnel action. In doing this, of course, it is merely following the mandate of the Postal Reorganization Act which is very, very specific on this matter.

Any violation of that law, or of our internal regulations, will be dealt with severely by the normal administrative procedures within the Postal Service.

And just as if you had evidence that a postal employee is involved in a violation of any other law, we will welcome any such information and see that action is taken promptly to correct anything wrong.

Mr. UDALL. Mr. Gross?

Mr. GROSS. Thank you, Mr. Chairman.

Mr. Sullivan, did any outside management or consultant firm participate in the management reorganization you have discussed, and if so, who and how much money was expended?

Mr. SULLIVAN. Yes, sir. On the first page of my statement, I mentioned that I have been a member of a task force which the Postmaster General set up in January. This was under the direction of the consulting firm of Booz, Allen, Hamilton, chaired by the vice president of that firm, Mr. Murray Comarow.

The study will extend for perhaps another 60 days. The total cost of this study is, as I understand it, approximately \$180,000.

Mr. GROSS. Will that be available to this committee?

Mr. SULLIVAN. Yes, sir, the results of this work will be available to this committee.

Mr. GROSS. Will we have to ask for it?

Mr. SULLIVAN. No, sir; I will see that when the final report is prepared, a copy is provided to the committee.

Mr. GROSS. It is my understanding that the Postal Service Institute originally conducted a series of classes on postal rates and this was for employees of the Postal Rate Commission.

Is a similar course of instruction proposed for the top management of the Postal Service?

Mr. SULLIVAN. On postal rates, sir?

Mr. GROSS. Yes.

Mr. SULLIVAN. I am not familiar with the course to which you refer. I will be happy to find out and provide information to you.

(Information requested is as follows:)

PSMI originally conducted a series of classes for the new Postal Rate Commission and its employees.

The first series was a two-day concise orientation for the new Rate Commissioners and basically covered the areas of mail flow and how the system works. Additionally, a complete tour of the Washington Postal facility was included.

At the request of the Rate Commissioners, a second series was arranged for the attorneys hired by the Rate Commission. This series took two afternoons and covered history and background on Postal rate structure. This series was also open to the various interveners (i.e., Major Mail Users Associations, etc.) and several of them attended. This course was an amplification of what is in the Postal Manual.

There are no plans to give these orientation courses to top management employees of the Postal Service. They already have the information conveyed in the courses.

Mr. GROSS. I wondered about this in view of your statement that experienced personnel were being hired only to find that the members of the Postal Rate Commission have to be given certain indoctrination—

Mr. SULLIVAN. Sir, you are aware that the Postal Rate Commission is an independent Government agency which is not under the control of the Postal Service. We have been cooperating with them, and it is not surprising to learn that we have assisted in providing background information to their employees.

Mr. GROSS. It has been reported that several of the larger postal unions will soon meet and vote on a strike.

As one of the top planners in the Postal Service, what plans do you have for meeting a possible nationwide strike in the Postal Service?

Mr. SULLIVAN. Mr. Chairman, with your permission, I would prefer not to discuss strike strategy in public. This is an area that I am not expert in. I am involved in strategic planning for the Postal Service.

The contingency plans which are drawn up are not such that we would want to discuss them publicly.

Mr. GROSS. But as a planner—do you want an answer to that, Mr. Chairman?

Mr. UDALL. I would respect personally the judgment of the witness. I'd be bound by whatever the subcommittee wants to do with regard to pressing him further. I can see legitimate public reasons why we should not compel him to discuss at any great length the contingency planning.

I am heartened to hear there is such planning going on, personally.

Mr. GROSS. That leads to the question of how many planning areas do we have with respect to the physical operation of the new postal corporation.

Mr. SULLIVAN. In the new Postal Service, there will be an Office of Planning on the staff of the Postmaster General.

Mr. GROSS. But planning for the possibility of a strike would not come under that? This is what you are saying? It would not come under your domain?

Mr. SULLIVAN. In the past, the strike contingency plans were devised in large measure by management at the regional level, and to some extent in the Bureau of Operations here. It is an operational matter, rather than a long-range planning issue.

Mr. GROSS. I have seen, Mr. Sullivan, certain rather sketchy reports concerning a \$5 million advertising contract you were entering into, presumably to "improve your image."

I don't mean you, but the new Postal Service. Can you give us any of the details, justification, the cost? And the name of the agency that is going to handle this business?

Mr. SULLIVAN. To my knowledge, no contract has been entered into, Mr. Gross. And if one is, it will not be for the purpose of improving our image.

It will be for the purpose of providing the public with information on the best way to use the mails. It will be for the purpose of stimulating the sales of those postal products which have a favorable revenue-cost relationship.

And we are contemplating that to some extent part of the free advertising we have received as a cabinet agency will be lost to us under the new arrangements, and we may have to pay for some of our ZIP code relations and other programs.

Mr. Gross. I take it you are saying inversely that your image doesn't need to be improved.

Mr. SULLIVAN. I am saying that we are not buying media time and space to improve our image, but to inform the public.

Mr. Gross. I hope you understand when I say you, I mean postal operations.

Mr. SULLIVAN. Yes, sir; I appreciate the distinction.

Mr. Gross. Are you familiar with the civil service retirement system? If you are familiar, you know that a liberalization of retirement benefits, such as the early retirement scheme of the Postmaster General, causes an unfunded liability in the retirement fund.

In your opinion, should the Postal Service assume the responsibility for the payment of this drain on the retirement fund, or should the Congress appropriate the necessary money in the form of a subsidy to the Postal Service?

Mr. SULLIVAN. The liberalization of retirement criteria to which you refer, Mr. Gross, is normal practice when a reduction in force takes place, and since this reduction in force is being conducted—voluntarily, I might add—under civil service procedures, the Postmaster General is extending to the employees affected the option of early retirement normally available to agencies when they engage in a reduction in force.

The question of funding of the retirement system, as you know, is one that has engaged this committee and many concerned citizens for some time. The report of the Kappel Commission recommended that the Postal Service be removed entirely from the civil service retirement system, and that the Government buy out of it, if you will, and that the Postal Service be totally responsible for the retirement program of its employees.

There are many managerial advantages in such an arrangement. Congress in its wisdom decided to do it otherwise, and the present statute provides that postal employees remain part of the civil service retirement system in all respects.

Since postal management does not have the flexibility that would go with running its own retirement system, my personal opinion is that it should not be burdened with the total unfunded cost of the past and future liabilities of this system.

Mr. Gross. Well, why not? Congress now has nothing to say about an increase in salaries. Whether there be an increase or how much. And all of this amounts to an obligation.

Mr. SULLIVAN. Yes, sir. On the other hand, the Congress does have much to say about the benefits to be paid under retirement. That power was not delegated to the Postal Service. We are following, in the reorganization to which you refer, the procedures set up by the Civil Service Commission within law, and we are complying with all of their requirements.

The Congress is still operating the civil service retirement system, and there is no suggestion on our part that that be changed.

I would suggest that this is a serious and important matter on which the committee might well want more professional expertise than it has before it today.

And before any major legislative change is made in this direction. I think we have suggested, Mr. Chairman, that hearings on this subject be conducted.

Mr. GROSS. That what?

Mr. SULLIVAN. That hearings on this specific subject be conducted.

Mr. GROSS. That hearings be conducted?

Mr. SULLIVAN. When solicited for its opinion on a pending bill, which bears an amendment I think carrying your name, on the funding, of possible change in the funding of retirement, the Postal Service wrote to the chairman of the full committee that its position was that hearings on this subject should precede any legislation action, in its opinion.

Mr. GROSS. Well, I don't know what that would contribute. Perhaps we will pass it without hearings.

The House has already done so, and it would be my hope that the other body would adopt it, too.

Mr. Chairman, am I taking too much time? I have other questions.

Mr. UDALL. In view of the light attendance, I was going to give you all the time you wanted. But to make it more interesting, let me ask a couple of questions and then go to Mr. Hamilton, and I will come back to you.

Mr. GROSS. All right.

Mr. UDALL. Mr. Sullivan, I like a lot of what is said in your statement. You say that the Post Office Department is topheavy, that we have too many people in the regions pushing paper and making decisions that ought to be made locally, and that there is concentrated too much power in Washington, and so on.

I am always glad to hear these things, but I become a little suspicious sometimes of the platitudes and high sounding phrases.

You know, every one of our last five Presidents has come to office vowing to reduce the horrendous bureaucracy at the White House. Mr. Nixon has almost doubled the number of people on the White House staff.

I read the other day that Franklin Roosevelt conducted World War II with a total White House staff that is smaller than what Henry Kissinger, just one piece of the White House, has all by himself today.

I read that we were moving from a wartime economy to a peacetime economy, and I looked at the Defense budget to see how much it was going to be down, and found out it was up \$3 billion. This kind of thing.

There is a tendency in modern organizations to get top heavy. The Army is a good example. In Vietnam we had five backup soldiers for

every frontline guy doing the fighting, and all kinds of apparatus stacked, with layer on layer of headquarters support personnel.

I wonder if you could give us for the record, for both the regional offices and for the Post Office Headquarters in Washington, two separate sets of figures. I would like to know the total number of people in the region and in headquarters in Washington in January of 1969. Let's start there as a benchmark. This is what the new postal administration took over from the Democrats. Then how many in January 1971, in those two places, 2 years later. Finally, how many do you expect to have in 1972, which I take it would give you enough time to put into effect this new streamlined regional office situation? What is your estimate for January 1972?

And if your figures bear out the high sounding language in your statement, I for one will be very happy. But I would like to see what the trends have been in this direction, and what you expect to do with this new reorganization program.

Mr. SULLIVAN. I'd be happy to provide these figures for the record. I do have figures that I brought along that might be pertinent.

On May 28, of this year, we had in headquarters 2,798 employees, and in the regions, 3,553 employees, for a total of 6,351 employees.

On June 11, after the reduction in force began, we had 2,309 employees in headquarters, 2,157 in the regions, for a total of 4,466, a drop of about 1,900 employees.

The reduction in force will continue, and we estimate a staff reduction of several hundred more employees.

Mr. UDALL. Do I understand, in that month or 6 weeks you are talking about, you have reduced headquarters from 2,700 to 2,300?

Mr. SULLIVAN. Yes, sir.

Mr. UDALL. And the regions from 3,500 to 2,100?

Mr. SULLIVAN. Yes, sir.

Mr. UDALL. That is very substantial, and that is action rather than mere talk, and I commend you for that.

And I will be interested in seeing the comparison of the other figures that I have requested.

(The information requested is as follows:)

TOTAL NUMBER OF EMPLOYEES IN THE REGIONS AND HEADQUARTERS

	Headquarters	Regions
Jan. 1, 1969.....	2,365	3,124
Jan. 1, 1971.....	2,834	3,342
June 11, 1971.....	2,309	2,157
Estimate for Jan. 1, 1971.....	2,000	¹ 1,800

¹ Includes staffing at metropolitan/district level.

Mr. UDALL. I have had a number of inquiries about the railway post offices, particularly as this bears on Amtrak—or some have called it “half-track”—that has now taken over the Nation's passenger service.

Are there any plans to continue railway postal service to any extent? What is the situation now? Can you shed any light on this problem?

Mr. SULLIVAN. As you know, there has been a decline over the last 25 years in the number of passenger trains and in the use which the Postal Service could make of those passenger trains.

I don't have the figures at my fingertips, but the number of railway post offices which were at one time the mainstay of our system, has declined dramatically.

It is unlikely that under Amtrak there would be any increase in that number. I would be happy to provide specific figures for you.

Mr. UDALL. I'd like to see how many are running right now, how many a day of these railway post offices.

Mr. SULLIVAN. Yes, sir.

Mr. UDALL. And employees working on them, I would like basic figures on that.

(The information requested is as follows:)

The Postal Service presently has only one Railway Post Office in operation. It operates between New York City and Washington, D.C. and makes one round trip daily, except Sunday. It operates with five cars Monday through Friday and one car on Saturday. It regularly employs 168 employees.

Mr. UDALL. Returning to the regional reorganization, I have had, and I am sure my colleagues on the committee have had, letters from RIF'd employees or employees who were pressed for early retirement, complaining about the situation.

This is not unexpected, to me anyway. When you have a reorganization, you have complaints, and some people get hurt. It is always a question of whether it is handled with kindness and compassion, and whether the reductions are really necessary, and whether they are handled nonpolitically. These are the questions that concern me.

A number of employees in Denver have written me and one of the things that they view as a major grievance is that the Postmaster General last winter made a flying tour of all of the regions, spoke to all the headquarters people, and said in effect " * * * no one would lose their jobs and no one would be hurt."

The employees say that surely the change that you have discussed was under consideration then, and why was the statement made at that time when obviously the Postmaster General must have known that large numbers of these people were going to be either forced into an early retirement or RIF'd.

Would you care to comment on that?

Mr. SULLIVAN. I would not, Mr. Chairman. I am not aware of the Postmaster General's comments on that occasion, and I don't think anything useful could be added by my speculation now.

Mr. UDALL. Mr. Hamilton?

Mr. HAMILTON. Thank you, Mr. Chairman. Mr. Sullivan, I am sorry I wasn't here for your statement, but I do have a few questions I'd like to ask.

When will these regional organizational structures be operating?

Mr. SULLIVAN. The official date of the changeover is July 1. We expect that conversion to the new regions will be completed, approximately September 1.

Mr. HAMILTON. In the region where I am from, Chicago, do you have a building and facility ready to operate there?

Mr. SULLIVAN. An administrative office for the new region?

Mr. HAMILTON. Yes.

Mr. SULLIVAN. I am not sure where the new region will be located. It may well be in the location of the present regional office. As you

know, Chicago is already a regional city, and will continue to be one after the reorganization.

Mr. HAMILTON. Do you have physical facilities for all five of them?

Mr. SULLIVAN. Yes, sir; each of the new regional cities was a former regional city. It's a reduction from 15 to five. And I would presume that we will continue to use the regional offices we have been using in the past.

Mr. HAMILTON. Your statement does not include any organizational structure for these regional offices. Are there such organizational charts available?

Mr. SULLIVAN. We have organizational charts which we showed the committee, on the relationship between the regions and headquarters and post offices. If your question is directed to the internal organization of a given regional office, that is now being worked out, and we don't have the charts available at the moment.

Mr. HAMILTON. When were postal employees at the regional offices notified of this change?

Mr. SULLIVAN. Postal employees were notified in February of this year that a reduction in force would take place, and they were told of the so-called competitive areas and other technical information that would govern the reduction.

That may have been March 1. I will correct that date. On May 12, the Postmaster General announced the specifics of where the new regions would be and what their responsibilities would be.

Mr. HAMILTON. Well, the understanding I have, from talking with a number of people in the Cincinnati regional office, is that most of them learned about it on May 12, their jobs were abolished on May 13, and they had to make up their mind on this retirement incentive by May 31.

Mr. SULLIVAN. No jobs have been abolished to this point, sir. The retirement incentive runs until June 15—today—that is the 6-month bonus that the Postal Service has offered retirees.

They were undoubtedly referring to the cost-of-living annuity increase which I think, by regulation of the Civil Service Commission, took place, the deadline for which was May 31, as you say.

Those who wish to retire and take advantage of the four and a half percent annuity had until May 31 to do so.

Mr. HAMILTON. Is it correct that a large number of employees in the Cincinnati regional office, for example, had only 2 weeks to make up their mind between the date of notification of this major restructuring and the time they had to do so?

Mr. UDALL. If they wanted both the 6-months bonus and the four and a half percent additional, they only had until May 31.

Mr. SULLIVAN. That is correct, sir. If they hadn't thought about it at all until May 12, then they had only 2 weeks.

Mr. HAMILTON. Could they have thought about it prior to May 12?

Mr. SULLIVAN. Yes, sir; they were told—all headquarters and regional employees were told that there was a reorganization contemplated. The details were not available.

Mr. HAMILTON. But they didn't know that that reorganization had a specific impact on their job necessarily, did they?

Mr. SULLIVAN. No, sir.

Mr. HAMILTON. So really in terms of their specific future, these people didn't know what was going to happen to them until May 12? Is that right?

Mr. SULLIVAN. They learned on May 12 with finality that there would no longer be a Cincinnati regional office.

Mr. HAMILTON. When did they learn whether or not they were going to have a job?

Mr. SULLIVAN. We still have not worked out the organization of the new structure, and therefore have not been able to provide the employment registers which will indicate to an employee what his employment benefits are.

Mr. HAMILTON. How can a man make a reasonable decision about whether or not to accept retirement if he doesn't even know whether he has a job, and if so, what it is going to be?

Mr. SULLIVAN. The deadline of the civil service retirement was coming upon us, and we made the retirement bonus effective for that 2 weeks, plus an additional 2 weeks, so any employee who did wish to retire was able to do so.

Mr. HAMILTON. But he doesn't even know what kind of a job he is going to have.

Mr. SULLIVAN. That's correct.

Mr. HAMILTON. That puts him in a pretty tough spot.

Mr. SULLIVAN. It's a basic career decision for him.

Mr. HAMILTON. That's a marvelous euphemism. I will have to tell them that it is a basic career decision they are faced with, and they will be happy to learn that.

Mr. UDALL. I think Mr. Hamilton put his finger precisely on the heart of all the complaints that we have had. What you did to these people—and as you have conceded, many of them are very fine people—was to say, look, you have 19 days, between the 12th and the 31st, to make up your minds whether to take these two great carrots we are holding out if you decide to retire right now.

If you decide not to take these things, we will let you know in a couple of months, or 6 weeks, whether you are RIF'd or whether you are going to have a job in the new setup or not.

This made a very, very uncertain thing. If they knew both sides of this coin and had all this information, they could have made a more intelligent decision, and they might well have accepted retirement—as it was expected that many of them would do—with a much better feeling toward the Postal Service, and without all the bitter complaining.

Is there some way you could have worked that out?

Mr. SULLIVAN. Yes, sir, I would like to explore for a moment the alternative open to us.

If we had followed normal civil service practice, we would have told people that a RIF was underway, and that they could take advantage of early retirement. Some of those would have. Some of them perhaps would not have. Then the RIF would have proceeded.

It would have been a large RIF if there had not been many retirements and a RIF is an unpleasant circumstance, no matter what. There is no phrase you can give an employee when you abolish his job that makes it seem fine for him.

Mr. HAMILTON. You are coming close.

Mr. SULLIVAN. I think you are right. There is no description of this operation which makes it any more palatable to the people affected.

The Postal Service, in an attempt to be compassionate, provided a substantial retirement bonus to all employees who were eligible for retirement in the hopes of inducing many of them to take the retirement which they had earned.

The effect of this is to greatly reduce the scope of that RIF. There will be much less bumping, much less down-grading of employees.

The Postal Service will begin its new operation with a middle management team that is perhaps 15 years younger in average age than it would have been if it had followed the normal bureaucratic routine of just abolishing jobs and letting people bump.

In taking the risk of being generous, the Postal Service finds itself in a dilemma. People say, you are offering me 6-months pay, but tell me the alternative. We don't know exactly what the position would be for everyone in the field.

And this is impossible to know because of the appeals. It is impossible to assure Mr. X that he has a given job, because Mr. Y, who has been bumped from a job because the region has been abolished, may well bid into Mr. X's job. So there is a great deal of uncertainty in this period, and that is why I say it is an unpleasant and distasteful experience, as I think any Government employee or executive who has been through one will testify.

Mr. HAMILTON. But the problem is to recognize that those kinds of instances are going to occur, and they are unavoidable. But the problem is to reduce them or minimize them.

When you are operating on 2-weeks notice, you are not going very far it seems to me in terms of minimizing these hardships.

Let me pursue one other point for a moment.

Mr. UDALL. Will the gentleman forgive me for one more interruption?

I have thought of a better euphemism. When the Democrats were claiming the Nixon administration was going to increase unemployment in order to fight inflation they showed a man coming home with his lunch pail and saying to his wife, I have good news and bad news. The good news is that I have been put in the front lines on the fight on inflation. The bad news is I have been fired.

Mr. HAMILTON. Now in your statement, on page 13, you mention that employment counseling and placement services are being set up to assist employees. Is one of these in operation today in Cincinnati?

Mr. SULLIVAN. No, sir; no employees have been separated in Cincinnati.

Mr. HAMILTON. When will one be operating there?

Mr. SULLIVAN. At the time that employees are terminated, it will be set up to provide assistance to employees who positions are terminated.

Mr. HAMILTON. I refer to your comment in your statement with regard to 32,000 postmasters, an average of about 2,100 postmasters to each regional director, and the only way you can operate that kind of an organization is, as you say, by the book.

Now the implication of that is that under the new structure, you are not going to be operating by the book. Is that the correct implication?

Mr. SULLIVAN. We will not be relying on—

Mr. HAMILTON. Insofar as postmasters are concerned.

Mr. SULLIVAN. A postmaster in the future will be within shouting distance of someone that he can call a boss.

Mr. HAMILTON. How far has he got to shout?

Mr. SULLIVAN. To a sectional center. If he is in an associate office, the sectional center office will be responsible. If he is a sectional center postmaster, a district or metropolitan manager.

Mr. HAMILTON. Columbus, Ind., for example, would turn to Indianapolis or Louisville, the nearest metropolitan center for assistance?

Mr. SULLIVAN. Right. I believe Columbus is a metropolitan area.

Mr. HAMILTON. Columbus is a sectional center.

Mr. SULLIVAN. Excuse me. And all the postmasters within a sectional center will now work for the Columbus post office, so they no longer have to go to a regional office for decisions. It provides face-to-face management instead of management by the book.

They will still have regulations and manual, but will not have to run the Postal Service by regulation exclusively. We are providing a management structure.

Mr. HAMILTON. The decentralization you are talking about, reducing the regions from 15 to five, on the surface at least puts the management structure farther away from the postmaster, because you have only five instead of 15.

But you are saying now that the chain of command is through the metropolitan center and through the sectional center and that these postmasters in the smaller post offices, when they have their problems, will not go as they formerly did to Cincinnati, in my part of the country, but will go up to, in my area again, to southeastern Indiana, Columbus, the sectional center, and then up to Indianapolis or Louisville above that. Is that right?

Mr. SULLIVAN. Yes, sir. We are using five regions instead of 15, because the role of the region is being changed. We are going to executive level regions. The regions become a sort of headquarters. Many of the decisions formerly made at the headquarters will be made at the regions.

But the principal operating authority is decentralized to the local level, to the sectional center, to the district, to a given metropolitan area, so that by and large the local managers on the scene will know their needs, will be able to make the kinds of decisions that formerly required regional or headquarters approval.

Mr. HAMILTON. Now will the operational procedures be the same in each of the five regions?

Mr. SULLIVAN. Some will be the same and I imagine there will be some variations.

Mr. HAMILTON. To the extent there is uniformity, that will be dealt with in Washington?

Mr. SULLIVAN. To the extent there is uniformity, it will be determined in Washington.

For example, our accounting system will be the same throughout the Nation, and the rates of postage will be the same.

Mr. UDALL. If I can interrupt again, on the release passed out in front of each member, there is a Louisville district, which covers some of Columbus and southern Indiana out of Louisville; is that right?

Mr. HAMILTON. Well, to get in my mind the various stages, you have the region and below the region you have districts, and below the districts you have sectional centers?

Mr. SULLIVAN. Yes, sir.

Mr. HAMILTON. I think that's all I have, Mr. Chairman, for the moment.

Mr. UDALL. Mr. GROSS?

Mr. GROSS. Mr. Sullivan, you said earlier that optional retirement, the plan used by the Department, was normal procedure?

Mr. SULLIVAN. The liberalized retirement used by the Department is a normal procedure. It is open to any agency following civil service reduction in force procedures.

Mr. GROSS. You don't want to amend that statement, do you?

Mr. SULLIVAN. To my knowledge, it is a correct statement, sir.

Mr. GROSS. Well, how do you account for the fact that on June 8, the Civil Service Commission—Mr. Hampton, the Chairman—sent to Speaker Albert a request for legislation which reads in part as follows: "the Commission submits for consideration of Congress and recommends prompt and favorable action on the attached legislative proposal which, during a major reduction in force in a department or agency would permit the optional retirement at reduced annuity of Federal employees with at least 25 years of service"—and so forth.

If what you say is true, that it is normal, why then would the Chairman of the Civil Service Commission be seeking legislation to legalize what you have been doing?

Mr. SULLIVAN. I think the Chairman of the Civil Service Commission is seeking legislation to improve the reduction in force procedures throughout Government.

Mr. GROSS. I submit he is seeking legislation to legalize it.

Mr. SULLIVAN. I am not familiar with the request for legislation to which you refer. However, I can assure you that the procedures followed by the Postal Service in liberalizing the retirement to 25 years of service at any age and 20 years of service at age 50—those procedures have been used repeatedly by Government agencies and they are following normal civil service regulations.

Mr. GROSS. It will be interesting to see this thing unfold and find out how legal your operation has been.

You have been speaking of voluntary retirement. I seem to recall—I don't have a copy of the statement here—that the employees were told that if they didn't move out, take these optional retirements, that they might not get any of the benefits at all. To me, that is a form of coercion, Mr. Sullivan.

Mr. SULLIVAN. The civil service benefits on retirement, if you will recall, were preserved as a matter of law for all past, present, and future employees. They are not jeopardized in any way.

The Postal Service established a special Postal Service bonus of 6 months' pay, which was available during a fixed 30-day period.

Mr. GROSS. Yes; I understand that, and what will be the cost of paying that 6 months' severance bonus to these employees who chose to retire under special conditions?

Mr. SULLIVAN. On the basis of those who have retired so far—and the period ends today—the cost will be approximately \$15 million.

Mr. GROSS. And more to come?

Mr. SULLIVAN. There may be some more today. As I say, the period goes until today.

Mr. GROSS. And where will this bonus money come from? Out of increased postal rates? Out of postal revenue?

Mr. SULLIVAN. It is not an added cost, sir. It is a reduction in cost. This represents 6 months' salary for employees. If they had stayed on for another year, it would cost us twice that much in salaries.

Mr. GROSS. I don't know how you can handle it on that basis; if in the dim future there is some reduction in cost. It's going to be out of pocket now, isn't it? This 6 months' bonus?

Mr. SULLIVAN. You understand, Mr. Gross, that we are talking about people who would be on the payroll indefinitely, if there were not this reorganization. And if all of the people involved were paid a normal salary through next December, we would come out equal.

What we are doing is paying them the equivalent of their salary through December, and this is compensating in some way for the career change they had to make.

We all know it is not very pleasant to be faced with this kind of a change, but in a reorganization it is often inescapable.

Mr. GROSS. It's going to cost somebody several million dollars, and are you going to pay it out of postal revenue? Are you going to increase rates to take care of it?

Mr. SULLIVAN. No; it will not require any increase in postal rates.

Mr. GROSS. I will be surprised if it doesn't.

I am interested in the experience or lack of it that the five regional postmasters general have in the Postal Service. For example, Mr. Gels of the central region comes from Swift & Co. Mr. Larson of New York is a product of American Can. Mr. Huleen in the western region comes from the Boeing Corp. Mr. Pentz from the eastern region has extensive experience in the milk and ice cream business. And Mr. Ulsaker of the southern region is a retired Army colonel.

Who is going to run the shop while these executives are learning something about postal operations?

Mr. SULLIVAN. These executives have been regional directors now for 2 years and—

Mr. GROSS. Have been regional directors?

Mr. SULLIVAN. Yes, sir; each of them was formerly one of the 15 regional directors, and they have been named by the Postmaster General as the new regional directors.

Mr. GROSS. So they know all about it, I take it?

Mr. SULLIVAN. I don't think any of us know all about the Postal Service, Mr. Gross. Certainly not your witness. There is a theory, however, that management skills are to some extent transferable, that you don't have to spend 30 years working for the Post Office before you know something about the sensible way to invest in equipment and manage people.

And all of the people to whom you refer are competent, qualified, highly thought of professionals.

Mr. GROSS. Oh, I'm sure they are. I'm sure they couldn't be anything else under the circumstances.

The Postmaster General said that under this reorganization he would be responsible for overall direction of the Postal Service, and the Deputy Postmaster General would be responsible for internal operations.

Who is the Deputy Postmaster General?

Mr. SULLIVAN. At the moment, we have a vacancy in the office of Deputy Postmaster General.

Mr. GROSS. Is that because you are saving money, or what?

Mr. UDALL. Will the gentleman yield?

Mr. GROSS. Yes.

Mr. UDALL. The Postmaster General told me once that the reason he couldn't fill that job is that there was an amendment added to the bill by the distinguished Member from Iowa that cut down the salary he could pay to the Deputy. He was unable to recruit from industry the man with the talents and skills he wanted at the figure we had allowed him to pay.

Mr. GROSS. Isn't that just a bloody shame.

Mr. UDALL. A fellow could hardly get by on \$60,000 or \$70,000.

Mr. GROSS. Are you trying to convince me that I committed a crime or a sin?

Mr. UDALL. I was trying to needle my friend.

Mr. GROSS. What does that job now pay?

Mr. UDALL. \$42,500, I think. Am I wrong? Is that the salary allowed?

Mr. Cox. \$42,000, I think, Mr. Chairman.

Mr. UDALL. We placed a limit on the total that could be paid any one individual in the Postal Service at \$60,000.

Mr. GROSS. He can be paid \$60,000 now, as of this day and hour?

Mr. UDALL. That is my understanding. Or at least by July 1.

Mr. GROSS. Mr. Sullivan, since you are the planning expert over there, what do you think? How much do you think it would take to get a deputy postmaster general? \$100,000? \$80,000? \$90,000? What?

Mr. SULLIVAN. I am not a compensation expert, Mr. Gross, and I couldn't say what a suitable figure would be. I am confident that we will find the right man within the constraints of the law.

Mr. GROSS. What do you think about a \$60,000 a year salary?

Mr. SULLIVAN. Is that an offer, Mr. Gross?

In terms of and employment offer, I think it would be quite attractive.

In terms of the kind of individuals we are looking for to run one of the Nation's largest utilities, it is substantially below the market price.

Mr. GROSS. Substantially below?

Mr. SULLIVAN. Yes, sir.

Mr. UDALL. I was told one of the people they badly wanted as a top executive was hired away by Amtrak at \$200,000 a year, Amtrak also being a public corporation.

Mr. GROSS. What is the Postmaster General now getting?

Mr. SULLIVAN. As a Cabinet member, he receives \$60,000.

Mr. GROSS. Well, this I don't understand at all. I seek help from my colleagues on the committee. I don't understand this.

How can the Postmaster General, the top dog, be satisfied with \$60,000 when he can't find a Deputy Postmaster General that wouldn't be satisfied with I don't know how much more—\$75,000, \$100,000?

What gives here? The Postmaster General apparently is not about to resign because the salary is too small.

Mr. UDALL. If the gentleman will permit me, the theory has always been that the Secretary of Defense and other Cabinet members will take jobs at far less salary than the responsibility would demand in comparable positions in private enterprise because of the prestige and satisfaction and public service concept. Once you move the Post Office Department out of the Cabinet and get it into what is essentially a large business operation—

Mr. GROSS. I am not trying to demean the office of Deputy Postmaster General. It carries prestige. It should.

If that is compensation, payment in kind, in addition to the \$60,000, I wouldn't think they would have any trouble finding someone to fill the job.

I just don't understand this. Out in Iowa, it would be a fair-to-middling salary.

Mr. UDALL. There would be relatively little starvation in most families at that salary.

Mr. GROSS. That's what I thought. Thank you, Mr. Chairman.

Mr. UDALL. I have a couple more questions, Mr. Sullivan. We had a long and involved hearing here earlier this year with the Postmaster General. The committee members expressed great concern about his proposal to let the Corps of Engineers run certain aspects of the large construction program that is going to get underway. This is a program that I consider absolutely necessary, although I share many of the misgivings about contracting this out. In the course of this reorganization that you are testifying on today, what happens in Washington and what happens on the regional level to the staffs of planners, architects, engineers, real estate acquisition people, all the rest?

Have these people been moved out to the Corps of Engineers? Does this account for part of your reduction? What will you have left in terms of these kinds of people when you get through with this reorganization?

Mr. SULLIVAN. Yes, sir; the people who formerly performed these functions in the Postal Service are being transferred to the Corps of Engineers under the terms of our agreement with the Corporation.

Mr. UDALL. Your answer then is that we will have by January of next year, as compared with June of this year, several hundred or a substantial number of people who were Post Office Department employees doing this kind of program, transferred to the Corps of Engineers?

Mr. SULLIVAN. Yes, sir.

Mr. UDALL. Give us for the record some figure on that later.

Mr. SULLIVAN. Yes, sir.

Mr. UDALL. Give us a number that might reflect it.

Mr. SULLIVAN. Yes, sir.

(The information requested is as follows:)

Total number of postal employees being transferred to the Corps of Engineers:	<i>Amount</i>
Headquarters employees-----	137
Field employees-----	304
Total -----	441

Mr. UDALL. I had a lady PFS-8 in Denver who was very unhappy and critical. She wrote she feels that this reorganization will force out of the service women faster than men in the higher level slots—8, 10, and 11 and so forth.

She says the women have struggled to reach these positions. They fear men will be selected over them, they will have less mobility to leave to go to new locations, and in the end your reorganization will insure that women will be primarily secretaries in the PFS-5 and 6.

And on behalf of women's liberation and all of my colleagues, is this true, and what do you propose to do about it if it is?

Mr. SULLIVAN. No, there is no basis for such a concern. If an individual is unwilling to move from a city where the function is no longer performed, such as Denver, to a city to which the function has been transferred, to follow a job offer, of course that individual does not have to. I think that will happen to both men and women who are unable to follow the function.

It is an inevitable consequence of having a reduction from 15 to five regions.

Mr. UDALL. Based on your study of this so far, would you think that when it is all said and done and the reorganization has been completed the percentage of women holding PFS-8 or higher will be less in regions and national headquarters than before this started?

Mr. SULLIVAN. No, sir.

Mr. UDALL. You think there is no basis for this particular charge that this lady makes?

Mr. SULLIVAN. I think not. I think men too, will have reasons for not wanting to move.

Mr. GROSS. Will the chairman yield on one question on this line?

Mr. UDALL. Of course.

Mr. GROSS. How many postmaster vacancies do you have at the present time?

Mr. SULLIVAN. I don't know offhand; I will provide the information for the record.

(The information requested is as follows:)

Total number of postmaster vacancies as of June 26, 1971:	<i>Amount</i>
First-class post offices.....	461
Second-class post offices.....	593
Third-class post offices.....	1, 139
Fourth-class post offices.....	890

Total vacancies.....	3, 083
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Appointments since the merit selection program began on November 28, 1970:

	<i>Amount</i>
First-class post offices.....	672
Second-class post offices.....	806
Third-class post offices.....	1, 381
Fourth-class post offices.....	276

Total appointments.....	3, 135
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Mr. UDALL. To what extent is the Department now attempting to recruit and attract college graduates to the new Postal Service? What types of positions are you offering, for example?

Mr. SULLIVAN. At the moment we have a freeze on hiring on conjunction with the reorganization. That aside, we have for several years obtained some very fine people through the Civil Service Commission's management intern program. We will continue to have access to such individuals.

Further, we will be recruiting ourselves on college campuses.

Mr. UDALL. Let me ask you two other questions unrelated to this reorganization, but see if you can shed some light.

For about a month now, we have had the program of guaranteed, or at least promised, 24-hour service for major cities within 600 miles of each other. How effective has it turned out to be?

I have been getting some complaints about it, and I suppose in any new system a letter or two or three would go astray. Have you generally felt you are achieving this?

Mr. SULLIVAN. We are generally achieving it. The percentage of next-day delivery appears to be climbing. We are not yet at our target of 95 percent between city pairs, although we are attempting to improve both the performance of the system and our reporting techniques. It's a very difficult measurement problem.

Mr. UDALL. We have had a number of complaints about cut backs in services, abandoning 1-day service for downtown business districts, forwarding time reduced from 2 years to 1 year, less weekend processing, early Saturday closings, curtailment of delivery and collection and so forth.

Does the Department plan, or have on the board, or have contingency planning for other reductions in service at this time that you know of?

Mr. SULLIVAN. Not to my knowledge, sir. Each one of these is a management judgment based upon the cost of providing a given element of service, and the value of that service to the public.

And in the cases you refer to, the cost of providing the service did not seem on balance worth it in terms of the level of service that was provided to the public.

Mr. UDALL. Is there any indication that the new higher postal rates will reduce the volume of mail?

Mr. SULLIVAN. We have had no indication yet.

Mr. UDALL. Will people be frightened off by the higher rates and make phone calls instead, or other methods?

Mr. SULLIVAN. No; our experience in the past is that after rate increase, there is a temporary leveling off in the growth of mail, and we don't yet have the figures to indicate if this is happening this time. But our studies showed that by and large the mail volume would continue to grow at its secular rate despite this recent—and I might say overdue—increase in postage.

Mr. UDALL. Mr. Hamilton?

Mr. HAMILTON. Do you have any present or proposed plans for a reduction in force for the postmasters, supervisors or other postal employees?

Mr. SULLIVAN. No, sir.

Mr. HAMILTON. I want to get some idea of the magnitude of the impact on employment of this reorganization at the regional level.

You anticipate a substantial reduction in the number of employees operating at the regional level and above as a result of this reorganization?

Mr. SULLIVAN. Yes, sir.

Mr. HAMILTON. Can you give us some idea of the magnitude of that reduction?

Mr. SULLIVAN. I can't give you a precise figure, Mr. Hamilton. We have reduced the size of the regions and headquarters staff between May 28 and June 11, from 6,351 employees to 4,466.

Mr. UDALL. Before you came, I asked him to supply for the record the reduction between the time this reorganization started and today—which is 1,900 employees—at both the regional and national level, and to give me a projection for next year when it is completed.

Mr. HAMILTON. That will answer my question. I was going to request that. That's all I have.

Mr. UDALL. Mr. Gross?

Mr. GROSS. Mr. Chairman, I noted that in your statement, page 3, Mr. Sullivan, you say:

Postal management will have, with some exceptions, the authority asked for and should properly be held to account for its performance.

You go on to say:

Let me assure you that present management is acutely conscious of this responsibility and of the consequences of failing to discharge it properly.

What are the consequences?

Mr. SULLIVAN. We will get fired.

Mr. GROSS. Who is going to fire you?

Mr. SULLIVAN. The Board of Governors.

Mr. GROSS. You mean the Board of Governors, the friends of others at the top of this corporation, from American Can and what not? They are going to swing the meat axe?

Mr. SULLIVAN. Boards of directors have been known to do that in the past, sir.

Mr. GROSS. If you are so concerned about your most valuable men and women in the Postal Service, why do you not extend the 6 months' bonus to those people who were actually fired for reason of reduction in force?

Mr. SULLIVAN. Would you restate that question, sir?

Mr. GROSS. If you are so concerned—apparently there are a number of them in limbo now—if you are so concerned about the good men and women in the Postal Service that are subject to being RIF'd, why not extend the 6 months' bonus to them?

Mr. SULLIVAN. Under the terms of the law, anyone who is terminated and not eligible for retirement, receives severance pay already. That is why no bonus is being provided.

Mr. GROSS. What is the extent of that severance pay?

Mr. SULLIVAN. It varies, depending on age and length of service.

And this, you understand, is not a voluntary action on the part of the individual. It is invariably an involuntary action to have your employment terminated.

The incentive operates only when the employee has a choice in the matter, such as retirement.

Mr. GROSS. But you don't think the good men and women are entitled to 6 months' bonus, as those who voluntarily retire, who by virtue of age and service were in a position to retire? You don't think

these people, these good men and women in the Postal Service of whom you speak are entitled to the 6 months' bonus?

Mr. SULLIVAN. They will receive severance pay.

Mr. GROSS. There's a considerable difference, isn't there?

Mr. SULLIVAN. No, in some cases severance pay will be a full year's pay.

Mr. GROSS. A full year's pay?

Mr. SULLIVAN. Yes, sir; under the terms of the law.

Mr. UDALL. How many years service do you have to have to get a full year's severance pay?

Mr. SULLIVAN. There is an intricate formula which I would hesitate—if I may give you the outline and then correct it for the record, I would appreciate it.

An employee who is terminated receives, I believe, 1 week's service credit for each year up to 10, and 2 weeks for every year above 10, and an increase of I think 10 percent for every year that he is above age forty.

Mr. GROSS. Then didn't you have a number of foulups back in May—perhaps even now—a number of foulups when this plan was suddenly broached upon the employees? Didn't you have a number of foulups in the Postal Service at that time?

Mr. SULLIVAN. Out-of-the-ordinary foulups?

Mr. GROSS. Yes.

Mr. SULLIVAN. I am not aware of any, sir.

Mr. GROSS. Didn't a lot of people clean out their desks and practically walk out?

Mr. SULLIVAN. I am not aware of that, sir.

Mr. GROSS. Well, I have had some reports that this happened. And that morale went to zero in the regional offices in some cases.

Did you have anything to do, Mr. Sullivan, with that deal down in New Mexico, with the planning of that operation?

Mr. SULLIVAN. No, sir.

Mr. GROSS. It was reported by the newspapers down there.

Mr. SULLIVAN. I am not acquainted with the subject, sir.

Mr. GROSS. Well, I am reading from the Congressional Record of September 17, 1970, entitled "The Pony Express Revolutionaries Playing Post Office":

One quite afternoon in mid-February, residents of Las Cruces, New Mexico were startled from their work as an imposing convoy of military transports rumbled noisily through their streets covered with mud and dust * * *.

It seemed to have something to do with training of postal employees, some kind of a guerrilla-type training. What was this all about?

Mr. SULLIVAN. I am happy to report I wasn't there. But I seem to recall that this was in connection with the training of people who will work in the so-called Postal Academy program. It is an attempt by the Postal Service to begin to discharge part of its obligation to the larger society, in providing training for hard-core unemployed in major cities.

Mr. GROSS. Under the auspices of the Post Office Department?

Mr. SULLIVAN. Yes, sir; under the auspices of the Postal Service.

Mr. GROSS. And Mr. Housman, where is he today? Is he still with the Department?

Mr. UDALL. I am told he is with Amtrak.

Mr. GROSS. Is he with the Department?

Mr. SULLIVAN. I don't think he is. He is a former Assistant Postmaster General for Personnel, who, I believe, initiated the overall program.

Mr. GROSS. Was he in the planning division?

Mr. SULLIVAN. No, sir; he was Assistant Postmaster General for Personnel.

Mr. GROSS. And he is now with Amtrak?

Mr. UDALL. I am told he is, and perhaps we ought to have a moment of silence for the passenger travelers of Amtrak.

Mr. GROSS. Well, I thought we just had a question as to whether the Post Office Department is going to use the facilities of Amtrak. This couldn't be cronyism at its best, could it? If he is now with Amtrak he may perhaps be dealing with the new postal corporation as a representative of Amtrak?

Mr. SULLIVAN. Ken Housman is a vigorous and imaginative and very competent public servant, who did a fine job as Assistant Postmaster General for Personnel.

The Postal Academy program did begin while he was in that capacity. I don't know whether or not he works for Amtrak at the moment.

Whether he does or not, Amtrak is the only train in town, and if we want to move mail over the rails, I am afraid we will have to deal with them, regardless of personalities.

Mr. GROSS. Well, I just wondered where we might be going in this instance.

Mr. Chairman, I think I have about exhausted the questions I had.

Mr. UDALL. It's been very interesting and helpful. I see some representatives of the employee organizations here. You earlier mentioned that local postmasters would be responsible for personnel hirings, rather than the Civil Service Commission. Can you give us some detail as to procedure? What testing are you going to have, what employee standards will be set up, under what constraints will the local postmaster be when he wants a new clerk or new maintenance man or new employee?

Mr. SULLIVAN. Mr. Chairman, I will be happy to provide that information for the record. We have not worked out yet our personnel recruitment procedures. It will be in accordance with law. It will be substantially different from the traditional Civil Service procedure and there will be a substantially greater amount of discretion for local officials, supervisors and postmasters.

Mr. UDALL. But you propose to have regulations?

Mr. SULLIVAN. Absolutely.

Mr. GROSS. Will the gentleman yield for one further observation?

Mr. UDALL. Yes.

Mr. GROSS. I am surprised that you let Mr. Housman get away after the kudos you gave him. How does it come you let him go from the new postal corporation setup, with all of his virtues?

Mr. SULLIVAN. We can only pay people up to \$60,000, a year.

Mr. UDALL. The personnel director of Amtrak can get \$100,000. He was personnel director for the Post Office, and we had a limit of \$40,000, in that range.

Mr. GROSS. I can't wait to vote against another \$125 million for Penn Central and Amtrak. Under those circumstances, I can't wait to vote against it.

Mr. UDALL. Thank you, Mr. Sullivan.

(The attachments to the testimony presented by Mr. Sullivan follow:)

U.S. POSTAL SERVICE—GENERAL RELEASE No. 63

Postmaster General Winton M. Blount today designated 86 cities as key management hubs under the Postal Service's new field management structure—to be implemented as the 15 existing postal regions are consolidated into 5 regions beginning July 1.

Through reorganization, the Postal Service will be able to respond more readily to the needs of metropolitan areas—which constitute the majority of the nation's population as well as mail volume—and at the same time, improve service throughout the country.

The streamlined management structure, to become effective July 1, divides the cities into two primary categories: Major Metropolitan Centers and Metropolitan Areas. A third field management category—District Headquarters—divides the rest of the nation into 56 districts.

Ten of the country's largest cities have been designated as Major Metropolitan Centers. Each of these centers will be headed by a Metropolitan Center Manager who will report directly to a Regional Postmaster General.

These offices, in addition to serving the needs of customers in their respective areas, will also direct the operation of area sectional centers. The sectional centers—which serve as primary units for processing mail—will link all associate post offices in their designated areas together in the new functional chain of command.

Twenty additional cities will serve as Metropolitan Areas where the responsibilities of the postmaster in each headquarters city will no longer be limited to one single city but will be expanded to cover the entire metro area.

These metropolitan postmasters will be the operating managers of the central city post office and will report directly to their respective Regional Postmasters General. In turn, all postmasters in the surrounding area will report to the operating managers.

Outside of these 30 metropolitan areas, the country has been divided into 56 postal districts.

These offices—headed by District Managers who report directly to Regional Postmasters General—will operate similarly to metropolitan areas. However, their operations will be designed to serve the needs of customers in geographic groupings outside of metropolitan areas.

According to Postmaster General Blount, the objective of the new structure is to consolidate all postal activities in a given geographic area under the direction of one man in an effort to provide a higher level of service to the entire area.

"By so doing," he said, "the particular public and employee needs of any given area—large or small—can be more readily met through an organization reflecting the demography of a particular area."

A list of the Headquarters cities follows:

Western region

	<i>Zip code prefix</i>		<i>Zip code prefix</i>
Spokane (WA) District:		Seattle (WA) metro area:	
Spokane -----	990-992, 838	Seattle -----	980-981
Yakima -----	989	Everett -----	982
Wenatchee -----	988	Tacoma -----	983-984
Lewiston -----	835, 994	Olympia -----	985
Pasco -----	993	Eugene (OR) District:	
Pendleton -----	978	Eugene -----	974
Anchorage (AK) District:		Salem -----	973
Anchorage -----	995-996	Bend -----	977
Fairbanks -----	997	Medford -----	975
Juneau -----	998	Klamath Falls -----	976
Ketchikan -----	999		

Western Region—Continued

	Zip code prefix		Zip code prefix
Eugene (OR) District—Continued		Ely, NV	893
Eureka	955	Twin Falls, ID	833
Redding	960	Idaho Falls	834
Portland (OR) Metro Area	970-972, 986	Pocatello	832
Sacramento District:		Ogden, UT	843-844
Sacramento	956-958	Boise, ID	836-837, 979
San Jose	950-951	Provo, UT	846-847
Marysville	959	Price	845
Stockton	952-953	Rock Springs, WY	821, 829-831
Salinas	939	Phoenix (AZ) District:	
Santa Rosa	954	Phoenix	850-853
Reno (NV)	894-897, 961	Prescott	863
Honolulu District:		Flagstaff	860
Honolulu	967-968	Globe	855
Pacific Islands	969	Tucson	856-857
San Francisco Metro Center:		Show Low	859
San Francisco	940-944	Cheyenne (WY) District:	
San Rafael	949	Cheyenne	820
Oakland	945-948	Rawlins	823
San Bernardino (CA) District:		Casper	826
San Bernardino	923-925	New Castle	827
Bakersfield	932-933	Wheatland	822
Ventura	930-931	Rivertown	825
Mojave	935	Worland	824
San Luis Obispo	934	Colorado Springs (CO) District:	
Indio	922	Colorado Springs	808-809
Las Vegas, NV	890-891	Grand Junction	815
Kingman	864	Montrose	814
Fresno	936-937	Glenwood Springs	816
Santa Ana	926-928	Salida	812
Los Angeles Metro Center	900	Alamosa	811
Pasadena	910-912	Pueblo	810
Van Nuys	913-916	Longmont	805
Alhambra	917-918	Fort Morgan	807
Whittier	906	Golden	804
Long Beach	907-908	Brighton	806
Inglewood	902-905	Denver Metro Area	800-803
San Diego Metro Area	920-921	Albuquerque District:	
Billings (MT) District:		Albuquerque	870-871
Billings	590-591	Gallup	865, 873
Missoula	598	Durango	813
Butte	597	Farmington	874
Helena	596	Santa Fe	875
Great Falls	594	Las Vegas, NM	877
Havre	595	Socorro	878
Kalispell	599	Truth or Consequences	879
Sheridan	828	Las Cruces	880
Wolf Point	592	Garriozzo	883
Miles City	593	Roswell	882
Salt Lake City District:	840-841	Clovis	881
Elko, NV	898	Tucumcari	884

Central region

	Zip code prefix		Zip code prefix
Fargo, (ND) District:		Willmar, MN	562
Fargo	580-581	Saint Cloud	563
Minot	587	Brainerd	564
Dickinson	586	Detroit Lakes	565
Grand Forks	582	Bemidji	566
Bismarck	585	Thief River Falls	567
Jamestown	584	Duluth	556-558
Devils Lake	583		
Williston	588		

Central region—Continued

	Zip code prefix		Zip code prefix
Sioux Falls (SD) District:			
Sioux Falls	570-571	Rockford	610-611
Watertown	572	Effingham	624
Sheldon, IA	512	Chicago (IL) Metro Center:	
Sioux City, IA	510-511	Chicago	606
Spencer	513	North Suburban	600-603
Windom, MN	561	South Suburban	604-605
Pierre	575	Gary	463-464
Mitchell	573	Springfield, (MO) District	656-658
Aberdeen	574	Hannibal	634
Mobridge	576	Quincy	623
Rapid City	577	Columbia	652
Omaha District:		Jefferson City	650-651
Omaha	680-681	Rolla	654-655
Columbus	686	Kirkville	635
Norfolk	687	Joplin	648
Grand Island	688	Evansville (IN) District:	
Hastings	689	Evansville	478-477, 424
Council Bluffs, IA	515	Carbondale, (IL)	629
Shenandoah	516	Cape Girardeau, (MO)	637
Lincoln, NB	683-685	Sikeston	638
McCook	690	Popular Bluff	639
North Platte	691	Paducah, (KY)	420
Valentine	692	Owensboro, (KY)	423
Alliance	693	Washington (IN)	475
Des Moines District:		Centralia (IL)	628
Des Moines	500-503	Flat River (MO)	636
Creston	508	St. Louis (MO) Metro Area	630-631
Fort Dodge	505	East St. Louis (IL)	620-622
Mason City	504	St. Charles (MO)	633
Waterloo	506-507	Grand Rapids (MI) District:	
Carroll	514	Grand Rapids	493-495
Cedar Rapids	522-524	Traverse City	496
Ottumwa	525	Mackinaw City	497
Madison (WI) District:		Kalamazoo	490-491
Madison	535-538	Jackson	492
Decorah	521	Lansing	488-489
Dubuque	520	Saginaw	486-487
Portage	539	Flint	484-485
La Crosse	546	Detroit (MI) Metro Center:	
Oshkosh	549	Detroit	481-482
Eau Claire	547	Royal Oak	480
Spooner	548	Fort Wayne (IN) District	467-468
Rhineland	545	South Bend	465-466
Wausau	544	Kokomo	469
Green Bay	541-543	La Fayette	479
Iron Mountain (MI)	498-499	Muncie	473
Minneapolis/St. Paul Metro Center:		Lima (OH) District:	
Minneapolis	553-554	Lima (OH)	458
St. Paul	550-551, 540	Toledo	434-436
Mankato	560	Dayton	453-455
Rochester	559	Mansfield	448-449
Milwaukee (WI) Metro Area	530-534	Marion	433
Springfield (IL) District:		Akron (OH) District:	
Springfield	625-627	Akron	442-443
Rock Island	213, 527-528	Canton	446-447
La Salle	613	Youngstown	444-445
Galesburg	614	Steubenville	439
Burlington	526	Zanesville	437-438
Peoria	615-616	Chillicothe	456
Bloomington	617	Athens	45
Kankakee	609	Cincinnati (OH) Metro Area	450-
Champaign	618-619		452, 410, 470

Central region—Continued

	Zip code prefix		Zip code prefix
Louisville (KY) District:		Corbin (KY)-----	407-409
Louisville -----	400-402, 471	Hazard -----	417-418
Bloomington (IN)-----	474	Pikeville -----	415-416
Columbus -----	472	Campton -----	413-414
Terre Haute-----	478	Lexington -----	403-406
Elizabethtown (KY)-----	427	Ashland -----	411-412
Bowling Green-----	421-422		
Somerset (IN)-----	425-426		

Southern region

	Zip code prefix		Zip code prefix
Indianapolis (IN) Metro Area	460-462	Greenville, (TX)-----	754
Columbus (OH) Metro Area--	430-432	Stephenville -----	764
Cleveland (OH) Metro Area--	440-441	Dallas/Fort Worth Metro Center:	
Wichita (KS) District:		Dallas -----	752
Wichita (KS)-----	670-672	Fort Worth-----	760-761
Hays -----	676	Richardson -----	750
Dodge City-----	678	Mesquite -----	751
Hutchinson -----	675	San Antonio District:	
Concordia -----	669	San Antonio-----	780-782
Emporia -----	668	Austin -----	786-787
Topeka -----	664-666	McAllen -----	785
Fort Scott-----	667	Uvalde -----	788
Harrisonville (MO)-----	647	Corpus Christi-----	783-784
Sedalia -----	653	Victoria -----	779
Chillicothe (MO) -----	646	La Grange-----	789
St. Joseph-----	644-645	Temple -----	765
Salina (KS)-----	674	Little Rock District:	
Independence (KS)-----	673	Little Rock-----	720-722
Colby -----	677	Harrison -----	726
Kansas City Metro Area:		Batesville -----	725
Kansas City (MO)-----	640-641	Fort Smith -----	729
Kansas City (KS)-----	660-662	Russellville -----	728
Oklahoma City District:		Fayetteville -----	727
Oklahoma City-----	730-731	Hot Springs National Park--	719
Tulsa -----	740-741	Camden -----	717
Enid -----	737	Pine Bluff-----	716
Clinton -----	736	Shreveport District:	
Vinita -----	743	Shreveport, La-----	710-711
Lawton -----	735	Lake Charles-----	706
Woodward -----	738	Beaumont, Tex-----	776-777
Shawnee -----	748	Bryan -----	778
McAlester -----	745	Lufkin -----	759
Poteau -----	749	Tyler -----	757
Muskogee -----	744	Longview -----	756
Ponca City -----	746	Texarkana -----	755
Amarillo, (TX) District:		Hope -----	718
Amarillo -----	790-791	Monroe -----	712
El Paso -----	798-799	Palestine -----	758
Midland -----	797	Houston, Tex., Metro Area:	
Brownwood -----	768	Houston -----	770
San Angelo -----	769	Bellaire -----	774
Abilene -----	795-796	Pasadena -----	775
Lubbock -----	793-794	Conroe -----	773
Childress -----	792	Jackson, Ms. District:	
Liberal, (KS)-----	679, 739	Jackson -----	390-392
Waco, (TX) District:		Lafayette, La-----	705
Waco -----	766-767	Thibodaux -----	703
Wichita Falls-----	763	Baton Rouge-----	707-708
Denton -----	762	Hammond -----	704
Ardmore, (OK)-----	734	Gulfport, Ms-----	395
Durant, (OK)-----	747	Mc Comb-----	396

Southern region—Continued

	Zip code prefix		Zip code prefix
Jackson, Miss. District—Continued		Wilmington	284
Laurel	394	Kinston	285
Meridian	393, 369	Rocky Mount	278
Alexandria, La.	713-714	Fayetteville	283
Grenada, Ms.	389	Raleigh	275-277
Greenville	387	Ashville	287-288
Columbus	397	Hickory	286
Mobile, Al.	365-366	Johnson City	376
Pensacola, FL.	325	Elizabeth City	279
New Orleans Metro Area	700-701	Columbia, S.C. district	
Nashville, Tn. District:		Columbia	290-292
Nashville	370-372	Columbus, Ga.	318-319
McKenzie	382	Albany	317
Jackson	383	Macon	310-312
Chattanooga	373-374, 307	Swainsboro	304
Columbia	384	Savannah	299, 313-314
Knoxville	377-379	Augusta	298, 308-309
Cookeville	385	Charleston, S.C.	294
Tupelo, Ms.	388	Valdosta, Ga.	316
Memphis Metro Area:		Spartanburg, S.C.	293
Memphis	380-381, 386	Greenville	296
West Memphis	723	Gainesville, Ga.	305, 289
Jonesboro	724	Athens	306
Birmingham, Al. District:		Florence, S.C.	295
Birmingham	350-352	Atlanta Metro area	300-303
Huntsville	357-358	Tampa district:	
Anniston	362	Tampa, FL.	335-337
Jasper	355	Jacksonville	320-322
Decatur	356	Orlando	327-328
Tuscaloosa	354	Panama City	324
Selma	367	Tallahassee	323
Opelika	368	Waycross, GA.	315
Evergreen	364	Gainesville, FL.	326
Dothan	363	Melbourne	329
Montgomery	360-361	Lakeland	338
Gadsden	359	Fort Myers	339
Greensboro, N.C. district		Miami Metro Area:	
Greensboro	270-274	Miami	330-333
Charlotte	280-282, 297	West Palm Beach	334

Eastern Region

	Zip code prefix		Zip code prefix
Charleston, W. Va. District:		Kittanning	162
Charleston	250-253	Du Bois	158
Petersburg	268	State College	168
Buckhannon	262	Altoona	166
Sutton	266	Indiana	157
Parkersburg	261	Johnstown	159
Clarksburg	263-264	Uniontown	154
Morgantown	265	Somerset	155
Huntington	255-257	New Castle	161
Beckley	258-259	Butler	160
Cumberland	215 & 267	Bradford	167
Pittsburgh Metro Area:		Roanoke, Va. District:	
Pittsburgh	150-152	Roanoke	240-241
Washington	153	Lyndburg	245
Wheeling, WV	260	Staunton	244
Greensburg, PA District:		Lewisburg	249
Greensburg	156	Bluefield	246-247
Erie	164-165	Pulaski	243
Oil City	163		

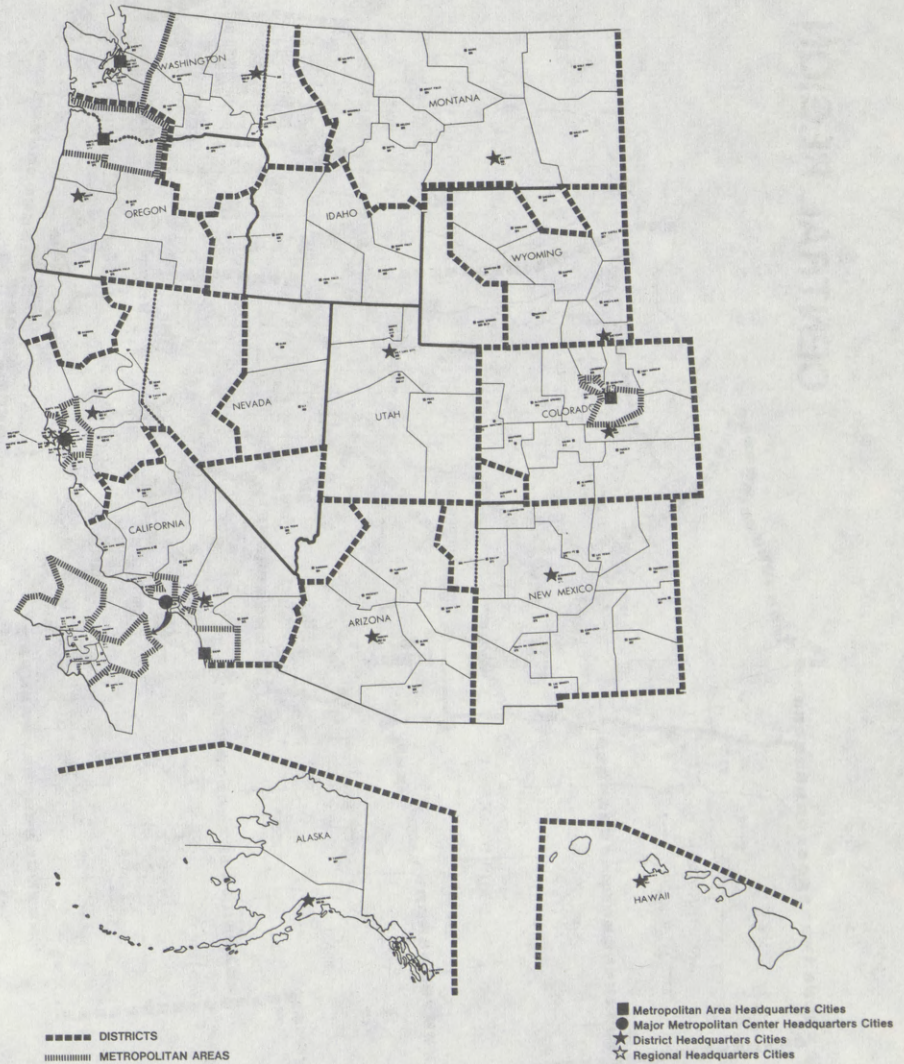
Eastern region—Continued

	Zip code prefix		Zip code prefix
Roanoke, Va. District—Continued		Wilmington, Del.-----	197-198, 219
Bristol -----	242	Dover -----	199
Welch -----	248	Trenton, N.J.-----	085-086
Richmond, VA District :		Lakewood -----	087
Richmond -----	230-232	White River Junction District :	
Norfolk -----	233-237	White River Junction, Vt.---	050, 037
Easton, MD-----	216	St. Johnsbury-----	058
Salisbury, MD-----	218	Montpelier -----	056
Petersburg, VA-----	238	Burlington -----	054
Farmville -----	239	Plattsburg, N.Y.-----	129
Fredericksburg -----	224-225	Rutland, Vt.-----	057
Waldorf -----	206	Littleton, N.H.-----	035, 059
Charlottesville -----	229	Bellows Falls, Vt.-----	051, 036
Harrisonburg -----	228	Springfield, Mass. District :	
Culpeper -----	227	Springfield, Mass.-----	010-011
Winchester -----	226	Albany, N.Y.-----	120-123
Martinsburg -----	254	Bennington, Vt.-----	052
Frederick, MD-----	217	Brattleboro -----	053
Washington, DC, Metro Center :		Pittsfield, Mass.-----	012
Washington -----	200-205	Greenfield -----	013
Prince Georges, MD-----	207-209	Glens Falls, N.Y.-----	128
Northern Virginia -----	220-223	Hartford, Conn. District :	
Baltimore Metro Area-----	210-214	New Haven-----	064-066
Rochester, N.Y. District :		Hartford -----	060-061
Rochester -----	144-146	Willimantic -----	062
Syracuse -----	130-132	Waterbury -----	067
Watertown -----	136	New London-----	063
Utica -----	133-135	Providence District :	
Elmira -----	148-149	Providence, R.I.-----	027-029
Jamestown -----	147	Hyannis, Mass.-----	026
Buffalo Metro Area : Buffalo---	140-143	Buzzards Bay-----	025
LeHigh Valley, Pa. District :		Fitchburg -----	014
LeHigh Valley-----	180-181	Worcester -----	015-016
Binghampton, N.Y.-----	137-139	Keene, N.H.-----	034
Montrose, Pa.-----	188	Concord -----	032-033
Wilkes Barre-----	186-187	Manchester -----	030-031
Scranton -----	184-185	Portsmouth -----	038-039
East Stroudsburg-----	183	Boston Metro Center :	
Hazleton -----	182	Boston -----	021-022
Williamsport -----	177	Woburn -----	018
Wellsboro -----	169	South Postal Annex-----	020
Harrisburg, Pa. District :		Lynn -----	019
Harrisburg -----	170-171	Framingham -----	017
Pottsville -----	179	Brockton -----	023-024
Sunbury -----	178	Portland, Me., District :	
Reading -----	195-196	Portland -----	040-041
Chambersburg -----	172	Ellsworth -----	046
York -----	173-174	Bangor -----	044
Lancaster -----	175-176	Rockland -----	048
Philadelphia Metro Center :		Waterville -----	049
Philadelphia -----	190-191	Bath -----	045
Norristown -----	194	Augusta -----	043
Paoli -----	193	Auburn -----	042
Doylestown -----	189	Houlton -----	047
Camden, N.J. District :			
Camden, N.J.-----	080-084		

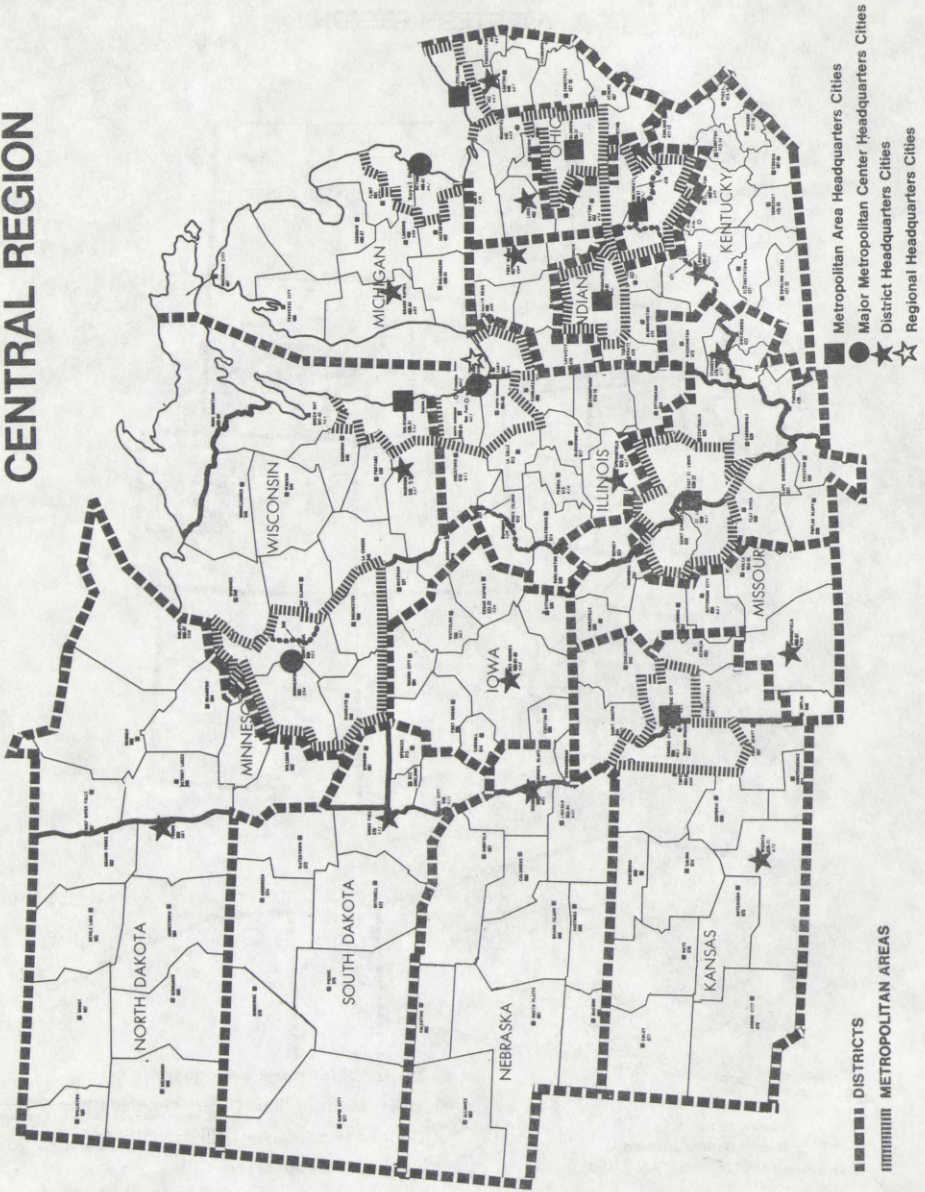
New York region

	<i>Zip code prefix</i>
New York metro center-----	100, 104
Queens district:	
Long Island Terminal-----	110-111, 113-114
Brooklyn metro area-----	112, 103
Westchester-Stamford district:	
Westchester (NY)-----	105-108
Kingston -----	124
Poughkeepsie -----	125-126
Monticello -----	127
Suffern -----	109
Stamford (CT)-----	068-069
Carribean district:	
Puerto Rico, Virgin Islands-----	006-009
Nassau-Suffolk district:	
Hicksville (NY)-----	117-118
Mineola -----	115-116
Riverhead -----	119
Northern Jersey district:	
Newark -----	070-073
Paterson -----	074-075
Dover -----	078
Summit -----	079
New Brunswick-----	088-089
Red Bank-----	077
Hackensack -----	076

WESTERN REGION



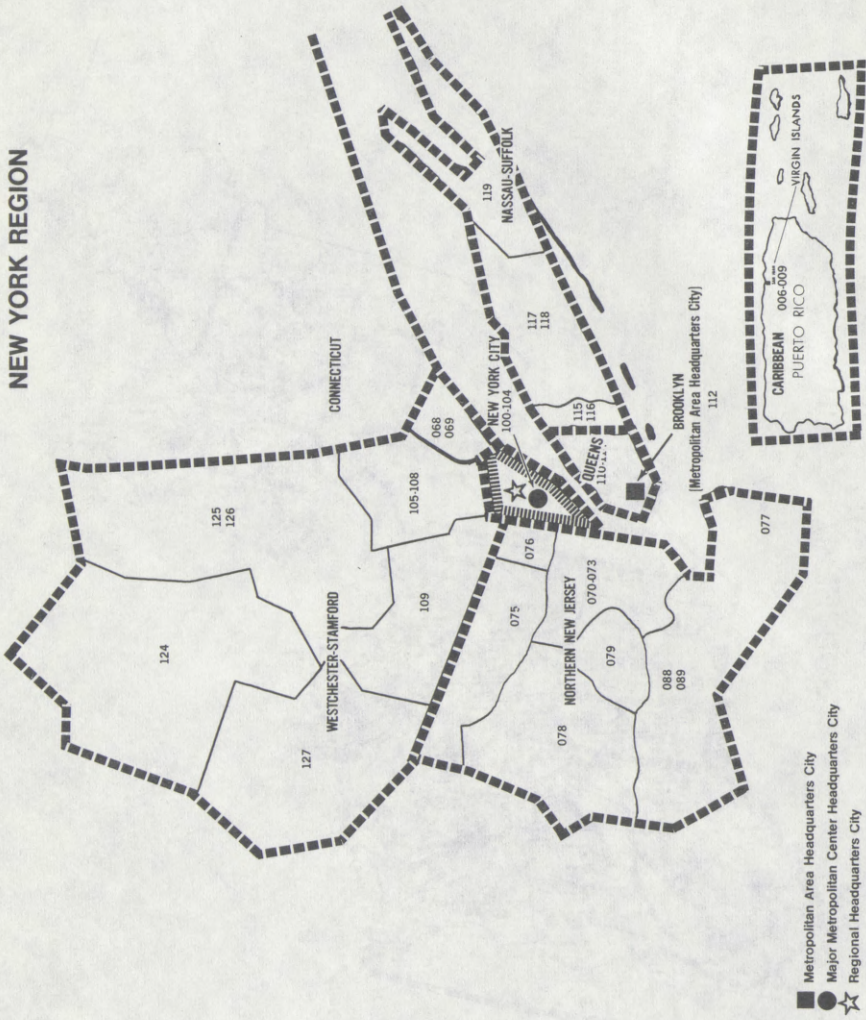
CENTRAL REGION



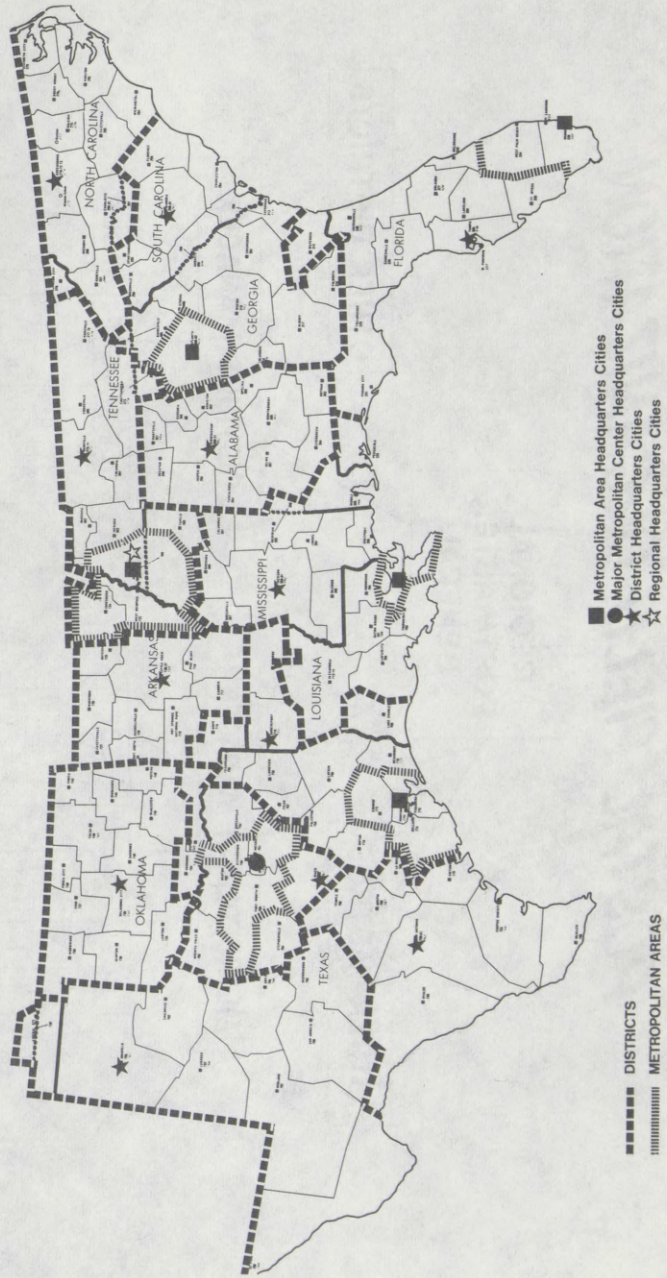
EASTERN REGION



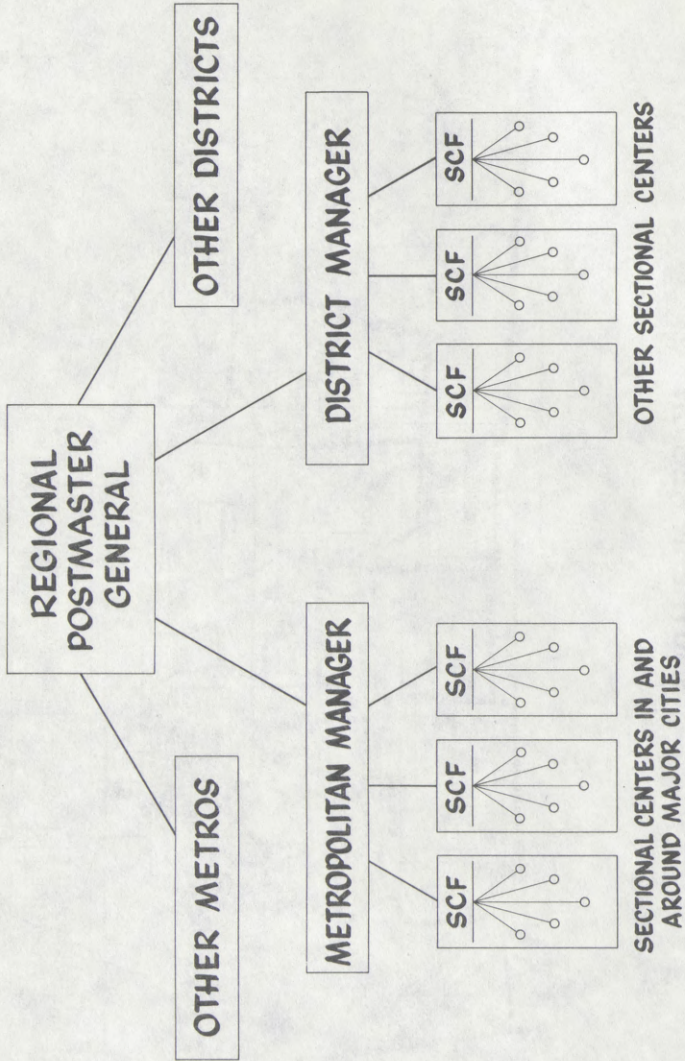
NEW YORK REGION



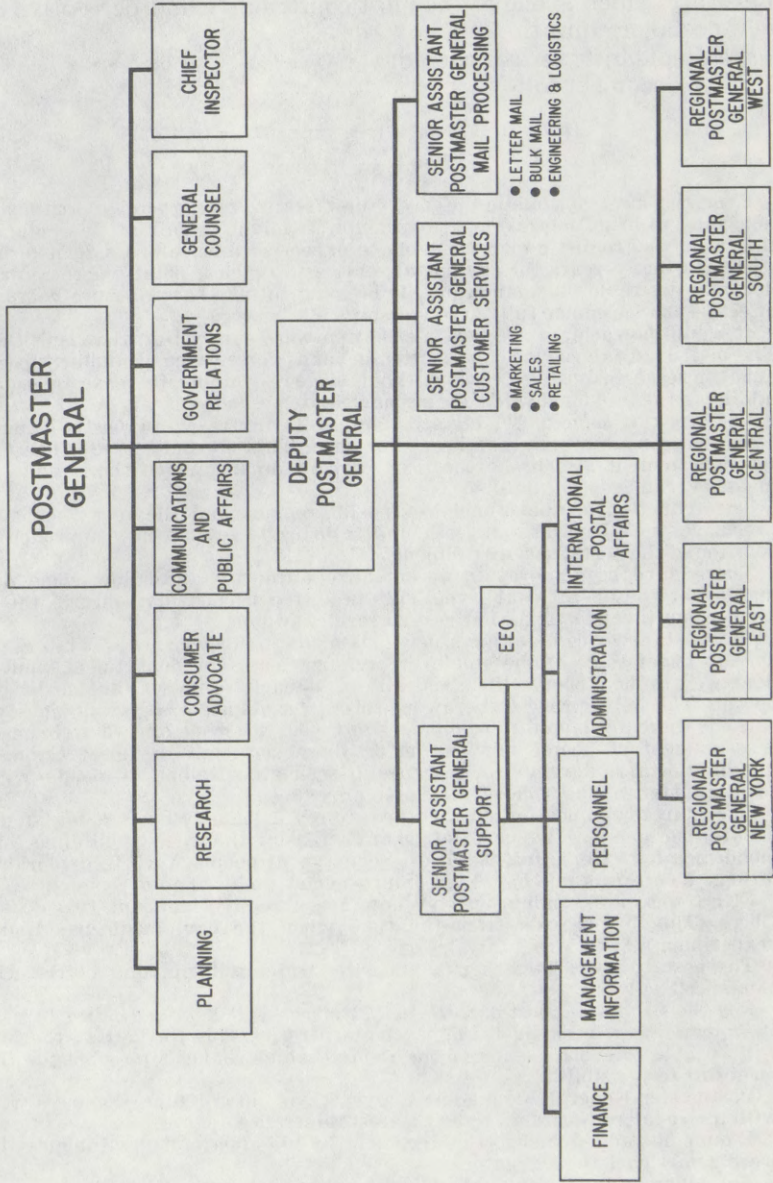
SOUTHERN REGION



POSTAL FIELD ORGANIZATION



POSTAL ORGANIZATION - HEADQUARTERS



Mr. UDALL. The chairman will ask unanimous consent to place in the record an editorial from the Federal Times entitled, "Postal Reform," which is one of the most constructive and perceptive on the new postal organization.

Without objection, so ordered.

(The document follows:)

[From the Federal Times, issue of June 16, 1971]

POSTAL REFORM

Even the most optimistic observers now realize that postal reorganization is not going to bring improvement overnight. It might be fair at this point to ask if it ever was realistic or reasonable to expect so miraculous a transformation.

It took many years for the postal service to reach a point where reform was not only desirable but mandatory. It is going to take several more years before effective change can be fully accomplished.

It would be easier if the postal situation were static. But, that isn't the case. The mail load is growing, as are the demands for service. A public, upset by a huge increase in postage costs without a corresponding increase in service, is adding to the problem by demanding immediate action.

Let's look at some of the changes and see if any real progress is being made.

The patronage system has been abolished. This not only gave a boost to the merit system, it also broke the long drought during which thousands of postmaster vacancies went unfilled.

The reduction of the number of postal regions and the recruitment of top executives to fill major slots is bound to bring at least a new approach to the solution of the postal service problems.

There have been moves to decentralize authority and allow some decision making at the operational level. This is a step needed, not only in the postal service, but throughout the entire civil service system.

The postal service is taking a new look at its manpower needs. The results are sure to anger some of the employee organizations. The department would have done well to have been a little less glib in its early promises that no jobs would be cut. This may prove to be an exercise in semantics. Maybe no jobs will be cut, but there are bound to be changes in types of service offered and consequent reassignment of people now rendering those services. As more regional mail handling centers develop, for instance, it seems inevitable that people will have to be transferred and some offices closed or reduced.

The plan to finance building costs through a bond issue is a big step. Haphazard methods in the past left many areas without new buildings or even modernization of existing facilities. Some postal people work in deplorable conditions. There was no chance for improvement under the old system.

Electronic mail sorting systems now are a reality in about two dozen post offices. This is progress from the time when the equipment was limited to "experimental" stations.

The postal service is gathering statistics which will pinpoint bottlenecks and thus speed delivery.

For the first time, postmasters in 172 offices will have a chance to assemble their own operating budgets. Thus, the men responsible for getting the job done will be able to control some of the factors which make it possible for them to meet this responsibility.

Postmaster General Blount has his work cut out for him. Congress will part with its postal authority with the greatest reluctance.

Blount has added fuel to the argument by his apparent unwillingness to play word games with the legislators.

The labor organizations are indicating that their pay and other demands will be high. They have much catching up to do before postal conditions are at a level commensurate with the demands on the employees.

So, the postal planners are faced not only with the problem of improving service. They also must pay past debts and make provision for meeting higher costs.

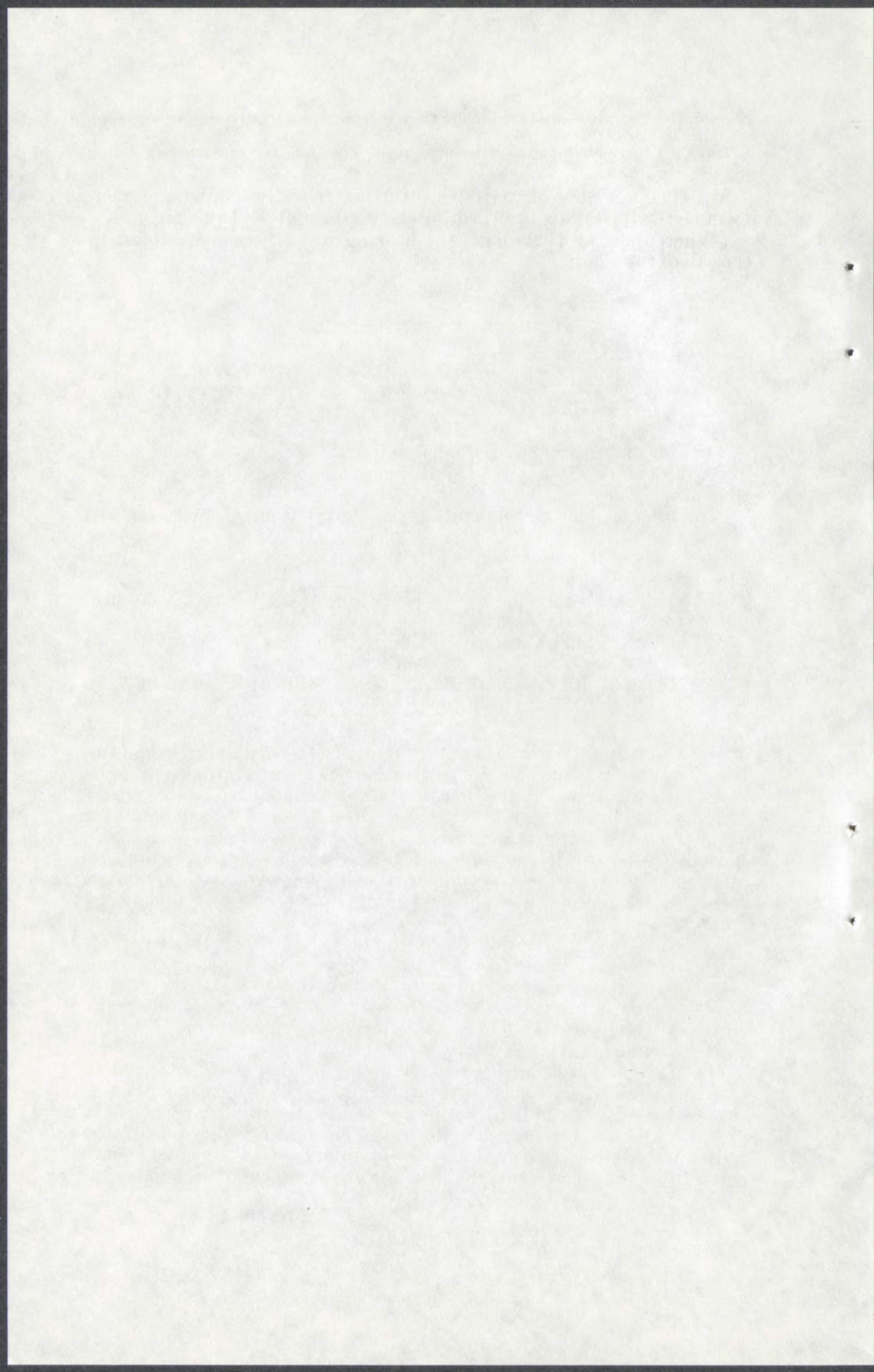
In the light of these developments, two courses of action seem imperative. First, the postal service must move with "deliberate speed" to implement the changes.

Second, the Congress—and the public they represent—must give the new system a chance to work.

The time for meaningless criticism is past. The time for constructive action is now.

Mr. UDALL. Unless Mr. Gross has further friendly inquiries or comments, we will stand adjourned, subject to the call of the Chair.

(Whereupon, at 11:25 a.m., the hearing was adjourned, subject to the call of the Chair.)



CONGRESSIONAL RELATIONS WITH THE U.S. POSTAL SERVICE

TUESDAY, JULY 27, 1971

HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
SUBCOMMITTEE ON POSTAL SERVICE,
Washington, D.C.

The subcommittee met at 10 a.m., in room 333, Cannon House Office Building, Hon. Morris K. Udall (chairman of the subcommittee) presiding.

Mr. UDALL. The Subcommittee on Postal Service will come to order.

Our witness this morning is Mr. David Ordway, Consumer Advocate of the U.S. Postal Service.

Mr. Ordway, we are happy to hear from you. We have your prepared statement and you may proceed.

Mr. ORDWAY. Thank you very much, Mr. Chairman.

STATEMENT OF DAVID L. ORDWAY, CONSUMER ADVOCATE OF THE U.S. POSTAL SERVICE

Mr. ORDWAY. Mr. Chairman, my name is David L. Ordway. I am the Consumer Advocate of the U.S. Postal Service. I am pleased to be here today in response to the request of this subcommittee.

I first became involved with the Post Office Department as a member of the consulting firm of Booz, Allen & Hamilton. Over a period of time while working with the Post Office Department I became more and more involved with the challenges that this Department had to offer and in November of 1970 I officially became an employee.

As Director of Special Projects in the Office of the Deputy Postmaster General, I had an opportunity to work in a variety of areas. My most major assignment prior to May of this year was helping to develop and administer the postmaster merit selection program, through which postmasters were selected and recommended to the Postmaster General based solely on merit.

On May 3, 1971, I was given the assignment of Consumer Advocate in charge of the Office of Consumer Affairs. As Consumer Advocate or postal ombudsman, I directly oversee the Office of Consumer Affairs which is responsible for representing the interests of the individual mail customer in matters involving postal service. I serve as their independent spokesman in top management policy delibera-

tions and decisionmaking thereby assuring that their needs receive the highest priority in all actions by the Postal Service.

The idea of having a representative for the individual mail customer is not particularly new to the Postal Service but has not been implemented until now. This office came into being at this time I believe for two primary reasons. First, the American public in general is much more aware today of its individual and collective power when it comes to making its desires known relative to the quality of the products and services it has at its disposal. Second, the time was right in light of postal reorganization. As I see it, one of the primary objectives of the postal reorganization is to make it possible to have greater flexibility in almost every aspect of the activities and responsibilities of the U.S. Postal Service. In order to help accomplish this we felt we had to open direct channels of communication between the top management of the U.S. Postal Service and the individual mail using customer.

In order to represent our individual customers as forcefully and expeditiously as possible we have encompassed a complete spectrum of individual mailer complaints and divided them into problem families. In conjunction with this we are organizing the Office of Consumer Affairs into seven separate and distinct response groups. Each response group is charged with resolving complaints in its particular problem family. This organizational approach gives each response group a national scope while simultaneously giving its group members an indepth exposure to a particular set of problems. While six of these response groups have the solution of problems in their particular family as their primary goal, the seventh response group is engaged in the development and sampling of data which will serve as a great assistance to us in measuring the scope and magnitude of our service problems. We are using our mailer complaints as building blocks of information. Regarding our method of operation we have tried to keep our rules and regulations to an absolute minimum. We have taken this position so that we can remain flexible and unencumbered by self-imposed rules which have nothing to do with the gathering of factual data and the resolution of our customers' problems.

Each head of a response group is known as a Consumer Affairs Representative. He and the members of his group have been told to seek out the root of a problem and move directly to it in hopes of obtaining satisfactory solution. This direct approach will bring Consumer Affairs people in direct contact with members of management at the departmental and regional levels or more often enough than not with the manager at the local level, the postmaster, and certainly the customer.

Obviously our immediate goal is to satisfy our customers' problems and needs to the extent that it is feasible and possible. However, our long-range objectives go far beyond this. The Postmaster General has given us the authority and responsibility to examine and question postal policy and regulations as they affect the individual customer. This is not only true for existing practices but applies to new policy as it is developed. In other words, we are acting as a catalyst to assure that postal practices, both present and future, are right and proper for our customers.

This does not mean that we will advocate a system of "super-service." It does, however, mean that we will support and demand a system of proper and reliable postal service that is right for the citizens of this country and to which they are entitled.

We fully realize the dominant character of the U.S. Postal Service and that our individual customer cannot easily turn to a competitor when he is dissatisfied. We intend to work on behalf of our mailing customers as diligently and faithfully as we possibly can.

This completes my statement, Mr. Chairman. I will be happy to try to answer any questions that this subcommittee may have.

Mr. UDALL. Thank you, Mr. Ordway. Your statement, your purpose, and the theory of all this is very good and very impressive. I hope it works out as well as you think it will, and as well as it sounds in the statement.

How many people do you now have in your Consumer Advocate Division?

Mr. ORDWAY. Well, at this point in time we have a mixture of people. We have 10 full time members of the group, and we have been picking up a number of people on a detail basis. These people are available to us on detail because of the shifting of gears in postal reorganization.

Mr. UDALL. What is your ultimate goal?

Mr. ORDWAY. Ultimately, we hope to have 39 to 40 people in our seven different response groups.

Mr. UDALL. Where would these 39 or 40 people be located?

Mr. ORDWAY. These 39 or 40 people would be located here in Washington.

Mr. UDALL. Do you anticipate they will travel about a good deal?

Mr. ORDWAY. Yes, sir. I think if we are going to do the kind of job we have to do, we are going to have to do it outside of Washington, out in the field.

Mr. UDALL. Are you interested in individual consumer customer problems? In other words, if I as a consumer have a problem, do you personally see that through or see that I am satisfied?

Mr. ORDWAY. Yes, we do. We take it as far as we can and do everything we can to satisfy you. If it means simply what you are questioning is rather unreasonable, we will probably have to gather the facts and give you those facts. It has been our experience, however, that once a postal customer is given sufficient facts, he understands an awful lot better and can comprehend what our problems are.

Mr. UDALL. What are the seven different groups you referred to?

Mr. ORDWAY. We have not completed this as yet. We are still making some divisions. However, we have a group that has to do with the complaints by the individual customer. This would be delivery and collection. This gentleman picks up anything to do with employee discourtesies.

We have another group that has to do with complaints that come from business mailers, and we also give this particular gentleman responsibility for anything to do with parcel post.

We have another group that handles anything relative to fraud or any interaction with the Chief Postal Inspector.

We do have some other groups that we are going to have to develop. This will be along the lines of second-class mail, special handling, and special delivery mail.

Mr. UDALL. When you talked about "problem families," it began to sound like a commune.

What grade pay level will the head of your response group receive?

Mr. ORDWAY. PS-17 level.

Mr. UDALL. What is your level?

Mr. ORDWAY. My level is PS-22. We are eliminating all one-and-one relationships so, therefore, I do not have a deputy.

Mr. UDALL. That brings up the point I was going to make. It's just a piece of advice from someone in my position to someone in your position. You have undoubtedly, because of your experience with Booz Allen & Hamilton, read much of the literature of executive establishment and businesses. There seems to be a law of human conduct that these organizations build and grow bigger. I want you to know that I am going to be watching a year from now to see if your 39 people have grown to 49 or 139 people.

I am very strongly against overorganizing and too much structure. You give a fellow one of these family group problems that you talk about, and he immediately begins to think of himself as a great executive who must have a deputy. He will begin to subdivide this piece of business into five different areas, and he has to have five fellows to head them and the must have deputies and secretaries. Then you begin to get a structure that doesn't do the job.

I would like to have your response on this. I want you to know we are going to be watching, and we may have you back here a year from now.

Mr. ORDWAY. Well, I guess my feeling is most compatible with yours. I have organized our departments that way primarily to do a couple of things. No. 1, it tends to line up with my chemistry because I also get perturbed about large organizations. I think this is a pitfall in this particular area because you get no more accomplished, and you get farther and farther away from the customer and farther from reality.

There is no question that with the workload we are faced with, when we have 40 people, we are all going to be very very busy. But, I think we will somehow find a way to succeed, hopefully, at that level. So I am fully compatible with you on this, and we have designed it purposely with this in mind.

We are trying to get some of the very best people that we can find, people that are not afraid to do a day's work and people we know are going to be productive; also, people we hope will be promoted, perhaps, into other areas of the U.S. Postal Service. This is what I'm trying to design.

In our organization, it seems that you either go up in it or out of it. There is no place in our organization for hangers-on.

Mr. UDALL. What is your budget this year?

Mr. ORDWAY. About \$668,000.

Mr. UDALL. I will be watching that, too. I think a half or three-quarters of a million dollars invested for this purpose is probably

money well spent and may pay off many times over, but we shall see on that.

Mr. WALDIE, do you have any questions?

Mr. WALDIE. Mr. Chairman, I thought, contrary to your belief that he might be referring to a commune, Mr. Ordway was talking about an organization for the purpose of crime when he spoke about a problem family.

Mr. ORDWAY. We are trying to be a forceful group, but I don't think to that particular extent.

Mr. WALDIE. I am interested in your self-serving statement that you will be an independent spokesman in top management policy deliberations and decisionmaking, thereby assuring that the customers' needs receive the highest priority in all actions by the Postal Service.

Does that independent spokesman role encompass the authority to speak to Congressmen?

Mr. ORDWAY. No, we don't see it in that light at all.

Mr. WALDIE. I thought you might not.

Does it encompass the authority to provide Congress with the summation of your response group's deliberations and the reactions to the type of problems they are receiving?

Mr. ORDWAY. Very frankly, when I wrote that, I did not have that in the back of my mind.

Mr. WALDIE. Does it encompass any relationship with Congress?

Mr. ORDWAY. Generally, it does not from our point of view. That does not mean that it could not, but at the time I thought the thing through it did not.

Mr. WALDIE. The independent spokesman that you are speaking of is not limited by the fact that you report any rejection and acceptance of decisions by management as a total inhouse proposition?

Mr. ORDWAY. This is just in a sense. When I wrote the statement, I was thinking of the give and take of postal management and selling the customers' ideas within the house.

Mr. WALDIE. It's very difficult for us who represent the customer, and I expect more intimately than you would in this role, to believe that it is the decision of an independent on behalf of the customer. I would assume that it is independent only in relationship to—well, I don't know how it is independent if there is no way for Congress to judge whether you are, in fact, performing the role you described so eloquently in this statement.

The only way Congress can judge is if we know what you have represented on behalf of the consumer and what has been rejected and what has been accepted. My guess is that if it is as circumscribed as you have described your role, that independence is going to be sadly lacking.

Mr. ORDWAY. Let me say something, if this helps to clarify the point. We are not at all out of tune as far as giving Congress a report on the things that we've accomplished and perhaps the things we've come up against and have been unable to accomplish.

Mr. WALDIE. Would you be attuned to giving Congress a report as to the recommendations in furtherance of your independent role on

behalf of the consumer to the Postal Service management that were rejected by the management?

Mr. ORDWAY. I don't see why not.

Mr. WALDIE. Well, I would hope that you would do that.

I have nothing further.

Mr. UDALL. Gentlemen, Mr. Waldie usually puts his finger on the heart of the problems. Philosophically, this is a tough question. You always get into this new awareness of consumer problems when you appoint a consumer representative. There is always a drastic problem between the President and that person who holds his or her job through appointment by the President when the ultimate crunch comes. If that person decides that the interest of the consumer requires one course of action and the President has decided, for reasons of his own, that another course of action is required, who prevails, the customer representative or the overall policy?

I guess Mr. Waldie is asking this about you. Suppose you have determined, in your judgment, the interest of the consumer requires "X" and the Postmaster General who appoints you and to whom your line of command runs, says that for other reasons involving the Postal Service that course of action has not been pursued and an opposite one will be pursued. He has the final say; you don't. You cannot contradict or argue with his position.

Mr. ORDWAY. He is, in fact, the Postmaster General, and I do report directly to him.

Mr. WALDIE. You see, we can assist you greatly in performing your independent role if you have the authority to report to us those recommendations that you have made on behalf of the consumer that the Postmaster General, whomever he might be, has rejected. Is it your understanding you have that authority?

Mr. ORDWAY. I think that we can assume that I probably do.

I'd like to make a comment relative to that if I might. I think our success or lack of success is going to depend on a number of things. One is our physical energy level, our level of interest, and how we sell our attack problems. If, in fact, we find ourselves overruled by the management of the Postal Service, it may be because we have not pursued the proper sales approach, we did not gather all the facts, something along this line. So there is a lot of give and take, but this is something I think we can handle.

Mr. UDALL. Your ultimate loyalty is not to the consumer but the Postmaster General. That is the problem of a system like this when you have a so-called consumer advocate who is appointed by, and responsible to, someone other than Congress. I am not criticizing you in this regard. We have to face that fact.

I think Mr. Waldie is correct. If there is to be meaningful progress and the consumer is to have a measure of independent representation, then Mr. Blount would be wise, I think, to give you the power to report directly to Congress to tell us the recommendations to be followed. And, this way he would give credibility and status and influence to your organization.

Mr. WALDIE. Yes, that is precisely my position. Absent that, I would think that the qualifying adjective "independent spokesman," would be eliminated and the qualifying phrase, "assuring that their needs

receive the highest priority in all actions by the Postal Service," be changed to, "are presented to the Postal Service." I suspect that is the reality, although those suspicions will be greatly lessened if you are able to confirm what you have said to the committee today with some qualifications, that is, that you are able to report to the committee those decisions on behalf of the consumer that you have made in your independent role. If you are able to do that—do I gather correctly you are not certain as to that point?

Mr. ORDWAY. We have not expressly discussed that point.

Mr. WALDIE. Would you expressly discuss it if the chairman will permit you to report to the committee in writing whether that role is part of yours?

Mr. ORDWAY. Yes.

Mr. UDALL. We will be happy to receive a supplemental communication. That will be made a part of the record at this point.

(Information follows:)

UNITED STATES POSTAL SERVICE,
OFFICE OF THE EXECUTIVE ASSISTANT TO THE POSTMASTER GENERAL,
Washington, D.C., August 4, 1971.

Hon. MORRIS K. UDALL,
*Chairman, Postal Operations Subcommittee,
House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: I have attached for the record, at the Subcommittee's request, examples of the types of problems and the solutions thereto which the Postal Service's Consumer Advocate, David L. Ordway, and his staff have handled. Also reflected are examples of situations where a total solution was not possible, but substantial effort on the consumer's behalf was made.

This is not meant to be a total summation of the Consumer Advocate's activities, but rather an indicator of the kinds of problems handled by that office.

With kind regards,
Sincerely,

JOHN W. POWELL,
Congressional Liaison Officer.

(Attachment.)

EXAMPLES OF POSTAL CONSUMER PROBLEMS—RESPONSE OF THE CONSUMER
ADVOCATE

Problem

A substitute letter carrier in Washington, D.C. delivered a letter containing three professional quality color photographs—pictures of immense sentimental value—behind a screen door rather than at proper receptacle. After a rainstorm, envelope became damp and pictures stuck together.

Response

On receiving telephone call, damaged item was collected by the Consumer Advocate and brought to U.S. Postal Service photo lab, where damaged photos were remade as new and returned to original addressee.

Problem

A woman in upstate New York wrote her local newspaper asking how it could take five days for receipt of "Special Delivery, Registered" letter mailed to her from Detroit, Michigan.

Solution

By letter, a copy of which went to the newspaper, the consumer was notified that she, in effect, purchased two opposite, neutralizing services. Special delivery postage does expedite mail. On the other hand, registered mail, because of the safeguards imposed, is not mixed with unregistered mail and may even be routed on separate, later aircraft—usually impeding delivery time but enhancing security.

The consumer was also informed of the Consumer Advocate's efforts to educate our customers as to exactly what services they purchase when they utilize the optional "hybrid" services that are available.

Problem

The Office of the Consumer Advocate was made aware of the fears of a blind consumer in that he had to "feel" his way to his mailbox on a busy rural mail route.

Solution

The local postmaster was persuaded by the Consumer Advocate to reposition the mailbox; the rural carrier now deviates from his normal route a slight bit to deliver this man's mail in a far safer manner.

Problem

A customer wrote that certain collection boxes in his city had obliterated cards on them and it was impossible to ascertain collection times.

Solution

At the Consumer Advocate's urging, field postal officials verified this information and new cards were immediately prepared and placed on the mailboxes in question. (The old cards had been improperly prepared and the ink had completely faded.)

Problem

A woman wrote saying that, although she renewed her subscription to a national magazine and had her canceled check to show it, no new issues had been received in the five months since she placed her order.

Solution

The Consumer Advocate's Office called the magazine's subscription department which immediately added the consumer's name to their mailing list. She began receiving her issues immediately.

Problem

In a rapidly growing community, customers were concerned about the need for lock boxes at their local post office. The emergence of trailer parks in the area had contributed to the requests for boxes. Frustrated customers wrote the Consumer Advocate to request action.

Response

By coordinating the local postmaster and the Regional Office, the Consumer Advocate was able to persuade installation of ninety additional lock boxes. The postmaster had requested such installation previously, but the Region had not approved his requests.

Problem

The National Press Club's publication, Press Club Record, which goes to the printers on Tuesday, was not being delivered to members until the following Thursday. By the time it was received, the news was stale and the "coming events" were old news.

Response

Together with the local postmaster, the Consumer Advocate looked into the problem and as a result of their joint effort, the Record during the last week in July was delivered the next day. This situation will be monitored by the Washington, D.C. Metropolitan Manager, to insure that this standard is maintained.

Mr. UDALL. Mr. Ford, do you have any questions?

Mr. FORD. There is a dichotomy that we have trouble explaining to Ralph Nader if General Motors attempted to take a person who had served as the right hand to top management, who still considered himself directly responsible to top management and assigned him to "being consumer advocate with top management on management decisions."

At first when this pamphlet went out, I got the impression that you were going to be a supercomplaint bureau like you find in de-

partment stores, that you were going to take over immediately the millions of generally minor complaints that are now filtering through home letter carriers, through clerks' windows, through Congress, as well as the Department of Agriculture. Now, in reading your testimony briefly, some items that were called to my attention by my staff, it appears that you put yourself in the role of being a spokesman at management's decisionmaking table for the customers referred to.

Now, which role do you visualize, which role do you see this department expanding into from where you sit?

Mr. ORDWAY. Well, first of all, we have no design on the Department of Agriculture or any other department. Our only concern is with the U.S. Postal Service. We are, however, answering on a daily basis any number of minor complaints. For example, someone is looking to have their rural mailbox repositioned. We've been looking into this kind of thing. We've been looking into the reasons why a stamp machine has run out of stamps at a critical period of time. These are the kinds of things we've been working on.

We use these instances, in a sense, as building blocks of information. For example, if someone writes to us and says it has taken a letter 10 days to get across town, I know it's difficult for us to turn back the hands of time and give him 2-day delivery.

It is true that my boss is the Postmaster General, who feels very strongly that he has not historically heard in many, many cases all of the facts of our mail service. And I think this is why we are here, to give him those facts. And he recognizes us as having—

Mr. FORD. Let me interrupt you a moment.

Does he feel he, personally, is being neglected in the line of communication or that historically the Postmaster is not aware of what is going on?

Mr. ORDWAY. No; I think historically he feels he fits in such a position—

Mr. FORD. When you say "he feels"—

Mr. ORDWAY. By the time the reports come to him, they are rather sugar coated, if you will, and lack certain facts. This we see as part of our job.

Mr. FORD. I never took a sugar-coated complaint to the Postmaster. Mine are coated with acid and make a striking demand for immediate action. I don't know why Congress would have to be careful about sugar-coating their complaints to the Postmaster. It comes as a great surprise to me.

Mr. ORDWAY. I'm not talking about individual complaints, as we are against overall views of segmenting parts of the service rendered to the customer.

Mr. FORD. I think I understand what you mean about sugar-coating the problem. It is natural for people to try to soften the complaint before it gets to the people that fire them. I suppose that happens in our own organizations as well.

But, I would like to have a clear understanding of whether you view your role to be an information gatherer for the Postmaster General and others on that board making policy decisions, or whether you view yourself to be an advocate for and a defender of the indi-

vidual problems of the person who is or wants to be a customer of the new Postal Service.

Mr. ORDWAY. Well, we're very definitely a defender of our customers. And if and when we slide from that position, then, in fact, we will not be doing our job.

Now, we do have to take those pieces of information and develop our own programs and our own systems, or recommend adjustments to the present system and sell this to the top management of the Postal Service. But, we're very definitely a defender of the postal customer.

Mr. FORD. Let us take the current problem. Suppose that we became aware of, as I am sure every office is, the complaints arising out of the reduction in the number of pickup boxes which has been handled, unfortunately, without very much public information. I am speaking of incidents in which someone reaches for a box they have been using for years and it is no longer there. They reach for it, and it is gone. Another instance is when you close the postal windows on Saturday and someone comes all the way into town on a horse and buggy. You should inform the public ahead of time. Things like this have happened.

Suppose that we have this kind of a problem. Should you be going to the Congressional liaison to find out who out there made the decision and how this citizen can have some satisfaction that the decision was something other than an arbitrary selection of the removal of his box, or is that within your scope of concern?

Mr. ORDWAY. This is certainly within our scope. However, it seems to me that if a citizen comes to you, you have simply, in a sense, given him another option, the option to come directly to us or the option to go to the particular Congressman.

Mr. FORD. Suppose that a citizen is looking to you for the right way to go. What are you doing at the moment, for example? There must be literally thousands of these complaints that have reached the postal department. What is your department doing at this moment concerning the question of the citizen who says, "I've always had a pickup box on that corner, all the years I've lived here"? Now, the Postal Service at some level of management has decided that pickup box is no longer necessary to provide adequate economic service. Where do you come in at that point?

Mr. ORDWAY. Well, obviously, we've got to find out what the facts are as to why it was that that particular pickup box was relocated or moved or what have you. It could be quite possible that that was the only citizen who was using that box, and it could have been costing the Postal Service a number of dollars to service that particular box every year. Now, what we would probably do on that given complaint is to find out the facts, perhaps identify some other boxes very close that he might be able to use, and explain to him why it was we've eliminated that particular box.

If I might shift gears just a little bit here: If we find that we have, in fact, developed a service problem for ourselves, then it is very definitely our responsibility to say that we strongly reevaluate that position and perhaps install any number of these particular service boxes.

Mr. FORD. That brings up another point. Who is most likely to get me a result, if I tell you about the box or if I tell Jerry Reynolds? Who is going to get the box back on the corner, you or Jerry?

Mr. ORDWAY. I think you ought to direct it to us. We are that much closer.

Mr. FORD. How would you go about reversing this decision? Is there any machinery as you envision it that would let this happen without having a meeting of the board or policy decision that would result in reevaluation of the box removal patterns?

Mr. ORDWAY. Well, of course, we're delegating a great deal more authority. We are asking the individual postmasters to be more of a manager of their particular operation. We are giving them a great deal more flexibility to adjust their service where and when they feel it's needed and necessary.

However, at one point or another, the overall responsibility for these kinds of things obviously has to originate, it seems to me, generally in headquarters sometimes more specifically than others.

I think there's something else that perhaps could be said here, and that is that the whole U.S. Postal Service is really moving from the Post Office Department to the U.S. Postal Service. That means we're taking a different view of ourselves and what have you. I think there may well be certain service adjustments that are made, and after evaluating them we may well want to come back and readjust them.

One of these, for example, is the special delivery area. I feel that we've perhaps in any number of cases cut our special delivery service a little too far. This is one of our priorities, to get out and to study this, which if we still feel that it is necessary, to reestablish perhaps another two or three routes a day more than we have now.

Mr. FORD. Now, to carry this a step further, I would like to try to get in perspective the kind of customer who would avail himself of your staff. We've talked about the ordinary citizens who may mail a letter once a week or so. Now we go up to somebody who is a substantial mailer. And let us take a person who is not in the business of mailing but in the course of his business does a lot of mailing. He has a habit pattern established with the local post office, like a Saturday pickup that is discontinued. He's got a work force that has built itself around utilizing their time on a particular day when all their statements go out, for example. We change the postal pattern a little bit so that it results in our delaying between the day he is going to put it out and the day we pick it up. He doesn't like that. Now, is that still within the scope of your activities for a small customer even though he is commercial?

Mr. ORDWAY. Perhaps I can respond with an example. That is the problem that we have over here in town with the Press Club. Newspaper reporters find themselves at the news when it happens to break, and that often does not correspond with the 4 o'clock delivery. They find themselves sitting at the typewriter at 5 o'clock, and they've got to get that story out. We made some readjustment in our collection box which put an undue hardship on the people over at the Press Building. We've gotten that changed and they seem to be pleased with it.

This is an example of the kind of thing we're doing. This is someone who moves a lot of mail but is not in the mail business as such. So, we responded to that.

Carlton Bell, a postmaster here in Washington, decided that we had to do more for them. We played a very significant part in that decision.

Mr. FORD. I'm trying to escalate and give you a specific example. About 4 years ago when a Postmaster General changed the regulations on drop-box selections for banks, all of us were suddenly amazed to discover that because of better and more efficient—the way it was given to us—handling of this particular type of service by the Postal Service in Detroit, many people, such as oil companies and so on, with credit cards were having their collections run through Detroit banks because there were bank employees actually processing the money before it settled down in the bin. And when they computed it, it figured out to something like \$30 million a year in total volume that people could save by dealing with the Detroit banks instead of the Chicago banks. That was an estimate.

Suddenly we had high-powered law firms, economists, and everyone else depending on the delegation because they didn't think that the Postmaster was quite excited enough about defending Detroit banks against Chicago banks or defending what, at that time, seemed to be a better economic situation for Detroit banks than Chicago banks. That situation ultimately got straightened out.

But again, would you consider yourself to be responsible to rather powerful economic interests such as the combined efforts of the entire Detroit banking community, coupled with some of your prestigious customers who are taking advantage of this situation throughout the United States?

Mr. ORDWAY. They are not in our charter. However, if they came to us, we would try to pick up the problem. What we would probably do is move the problem in the direction that it really ought to go. At that particular time it seems it would have been over to the planning and marketing group whose main function is working with major business organizations. This, very frankly, sounds like something we're really not geared to handle.

Mr. FORD. Then the test would be whether it is a corporation or an individual customer in the sense of somewhat simpler sorts of policy decision than that?

Mr. ORDWAY. I think, in a sense, you have to play it by ear.

The first complaint I received on May 3 was from an organization called Ridgeway Hatcheries in Ohio. Mr. Ridgeway called me to say, "Let's see you do your stuff. I've got 20,000 baby chicks hung up on a siding in Illinois." I could have said at that point that that's not what we're all about in our business. But, it wasn't of course, to the extent of this banking problem. So we managed to get a ventilated truck out there and got that product of his moving, and I might add, quite successfully. Now, we did not do that by ourselves, but with the help of some Operations people who were most happy to engage with us in trying to solve this particular problem. We have since attended a hatchery convention there in Denver, Colo. I have not, but the operating people have. I understand that we have begun to close the gap on what our problems were and how we can do a better job.

So this was something that we decided was within our jurisdiction. It wasn't all black, nor was it all white. It was simply a small businessman trying to make a living, and we stepped in and were able to do something.

Mr. FORD. In your statement you talk about having the complete spectrum of individual mailer complaints divided into problem families. And in conjunction with this, we are organizing the Office of Consumer Affairs into seven separate and distinct response groups. Each response group is charged with resolving complaints in its particular problem family. I must confess that maybe I missed a course in college for that language, but I don't understand that.

Mr. UDALL. Mr. Waldie thought it sounded like the Mafia. I thought it sounded like a commune.

Mr. FORD. I hadn't thought of it, but they do have response groups.

Mr. WALDIE. It is the most effective organization in America.

Mr. ORDWAY. This is a holdover from job description, where jobs are in greater job families. Therefore, I made a decision that problems had interrelationships one to another.

Mr. FORD. Are you speaking about a category of problems?

Mr. ORDWAY. Problems that have a relationship with one another.

Mr. FORD. When you speak about a response group, are you talking about a group that specializes in one particular problem?

Mr. ORDWAY. We have a business response group, and within that response group we drop any kind of a business problem. This hatchery problem happens to be one of them. Along with that, we have moved parcel post into that same response group. Now we've done that because businesses so often find themselves involved in parcel post problems. This is why we made that decision to put those two things together. We felt there was a relationship there.

Mr. FORD. I have no further questions.

Mr. UDALL. Would a letter I sent addressed to Mr. Ordway as the Consumer Advocate be responded to by you over your signature, or would it come from a congressional liaison?

Mr. ORDWAY. If you directed it to us, it would come back from us.

Mr. UDALL. If Mr. Ford from Michigan wrote you, he would hear from you?

Mr. ORDWAY. I think that's safe to say.

Mr. UDALL. That will be a great comfort to Mr. Ford.

One other thing: I want to close by getting back to your role that you frankly outlined you play. Are you sufficiently independent that you decided what you were going to say here today, or did you have to clear it with someone in the office of the Postmaster General?

Mr. ORDWAY. I would say 99.9 percent of my testimony was solely and completely my own.

Mr. WALDIE. Which is the one-tenth percent?

Mr. ORDWAY. Probably one word and I'm not sure which one.

Mr. UDALL. Your tenure of duty could lead to a dispute. However, I think you have been very frank with us.

Mr. FORD. I would like to ask one question. I notice in your statement you made a distinction between when you were an employee of the private contractor and when you became a postal employee which the press release on your appointment does not make. They have you on the payrolls since 1969, and you tell us that in 1969 you were working for a private contractor and were on the Post Office payroll in 1970. People on my staff see things like that. You ought to get them to

change that so it comes out the same. Someone who wrote the press release knew you were there but didn't know why. Maybe you ought to help straighten that out.

Mr. UDALL. I want to say one more thing. With your background and ability, I am sure you are going to do a good job. I hope the Postal Service will not get carried away with press releases suggesting you have the power of an ombudsman. Actually, an ombudsman who has the power to go in and ask questions, whose tenure and office are independent of the Postmaster General's—this is the sort of thing you have in some business organizations. But, that is not quite appropriate. We could create an independent Consumer Advocate whose tenure was dependent upon the Postmaster General. I think this is a good move for a large part. Do you want to respond to that?

Mr. ORDDAY. I would only say we have been most delighted, and I truly mean that, with the kind of things that we've been able to do. In many, many cases these have not been earth-shaking kinds of things, but it has been important to that individual customer. I'm convinced we've got a system in this country that does tend to frustrate people. It's a system of buckpassing and not caring. There is a tremendous reward that I have found myself and the people that are working with me when we are able to do something. People in some instances can't believe someone has come to their aid.

So I have every reason to think we're going to be successful.

Mr. UDALL. I hope I have you back a year from now so we can ask you some of these same questions.

Mr. WALDIE. I have nothing further.

Mr. UDALL. The committee will stand adjourned. Thank you for coming.

(Whereupon, at 10:30 a.m., the hearing was adjourned.)

APPENDIX

STATEMENT OF ROBERT L. WHITE, PRESIDENT NATIONAL ALLIANCE OF POSTAL AND FEDERAL EMPLOYEES

Chairman Morris K. Udall and distinguished members of the Subcommittee on Postal Service of the Committee on Post Office and Civil Service, my name is Robert L. White, President of the National Alliance of Postal and Federal Employees; I am accompanied by Vice President Wesley Young and Presidential Aides John White and Erie Doyle.

I speak for a national independent industrial union whose members come from all crafts and occupational groups in the federal government (including the postal service). They are mainly black, females and other minorities who have been denied equal employment opportunity, and who are now victimized by the inhumane, harsh and dictatorial tactics of the new U.S. Postal Service.

The Post Office and Civil Service Committee acted wisely when it created a subcommittee to maintain legislative supervision and observation over the new U.S. Postal Service, and it is fortunate that a legislator of your caliber, sympathies and experience has become chairman. It is prayed that your committee possesses the necessary stamina and understanding to make the U.S. Postal Service responsive to the needs of its employees and to the ordinary American citizen, to whom the mail is a vital means of communication.

This organization struggled vigorously, but futilely, to prevent the passage of legislation which would delegate the responsibility of Congress—the authority to operate the U.S. Postal Service—to a hybrid quasi independent agency.

Armed with the knowledge that Congress may repeal any legislation which it has enacted, we shall work continuously to return the complete control of the mail system to the U.S. Congress and the people.

As the white population moves from the inner city to suburbia, the post office and other federal agencies are building facilities, with federal funds, to accommodate their needs, without requiring the communities to guarantee adequate housing for low and middle income black Americans. This increases unemployment in the black inner city; and deepens the disillusionment of the deprived blacks with the "system" as it now functions.

Serious employee maladjustments and frustrations have been born and nurtured because of the government's failure to act constructively in the above mentioned area, and the action of the new U.S. Postal Service has increased the concern of this organization for the people involved.

Recent pay increases, though inadequate, have made jobs in the Postal Service more attractive to white applicants; which places an additional burden on black applicants who find themselves in competition with whites where the authority to appoint rests with a white official, who is frequently biased. Such bias is hidden under his authority to select an applicant who failed to make the highest mark on an entrance examination.

Public statements by highly placed U. S. Postal Service officials said there would be no loss of jobs as a result of reorganization, but the record fails to support their public utterances.

In Atlanta, Georgia a recent survey on restaffing and rescheduling resulted in a determination that there were approximately two hundred (200) excess employees in the clerk and mail handler crafts in the local post office, and this has resulted in the following:

- (1) Harassment of older employees who are eligible for retirement (forcing them out).
- (2) Harassment and removal of females (who are mostly black) without any regard for their peculiar physical differences from men, including their child bearing and baby sitting responsibilities.
- (3) Harshness of penalties, where black employees are concerned in removal actions.
- (4) Less service to postal patrons, primarily the little people who use first class mail.

Little people are the main victims of the reduction in personnel and reduced collection and delivery services.

Atlanta is a replica of what is happening throughout the nation.

The Honorable Fletcher Thompson, Georgia Fifth Congressional District, was contacted by his constituents in Atlanta concerning the situation there and he called an assistant postmaster general who was unavailable. Later Mr. Thompson was approached by a postal legislative liaison officer who stated, in effect, that Congress has no authority in the handling of the U. S. mails or problems of postal employees.

The Atlanta complaint also involved employee safety in the case of bomb threats when the lives of employees were weighed against the cost of immediate evacuation. The policy which now prevails nationally places human lives in a subordinate position to monetary consideration.

This policy must be changed. If employees are expected to do their jobs, there must be an immediate evacuation, of all employees, following each known bomb threat.

This is presented in the absence of argumentation as to the merits of bombings and bomb threats or the discussion of provocation. The seriousness of the issue can no longer safely be ignored.

In Saint Louis, Missouri; Jamaica, New York and other cities, qualified level six clerks are being down graded because of an experimental project called Z.M.T., without the use of normal safeguards to which such employees are entitled. Attrition and save rate policies are being completely disregarded in many instances.

According to reliable information, the fifteen postal regions will be reduced to five, creating an excess of 3500 employees. These dedicated career people must retire early, be demoted or fired.

Thus another credibility gap will be created between what the Nixon Administration says and what it does.

Immediate corrective action is needed if postal employees are to retain any confidence in the current postal service.

Harshness in disciplinary actions against blacks and females has become excessive and the penalties imposed bear no reasonable relationship to the alleged misconduct involved. Appeals, regardless of the issues, result in the same kind of unjust punitive decision.

The Board of Appeals and Review reflects the inflexible stance of the Administration by rubber stamping lower level adverse action decisions; regardless of the merits of the case and the argument presented in behalf of the appellant.

The Board's decision reflect the position of the Postal Service to fire more black people in achieving its goal to reduce employment in the Postal Service.

The U.S. Postal Service has publicly announced there would be no reduction in force, but their actions go counter to their public pronouncements. Career employees are being fired daily because of the cynical determination to cut back service at the expense of employees and the public.

Private industry, along with enlightened medicine recognizes alcoholism as a social illness and some steps have been taken to meet the problem; the U.S. Postal Service summarily fires such employees with no regard for the impact on society and the families of the victims. And no meaningful and sympathetic plan has been developed for offering assistance to such sick people.

You are also petitioned to have legislation enacted which would permit a postal or federal employee to choose his (her) own representative because this would remove him (her) from the mercy of a union which negotiates a contract but fails to give representation in a daily job situation.

Step increases are being arbitrarily denied nationally because of a lack of empathy with employee needs economically in face of mounting living costs.

The arrogant attempt of Postmaster General Blount to gag employees in their communication with Congress must be vigorously rejected and the constitutional right of every American citizen to see his congressman must be preserved.

Applicants for jobs are required to sign a form titled Supplemental Statement for Postal Employment Political Recommendations Prohibited. Such a person is barred from employment unless he signs. Employees already on the rolls are restricted from filling posted vacancies for which they have qualified by virtue of seniority and qualification, unless they sign this devilish tool aimed at intimidation of individuals.

Congress has a duty to act now.

NATIONAL FEDERATION OF FEDERAL EMPLOYEES,
Washington, D.C., April 28, 1971.

HON. MORRIS K. UDALL,
U.S. House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN UDALL: We have noted with interest the hearings your Postal Service Subcommittee will hold beginning on May 7, and especially so with reference to the Postmaster's regulation which has been interpreted as denying employees their statutory right to petition Members of Congress.

While the great bulk of our scores of thousands of members are in departments and agencies other than the Postal Service, we have viewed that regulation with great concern since its implications obviously go beyond that service and could have impact elsewhere in the Federal Government. Thus, in our opinion, this regulation is of grave concern not alone to Postal employees but to all career Federal employees without exception.

We have expressed these views in two statements, one dated January 19, 1971 and the other dated January 25, 1971. They are enclosed for your information and for the information of the members of the Subcommittee. We suggest that these statements be included in the printed record of the hearings as expressing the concern of the National Federation of Federal Employees on this very important issue.

With kind personal regards and good wishes, I am,

Yours cordially,

N. T. WOLKOMIR, *President.*

Enclosures.

NFFE NEWS RELEASE—JANUARY 19, 1971

The National Federation of Federal Employees declared today that "President Nixon and the Congress should join in demanding the immediate revocation by Postmaster General Winton M. Blount of his shocking and blunderingly ill-advised and arbitrary directive barring postal employees from having any 'direct or indirect' contacts with members of Congress."

The NFFE asserted that "the first step should be immediate revocation of 'Blount's Blunder' . . . coupled with a clear reaffirmation of the rights of all employees with respect to their relations with the Congress. Such a statement by the President could be very helpful and is indeed essential in restoring the confidence so shattered by the Postmaster's egregious maneuver."

NFFE President Nathan T. Wolkomir said that "leaving aside the highly questionable legality or constitutionality of such a directive, and the curiously furtive manner in which it was issued, Postmaster Blount's obviously carefully planned action must be regarded as one of the most foolhardy, reactionary, and indefensible affronts to sound employee-management relations in many years."

"However, we must also make the point that the Postmaster's action does not deserve to be called 'incredible,' as some have done and there is strong inclination to do."

"The action actually is not 'incredible' in so far as the NFFE is concerned because our union is on record as having warned publicly and repeatedly and as forcefully as we could that postal employees were being sold a highly hazardous bill of goods when the so-called postal corporation-reorganization bill was before the Congress."

"Moreover, we are on record as having warned all Federal employees that if the arguments put forward in support of removal of the postal service from civil service and from close Congressional over-view were to prevail, similar steps would be proposed for other departments and agencies. Also, we cited as a deplorable backward step the deal fatuously entered into by AFL-CIO affiliates, and one that they would regret. The regret has come even sooner and more sharply than we anticipated, and in a form which leaves no doubt about the anti-labor views and intentions of the corporate-minded 'management' of the new so-called United States Postal Service."

"The affront of course is not alone to the employees but to the Congress. And certainly the President can not condone a directive which so flagrantly violates the inherent rights of Federal employees . . . citizens of these United States of America."

"It is noteworthy also that this arrogant directive by the Postmaster General, redolent of the one-time 'gag rule' which directly resulted in passage of the

Lloyd-Lafollette Act of 1912, specifically affirming the employees' right of petition to Congress, follows hard on the heels of enactment of a pay law which all but eliminates Congress from having any meaningful voice in the setting of Federal pay and transferring that authority to the Executive Branch.

"Whether or not these two actions, taking place so close in time, are overtly or covertly related, or simply coincidental, is not of prime importance. What is of the most crucial importance to every career Federal employee, to the Congress, and to the citizens of this country, is the far-reaching significance of this erosion of Congressional power and influence and the concentration of that power and influence in the Executive. Postmaster Blount's directive to postal employees to stop all contacts with members of Congress thus assumes a still more portentous significance when viewed against this background.

"Moreover, whether coincidental or not, it is also a matter of profound concern that, as the NFFE noted in a full-page editorial in the current issue of our official publication, the Civil Service Commission now is forging ahead with plans to set up a new so-called 'Federal Executive Service.' Under this program, solely designed so its proponents claim to improve the quality at the upper levels of Federal employment, there is to be what is euphemistically dubbed a 'mix' of political and career jobs. Every careerist is to be under a 'contract' and at the end of a stated period his job is quite literally to be up for grabs. He may keep it . . . or he may not . . . regardless of present civil service merit system rules and regulations . . . and whether or not it is to be filled by a political or a career appointee will be at the discretion or the whim of the Executive Branch.

"The NFFE believes that the Congress and every citizen should take a long, hard, probing look at this proposed program. However well intentioned its enthusiastic sponsors—and we do not question the purity of their motives nor the earnestness of their desire to 'improve the quality' of executive responsibility—we believe that this program is loaded and bear-trapped with potential dangers to the merit system. It appears to be a clear case of the potential cure being worse than the purported ailments, which in fact have yet to be spelled out. Furthermore, when taken in context with the Postmaster's directive, the new pay law which emasculates the role of Congress, and other moves taken and intended—including for example the present active 'restructuring' of the Bureau of Indian Affairs at the expense of the merit principle—the proposed new Executive Program becomes part of a developing pattern which we believe can be ignored only at serious peril.

"The first step should be immediate revocation of Blount's blundering directive . . . coupled with a clear reaffirmation of the rights of ALL Federal employees with respect to their relations with the Congress. Such a statement by the President could be very helpful and is indeed essential in restoring the confidence so shattered by the Postmaster's egregious maneuver.

"This should be followed by a prompt and searching reexamination by the Congress of the true significance of Blount's blunder in the light of its own eroded and eroding role in pay and other issues vitally affecting the Federal service and its employees and the status of the Government as the Nation's largest employer. This should most certainly include a study of the far-reaching implications of the proposed new 'Federal Executive Service' which the Civil Service Commission already has announced it shortly will be forwarding to the President for submission to the Congress.

"The warning signals are up and flashing for those who would see. What is needed now is firm, forthright remedial action to redress the wide and growing imbalance."

NFFE NEWS RELEASE—JANUARY 25, 1971

"It is much too early and the circumstances certainly do not justify any shouts of great encouragement or satisfaction at the Postal Service's latest statement in effect repudiating 'Blount's Blunder,' which attempted to gag employees in their relations with members of Congress," the National Federation of Federal Employees declared today.

NFFE President Nathan T. Wolkowicz said that "while we are, of course, glad to note that the Postal Service has beat a hasty retreat from its original shocking and utterly indefensible position, all Federal employees should have learned a hard and lasting lesson from this almost incredible incident.

"The harsh undeniable fact is that the Postmaster General did almost furtively issue an order forbidding employees to have any 'direct or indirect' contact with members of Congress—thus attempting to foreclose to them a fundamental right

of American citizenship—and the Postal Service changed its dismal tune only in the face of promptly expressed outrage, in which the NFFE spoke out strongly, clearly, and unmistakably.

"It is a revealing commentary on the depressed state of employee-management relations in the Federal service, and the kind of 'thinking' that goes on in at least some management quarters, when in the year 1971 the Postal Service finds it necessary to sheepishly repudiate the arbitrary denial of a right specifically affirmed so long ago as 1912 by an Act of Congress and when it finds it necessary to 'explain and clarify' the original arrogant directive by a new one . . . which simply re-states that the obvious right of employees to petition to Congress or to individual members of Congress may not be denied or interfered with.

"There was no possibility of misunderstanding the meaning of that first directive . . . nor of its evident motivations. Anyone with an understanding of basic English could get its meaning at first reading. That the order would have been in effect today without the kind of alert vigilance which brought an immediate roar of protest to the Postmaster's door is a certainty it would be naive to question.

"Unorganized Federal employees especially, should draw an unforgettable lesson from this incident. For, lacking a union such as the NFFE, which immediately launched both a strong protest and a campaign for revocation of 'Blount's Blunder', there is no doubt that the order would still be in effect . . . and in any case its revocation long and deliberately delayed.

"But no employee should throw his hat in the air in joy over the Postal Service's hurried 'clarification' which in effect repudiates the original directive. The kind of thinking which produced the first order isn't to be changed that quickly or that basically. It should make it crystal clear to all Federal employees, without exception, that they must remain on the alert, constantly, to protect such gains as have been won over the long years . . . and that they must join and work diligently and persistently to advance the cause of really meaningful labor-management relations in the Federal service.

"A further graphic commentary is to be found in the fact that the original repressive gag rule was issued on the very eve of the opening of 'negotiations' on employee relations in the postal service . . . and that two representative, respected, and long-established national unions of postal employees have been arbitrarily and callously excluded from those negotiations under an AFL-CIO-management concocted deal. It would be difficult to imagine more unpromising or deeply compromised circumstances for such negotiations. There is just no odor of sanctity about them, no matter how one views the whole profoundly unhappy situation."

STATEMENT OF CLAUDE E. OLMSTEAD, PRESIDENT, NATIONAL RURAL LETTER CARRIERS' ASSOCIATION

The National Rural Letter Carrier's Association, an organization representing approximately 62,000 regular, retired, and substitute rural letter carriers, appreciates this opportunity of submitting this statement to assist the subcommittee in fulfilling its responsibility of maintaining legislative oversight over the U.S. Postal Service.

At the beginning of this statement I would like to commend the subcommittee and Chairman Morris K. Udall for acting to officially review the policies and programs being initiated by the management team of the Postal Service. We strongly endorse this type of continuing investigation and review in order to assure that the public will receive an improved mail service and benefit from changes in service procedures and concepts. We also feel it is important that the public, as well as the employees, have the opportunity to communicate with the Congress in order to air complaints and seek needed official action to assure that the finest possible service is provided for the citizens of this Nation.

As the President of this Employee Organization, we joined with other employee groups in opposition to the Memorandum on Congressional Contacts which was issued by the Postmaster General earlier this year. The initial order if interpreted literally would, in our opinion, mean the denial of constitutional rights of postal employee, both independently and collectively through their Organization, to petition Congress on anything pertaining to the Postal Service. The directive aimed at centralizing all direct contacts indicated that it would be unnecessary for individual postal employees to have direct contacts with Mem-

bers of Congress. The directive advised that if any such contact became necessary it was to be coordinated in advance with the Congressional Liaison Office being established as the sole voice of the Postal Service in communicating with the Congress.

This directive sent shock waves across the Nation among all postal employees. This Organization joined with the other Employee Organizations and denounced this directive as an effort to intimidate employees and deny them free exercise of their constitutional rights. This action on the part of Employee Organizations, coupled with the strong reaction in the Congress, resulted in a release from the Postal Service aimed at clarifying the announced procedures on Congressional contacts as they relate to individual postal employees and employee organizations. This clarification assured all employees that they would have a right to petition Congress in line with the provisions of Chapter 71 of the U.S. Code, Title 5. The clarification, however, still leaves much to be desired in clearing the air on this point. The release to clarify procedures noted the statutory rights of postal employees and organizations of postal employees to communicate with Congress or Members of Congress. The release specifically noted, however, that "they may not speak for the Postal Service unless authorized to do so". This continuing restriction is, at best, not clear. When is one speaking or not speaking "for the Postal Service", if the subject under discussion is directly related to a Postal Service matter? We are aware of the fact that many Members of Congress have expressed concern about both the original Memorandum and the clarification of the policy established.

We trust this Subcommittee may act to clearly enunciate the continuing constitutional rights of postal employees and the Organizations of such employees to communicate with Congress and the Members of the Congress regarding any matters which they deem should be brought to the attention of and/or discussed with the Congress or a Member. A clear statement on this point would do much to clear the air and preclude any misinterpretation, as well as prevent any restriction of the basic constitutional rights of postal employees in this regard.

In addition to the serious concern of our members, however, we are also concerned that the postal customers of this Nation have the opportunity to communicate with the Congress regarding Postal Service matters which they deem important enough to defer for Congressional review and appropriate recommendation or action. We also believe it very important that local Postmasters, as well as action. We also believe it very important that local Postmasters, as well as Management Officials in the Regional Offices, be free to communicate with a Member of Congress in connection with explaining or resolving postal problems which are within their jurisdiction to resolve.

Postal employees will anticipate a statement from the Subcommittee which, hopefully, will lift the existing curtain of uncertainty now existing. This Subcommittee should be aware of the fact that the rank and file postal employees are presently confused, apprehensive and deeply concerned about their future. They are all eagerly awaiting some constructive progress which we trust will match the loud pronouncements of a better day for the Postal Service and its employees, as proclaimed when the Postal Reform legislation was being considered. In the minds of postal workers moves toward constructive progress have been too long delayed and for the benefit of the service as a whole, this must change soon. We feel certain that the interest this Subcommittee will show regarding these matters will have a most beneficial effect.

We are all awaiting this new era of the U.S. Postal Service which becomes official as of July 1, this year. We will applaud meaningful efforts to improve the service and we pledge our assistance in helping to make this goal a reality as soon as possible. This type of joint effort, however, will require cooperation between Postal Service management and Employee Organizations, as well as a continuing effort to build a feeling of mutual trust. It also must include a proper informational and advisory liaison with the Congress. To accomplish this we believe that this Subcommittee and the Congress will render a valuable service in pursuing an active role in monitoring the activities of the Postal Service both during this important transitional period and in the future. We were pleased to see the statement of Chairman Udall noting that the Postal Service Subcommittee would vigorously perform this function in order to assure proper legislative oversight over the U.S. Postal Service.

We feel certain the American public expects this type of Congressional interest and involvement. We applaud the efforts of the Subcommittee to help eliminate any misunderstanding in this regard and by this action help facilitate a

better transition into the new concept of operation under the Postal Reform Act.

Mr. Chairman, Members of the Subcommittee, may I again thank you for the opportunity of submitting this statement. We trust that our views will assist in the valuable service which can, and we believe will, be performed by this Subcommittee.

STATEMENT OF JOHN MCCART, OPERATIONS DIRECTOR, GOVERNMENT EMPLOYEES COUNCIL, AFL-CIO

Mr. Chairman and members of the subcommittee, the Government Employees Council desires to commend you for your introduction of the resolution expressing the dissatisfaction of the House Committee on Post Office and Civil Service about recent events connected with the rights of postal workers and relations between the new postal instrumentality and members of Congress. Specifically, it calls on the Postal Service to affirm the unabridged right of postal employees to communicate in any manner with members of Congress and the ability of legislators to freely process matters of interest to them through the Service. We recommend that the Committee approve the recommendations in the resolution.

Thirty-four AFL-CIO unions representing more than 1 million Federal employees comprise the Council. Included are six of the seven unions which are parties to the existing national collective bargaining agreement.

Through almost two centuries of its existence, our democracy has maintained a constitutional independence among the three branches of our government. At the same time, the system has worked in practice because each of the three elements has recognized and respected the need for cooperation in maintaining this desirable balance. With few exceptions, executive agencies have realized a free exchange of information between the legislative and executive divisions is essential, if they are to function in the national interest.

A basic element in this process is the ability of each citizen to petition his elected legislative representative on any subject that may concern him. This right is implicit in Article I of the Bill of Rights.

In the case of Federal workers, including employees of the Postal Service, the right is affirmed in a statute known as the "Lloyd-LaFollette Act" (5 USC 7102). Further, the law specifically protects postal employees from disciplinary action for presenting a grievance to the national legislature (5 USC 7101).

With this background, we were shocked to learn that on January 12, 1971, the Postmaster General distributed to the field service of that agency a memorandum curtailing that right on the part of employees. This action was incomprehensible in light of the historical development of postal labor relations and the earlier assurance to Congress by postal officials that the Postal Reorganization Act would not alter the opportunity for employees to communicate with their elected representatives.

The most offensive aspect of the instruction was stated clearly and succinctly—

"It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service."

To make certain that there was no misunderstanding about the purpose of the policy pronouncement, some postmasters informed officers of local postal unions that any further liaison by them with members of Congress might incur disciplinary action.

Postal union leaders in Washington joined in presenting strenuous objections to the Postal Service about their actions. They advised postal officials that they had no intention of complying with the illegal pronouncement.

As a result, the Postal Bulletin of January 21, 1971, carried the text of the January 12, 1971, document and additional information on the right of postal workers to petition members of the House and Senate in conformity with the law. However, officials did not exert efforts to acquaint postal employees personally with the "Employees Retain Right to Petition" notice, as was done with the original proclamation.

The discontent expressed in Congressional circles over this disregard of the rights of employees and members of Congress alike was forthright and pointed. We commend those members for their recognition of the fundamental issue—access to elected legislators by postal employees as citizens.

It would be a sad day for our country, if we were to witness the imposition of "gag" rules on postal workers, or any other workers, for that matter. Policy

pronouncements by Executive Branch officials in the early part of this century stifling the right of postal employees to seek redress of grievances through the Legislative Branch precipitated the enactment of the "Lloyd LaFollette Act" by Congress.

The significance of this incident goes far beyond the postal employees directly affected. If permitted to stand without correction, the policy could serve as an incentive to other misguided officials in the Executive Branch to act in a similar fashion. Beyond that, the action in the Postal Service could impair the ability of citizens generally—"customers" as they have been designated—to utilize the services of elected legislators in solving day to day problems. And this is the essence of democracy.

As for the relationship between House and Senate members and officials of the Postal Service, the record is clear. Members of this body have signified their intention of retaining the oversight function the legislature must maintain as an independent branch of our Government.

Again, Mr. Chairman, we commend you and your colleagues for your zeal in protecting the rights of postal employees, and urge that the Subcommittee take affirmative action on the pending resolution.

STATEMENT OF JACK R. BAILEY, PRESIDENT, NATIONAL LEAGUE OF POSTMASTERS
OF THE UNITED STATES

The United States Postal Service has been in transition less than nine months. While it is proper and helpful for a Congressional committee to analyze the progress of the Service, we feel no hard conclusions should be drawn, particularly in the operational area, until reasonable time has been allowed to put modernizational and mechanizational plans into substantive effect. It is well known that the National League of Postmasters made its views clear to Congress during the debate over postal reorganization. We do not feel that the Order of the Postmaster General on congressional procedures for employees of the United States Postal Service in any way places a limit on our right to state our opinions. We are ready, at any time, to develop a common legislative position for postal management. Such position should only be developed with our active participation and when our ideas and our situation are taken adequately into account.

We well understand our obligation to seek the answer to our problems and the solution of our grievances using the procedures set up within postal management wherever possible. However, we maintain the ultimate right under the law of any individual Postmaster to seek redress of his grievances in Congress and the right of his organization to assist him. The Postmaster General's Order concerning relations with Congress, as we understand it, does not in any way restrict us from continuing this policy, and therefore, we have no objection to it. In our efforts to influence legislation that would directly affect Postmasters, we have not nor do we intend to represent ourselves as spokesmen for the Postal Service.

Pay Compression for postal management was announced in early February. While we had hoped that the provisions of Section 1004, PL 91-375, would have been implemented in time for us to have participated in its formulation, it was close enough to the proposal that we had prepared so that we have no basic argument with it.

The listing of area restrictions for the appointment of Postmasters was done in a reasonable way. There are some temporary, unfair situations created in third-class offices where officers-in-charge have no chance to become career as no career positions exist in their offices. Therefore, the officers-in-charge are not considered for appointment. Thus, there is a moral violation of a career development principle which may have been avoided had middle management organizations been allowed to participate in the development of the policy details. However, the over-all plan has our general approval.

As an organization, our ability to assist in our effective relationship to the United States Postal Service depends to a large extent on a meaningful implementation of Section 1004. The United States Postal Service has our full support. Postmasters are dedicated to the idea that modernization, along with businesslike and service-oriented policies, will build the Postal Service to the point where we will be prouder than ever to be a part of the Postal Family.

AMERICAN NEWSPAPER PUBLISHERS ASSOCIATION,
New York, N.Y., May 6, 1971.

Hon. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service,
U.S. House of Representatives, Washington, D.C.

Dear Mr. Chairman: We noted with much interest your announcement of hearings to be held May 7 and May 10 "to investigate complaints concerning actions of the U.S. Postal Service during the past few months."

As the date of conversion into an independent agency of Government draws near, we note with increasing concern that problems of U.S. Postal Service customer relations are fully as serious as those of its employee relations.

We are enclosing a one-page fact sheet prepared recently by the Postal Committee of this Association. It identifies some of these problems and explains why so many newspapers have recently been appealing to members of the Congress for assistance in bringing about a more realistic transition in the rate-making field. We regret particularly that our only recourse to get a hearing before a new rate formula is adopted was to challenge it in Federal Court.

As indicated in the last paragraph of the statement, our Association (whose members represent more than 90% of total U.S. daily newspaper circulation) stands ready to cooperate in seeking early equitable solutions.

Rather than take the time of your committee for a personal appearance at the hearing, we request that this letter and the enclosed statement be incorporated in the record of the hearings at a time you deem appropriate.

With high esteem.

Sincerely yours,

STANFORD SMITH,
President and General Manager.

Enclosure.

ANPA POSTAL COMMITTEE FACT SHEET

The U.S. Postal Service has proposed a five-year plan for enormous increases in second-class postal rates. Reactions of hundreds of newspapers across the country indicate that the effect would be devastating, particularly on readers in sparsely populated areas who must depend on the mail for delivery of their daily newspaper.

The first step in the proposal is a "temporary" increase of 20 percent or more, to go into effect in mid-May despite the fact that it is impossible for the newly established U.S. Postal Rate Commission to conduct the administrative hearings by that date. Furthermore, the proposed "temporary" rates included a totally new element in the second-class rate structure in the form of a "surcharge" on each piece of mail. This method of rate-making has been rejected in the past by the Congress.

ANPA and several other mail user organizations on April 15 filed suit in U.S. District Court for the District of Columbia, seeking an injunction to prohibit the Post Office from making rate increases before the Postal Rate Commission can conduct the proper administrative hearings. Court action represented the only recourse to get a hearing on behalf of hundreds of daily newspapers and their readers who would be severely affected.

The five-year plan was announced as a proposal to increase second-class rates by 142 percent. In the case of some dailies the increase may be 200 percent. Each step in the program represents an increase of a magnitude far higher than Congress has ever been willing to impose on any mail users. Of all classes of mail, second-class would get by far the greatest percentage increase. Daily newspapers would be the hardest hit of all because of the escalating per piece surcharge.

The Postmaster General has stated that the second-class rate structure is unduly complicated. He is eminently correct, but the solution does not lie in adding a further complication in the form of a per piece surcharge, particularly when it discriminates against daily publications which provide consistent revenue to the Postal Service.

Because ANPA recognizes the necessity and desirability of early increases in all postal rates, the Association stands ready to cooperate with the U.S. Postal Service, the Postal Rate Commission and other mail user organizations to find early equitable solutions to the postal rate problem so that the Post Office can get needed additional revenue through rate increases without jeopardizing the

consistent volume of business it now receives and without jeopardizing the position of readers or newspapers and other publications which must rely on the mails.
April 19, 1971.

FRANKLIN D. SCHURZ, Jr.,
Chairman, ANPA Postal Committee.

SUN PUBLISHING Co.,
Laurens, Iowa, May 7 1971.

Congressman H. R. GROSS,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN GROSS: It has come to my attention that the House Post Office and Civil Service Committee will hold hearings soon on the subject of mail service.

Since you are a member of both the Subcommittee on Postal Service and the Subcommittee on Investigations, I would like to submit a complaint. I would appreciate it very much if you would see to it that my complaint is inserted in the subcommittee's record on these hearings.

Part of our business consists of printing magazines for various associations and individual publishers, located in Iowa and other States. Copies of these magazines are mailed from the Post Office at Laurens, Iowa.

We are perfectly satisfied with the good service of the Laurens Post Office, and also with the Fort Dodge Sectional Center. We know positively that the magazines clear both of these offices promptly, but then they often bog down. Sometimes it takes two weeks or more before copies are delivered to subscribers in eastern states.

Our printing contracts will be endangered if we cannot get proper delivery on these second-class mailings. And frankly we see no reason why we cannot promise as good postal service from Iowa as from anywhere in the United States.

We would like to know if anything can be done to improve this service and speed up delivery of magazines to the individual subscribers.

Anything that can be done in this regard will be appreciated.

Sincerely,

NEIL L. MAURER, *President.*

DEMOCRATIC NATIONAL COMMITTEE,
Washington, D.C., May 14, 1971.

HON. MORRIS K. UDALL,
U.S. House of Representatives,
Washington, D.C.

DEAR MO: The attached represents my growing concern as to where the Postal Corporation tends. I felt it was essential for me to express these concerns.

Best regards,
Sincerely,

LAWRENCE P. O'BRIEN,

O'BRIEN VOICES CONCERN OVER FUTURE OF POSTAL SERVICE

Washington, May 15—Lawrence F. O'Brien, speaking as the former Postmaster General who authored the concept of a postal corporation, said today the present attitudes and policies of postal officials threatened to handicap the corporation before it gets off the ground.

O'Brien, now Democratic National Chairman, headed the Post Office Department (1965-68) in the Johnson administration. It was his proposal in 1967 that led to legislation removing the Post Office from the Cabinet—and from politics—and making it a semi-independent corporation using modern business practices. The law goes into final effect July 1.

"After closely following the transition period," O'Brien said, "I am, quite frankly, deeply worried. Now that postal reform has become law, my hopes—and those of millions of Americans who believe in the corporation concept—have been shaken by some disturbing events, some disquieting signs that could severely handicap the fledgling corporation before it even gets off the ground."

O'Brien said the incipient U.S. Postal Service already is bogged down in partisan politics, poor congressional and labor-management relations, service cutbacks, and financial ineptness. He said:

"The Nixon administration and postal management must stop playing politics with the new postal corporation. Mr. Blount should make non-partisanship the rule rather than a mere slogan. He should recommend a board of directors that meets the spirit of the law. He should consult fully with appropriate congressional committees and members, as well as with mailers and groups representing the public. He should stop playing stamp politics. He should give immediate attention to ending the deterioration of the quality of service. He should make every effort to restore favorable management-labor relations. As a construction expert, he should take special pains to see that future Secaucuses are averted through careful planning.

"This corporation can succeed—and U.S. mail service can flourish—only with the most carefully cultivated good faith between the Postal Service and the American public. The most disquieting sign of all, to date, has been that Mr. Blount and his colleagues are taking the public for granted."

The text of O'Brien's statement follows:

As the author and first public advocate of the concept of the postal corporation, and as co-chairman of the citizens' committee working arduously to secure congressional approval of the corporation plan, I can no longer remain silent in the face of my mounting concern over the future of the U.S. Postal Service.

I do not speak today for my party, as Democratic National Chairman. My efforts toward postal reform were conducted on a bi-partisan basis. I speak, therefore, as a former postmaster general who, as originator, became deeply involved in what was intended to be a movement to bring the postal service abreast of modern times and technology, to move the U.S. Mail in a competent, businesslike, and professional manner.

After closely following the transition period, however, I am, quite frankly, deeply worried. Now that postal reform has become law, my hopes—and those of millions of Americans who believe in the corporation concept—have been shaken by some disturbing events, some disquieting signs that could severely handicap the fledgling corporation before it even gets off the ground.

Let's look for a moment at what our hopes were when postal reform was first proposed in March, 1967—and what has happened to those hopes under the Nixon administration.

First, it was my intention that the postal service and its management be totally removed from the arena of partisan politics.

Today, the aura of political partisanship continues to engulf the postal service and make it virtually indistinguishable from its pre-August, 1970 status.

Not only did the postmaster general—a political appointee of President Nixon—secure appointment as the new postmaster general of the U.S. Postal Service, but he also became chairman of the board of directors of the new corporation—a board that supervises the activities of the postmaster general and other corporate officers. In other words, Mr. Blount is reporting to himself.

Furthermore, Mr. Blount recommended the appointment by President Nixon of a board of directors whose makeup violates the spirit of the new law in terms of bi-partisan representation by including the maximum number of Republican appointees, and only a minimum of Democrats—Democrats whose identification with the party has been minimal in terms of bipartisan representation.

Politics remains a significant factor in regional and headquarters personnel selection. Not only did the postmaster general dismiss all regional directors holding career appointments from past Democratic administrators, but he replaced them in virtually every case with non-career employees—with emphasis on mostly retired Republican business executives. He has not named one regional director who is a recognizable Democrat. And there are continuing reports that higher-level promotions (GS-13 and above) at headquarters still require clearance by Republican officials in the Bureau of Operations and the Office of the Postmaster General.

A second goal of our postal reform effort was to set the stage for a dramatic improvement in postal service to the public, free of the political and economic pressures of other agencies and political entities.

But instead of improving mail service, the trend of the past two years has been toward a drastic reduction in existing service. The postmaster general has

introduced a series of plans and budget cuts that have made the past two years one of the bleakest periods in the history of the U. S. Mail.

Not only has the nationwide program of same-day delivery in downtown business districts been abandoned, but drastic and often unpublicized cuts have been made on a regional basis in collection services, business deliveries, forwarding service, special delivery, window, Saturday and other weekend services.

In 1967, we broke new ground by providing space-available air mail service to first class mail on an enormously extended basis. This has now been nullified in several areas with the restriction of its use to distances in excess of 600 miles.

Today, it seems to be commonplace for first class mail to take six to seven days to travel between cities, and four to five days within metropolitan areas. The Postal Service's own studies indicate a serious deterioration in service—even when measured against its own standards of performance a year ago. Undoubtedly, the fact that thousands of postmaster vacancies went unfilled for an unprecedented two years, while the incumbents remained in an "acting" status, has contributed greatly to the decline of service.

Most serious of all, in my view, is the apparent abandonment of our goal of ultimately eliminating air mail as a separate category, moving all first-class mail by the fastest available means of transportation, and giving special service to special delivery mail. This program appears to have been replaced by a low-quality substitute that would provide ordinary first-class service for air mail, and second class service for first-class mail—all at much higher rates.

All of these reductions in service have occurred before the corporation has officially gone into operation. But the signs are ominous. Unless this trend toward outdated service is given top-priority attention by a public service-minded board of directors, the corporation is headed for deep trouble. No amount of public relations gimmickry—such as special air mail service for congressmen—will help the new service in the eyes of its primary client—the public.

Thirdly, we had hoped to open a new era in postal-labor relations by providing unrestricted scope for good-faith bargaining, a neutral source for final appeal, and a chance to be innovative in postal labor-management relations.

First we witnessed a crippling strike of nationwide significance—the first in postal history. We also are seeing the development of the poorest relationships in memory between a postmaster general and hundreds of thousands of employees. The turnover of Mr. Blount's top labor relations personnel has been extraordinary. The general resentment generated by the so-called "Blount gag" order, barring postal personnel from communicating freely with Congress, has further worsened postal labor relations. Postal management's public statements and its attitude toward negotiations have exacerbated the problem.

The new corporation simply must not begin under a cloud of acrimony between management and labor over such issues as communicating with Members of Congress. The problem of proving management's overriding concern for the welfare of postal employees must be given urgent attention.

Fourth, we had envisioned a vastly improved method of obtaining urgently needed improvements in postal plants and equipment under more economical procedures.

Mr. Blount recently announced a much-needed \$1.5 billion construction program to provide critically needed postal facilities. What was *not* announced was the hundreds of new facilities needlessly delayed or possibly dropped because of the nine months long freeze on new postal construction, imposed by the postmaster general in response to the President's inept battle against inflation. That freeze served only to increase the deficit in adequate facilities that must be borne by the new corporation.

Furthermore, the staggering cost overrun incurred in building a New York Bulk Handling Facility in Secaucus, New Jersey, has greatly shaken confidence in the ability of the same officials to undertake the enormous building programs needed in the postal system. Another such fiscal disaster could seriously inhibit the new corporation's ability to market its securities; the responsive officials should not be awarded positions of similar authority in the U.S. Postal Service.

Fifth, in the *financial* area, we had hoped to place the postal service on sound economic footing, with due regard to public service.

Mr. Blount has come up with the most staggering postal deficit in history—projected to reach more than \$2.2 billion by June 30. This administration's failure to secure from the Congress any kind of a rate increase in the past two years has placed the new corporation at a disadvantage even before it opens its doors.

Even more disturbing is the attitude of the management toward the legitimate requests of the new Postal Rate Commission for basic financial information and an opportunity to observe postal processing methods. So far, the Postal Service management has not even been able to agree on what the Rate Commission's mandate is.

Finally, we foresaw the opportunity through postal reform for a cooperative and constructive relationship with the Congress, with mail users, and the public, through frequent consultation and appropriate legislative oversight.

Unfortunately, the attitude of Mr. Blount and his colleagues toward Congress and the public has been one of disdain. They have indicated that they simply do not understand the legislative process and the proper role of legislative oversight. As a result, the postal service has reached an all-time low in congressional relations. It cost Mr. Blount a postal rate bill—and would have cost us postal reorganization. As it is, he and his top staff have cost the new corporation vital congressional, public, and employee good will at the outset.

The Nixon administration and postal management must stop playing politics with the new postal corporation. Mr. Blount should make non-partisanship the rule rather than a mere slogan. He should recommend a board of directors that meets the spirit of the law. He should consult fully with appropriate congressional committees and members, as well as with mailers and groups representing the public. He should stop playing stamp politics. He should give immediate attention to ending the deterioration of the quality of service. He should make every effort to restore favorable management-labor relations. As a construction expert, he should take special pains to see that future Secaucuses are averted through careful planning.

This corporation can succeed—and U.S. mail service can flourish—only with the most carefully cultivated good faith between the Postal Service and the American public. The most disquieting sign of all, to date, has been that Mr. Blount and his colleagues are taking the public for granted.

STATEMENT OF HON. BELLA S. ABZUG, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF NEW YORK

I know there must be many tales to tell of the Postal Service because I am a freshman member of Congress and I already have mine. The story is one of ineptness, unwise real estate practice, lack of concern for the serious problems facing urban America, secretiveness, and evasiveness. Finally although a long story, it is marked by no, and I repeat, absolutely no qualitative change in the last year—the year that marked the purported change in the nature of the Postal Service, that necessitated the establishment of this committee of watchers and these hearings, and that marked my first contacts as a member of Congress with the Postal Service.

In 1962, nearly a decade ago, the Postal Service purchased a very valuable piece of New York real estate in lower Manhattan, bounded by 28th and 29th Streets and Ninth and Tenth Avenues. The property was located across the street from a post office known as the Morgan Station; hence its name over the last several years—the Morgan Annex. To pinpoint it further geographically, it is three blocks from the famous Central Post Office. The plans at time of purchase were to replace the Morgan Station with a new facility occupying both blocks. So eventually the property was cleared of the apartment houses and town houses, 30 businesses, and 300 families, all of whom experienced in varying degrees the agony that kind of experience creates in a city where relocating is not easy and where the apartment vacancy rate is the lowest in the country. Shockingly the Annex lot is in precisely the same condition today it was in after the 300 families moved and the buildings were razed.

The plans for that new facility never got very far. Once the Post Office people own something I guess they figure that that is the time to run through a whole series of plans, with no other consideration in mind than future plans for getting the mail through. No thought given to the value of the empty land, to the possibility that people could have lived there another several years before plans were concretized, and according to current plans, could have stayed there indefinitely.

From 1962–1965, the Post Office behaved like the worst kind of landlord, making no repairs, leaving people without heat and hot water for months on

end, and refusing initially to assist the 300 families in relocating. In 1966 tenants were told both that they had two more years to stay and that they had to start moving immediately. In 1967, the two-block design was announced at the same time a study was commissioned on how best to handle the mail for New York City for the next several decades; in the same year a fire damaged the Morgan Station, that old facility which was to have been torn down and rebuilt four years earlier. The results of both the study and the fire were the cancelling of the Edward Durrell Stone design for the two-block facility (at what cost) and a new plan, announced in 1969. The Morgan Station would be remodeled to handle preferential mail; a new facility would be built in New Jersey to handle the bulk of the mail for New York City, to relieve truck congestion; and the Morgan Annex would probably not be necessary. The razing of the buildings and the eviction of 300 families and 30 businesses would probably also have been unnecessary.

The moment the possibility began to exist that the Annex lot would not be necessary to the Postal Service, the community organized itself, in a way that so diversified a community as Chelsea has rarely been organized, to retrieve the property for low and moderate income housing. The City cooperated by trying through three city agencies to negotiate with the Postal Service for the property and presenting the postal officials with their housing proposals all through 1969 and 1970.

By June of 1970, plans were well under way: the Public Works Committee approved the money necessary to remodernize the Morgan Station and the plan to build a huge new facility in Seacaucus, N.J. provided the Morgan Annex lot would be released. Assorted Post Office officials had declared the Morgan Annex would not be necessary to the Post Office, and so everyone in the Chelsea community, all of N.Y.'s housing officialdom, everyone thought the property well on its way to again becoming a site for housing in the community. As the news had it during my campaign, my opponent announced the imminent release of the property as excess to future needs to the General Services Administration who would transfer it at cost to the City of New York who had various plans under consideration for its use as low and moderate income housing.

Imagine my shock when I got to Washington to discover that the problem of the Morgan Annex was still with us: not only was there no release to G.S.A., there were no plans to so transfer; there were only continued reassertions of the uselessness of the property to the Postal Service—after the facility in Seacaucus is operational. Nothing more. The Congressional Liaison people, the General Counsel, all the high officials came to see me and tell me the same general theme: the trucks were more important than housing, that although the property was "excess to future needs," they could not so declare it and transfer it to the G.S.A. until 1972 had gone, rounding out the decade very neatly. Mr. Blount told me in response to my request to appear before his new Board of Governors that the story of the Morgan Annex was one of operation, not one of policy and therefore not one to be considered by the Board of Governors. I contend that it is a matter of policy, that it indicates much about the policies of the Postal Service. That is why I bring my tale before this committee. Granted that the *raison d'être* of the Postal Service is to provide the best possible and constantly improving mail service. Granted that, it still does not entitle the Postal Service to function in a vacuum, a vacuum which permits changes of plan three times in a decade (but not till after the only viable use of the property had been terminated); a vacuum which refuses to recognize the existence of problems as critical and demanding of solution,—and I refer to the problem of adequate housing in the City of New York—as the distribution of mail; and a vacuum that cannot perceive that there is no conscionable way a piece of property in New York City can remain vacant for almost a decade coupled with the two additional years that will be necessary once the Postal Service is so completely finished with its use that transfer proceedings can be initiated and some use planned for and constructed on the site.

Given the shocking history of this piece of real estate, all I ask of the Postal Service is no more change of plan. All I ask is a transfer of the Property to the G.S.A. as "excess to future needs" *now* so the planning can go on and be ready to move ahead when the postal trucks are no longer on the island of Manhattan. Anything less is real estate practice so unwise, I think Congress should reassert their control over the real estate aspect of the postal operation; such complete insensitivity to the problems the rest of America has to solve and the interrelationship of those problems that the whole concept of semi-public corporation

may be more dangerous than the 91st Congress imagined, and finally it leaves the property victim to yet another scatterbrained change of plan. When I asked the Postal Service what their plans were for the Annex after the opening of the facility in Seacaucus, I could get no definite answer. Only a hint from the General Counsel that maybe the lot would be needed for truck parking—the whole rationale for the most recent plan thereby defeated. I ask any help and suggestions this committee of watchers can provide. I am at a loss.

Congressman Ken Gray and I, in our capacities as Chairman and member of the Subcommittee on Public Buildings and Grounds of the House Committee on Public Works, recently concluded hearings held close to the Morgan Annex site in New York, in attempts to build a record of Postal Service dealings regarding this piece of property which should be of use to this committee. The record is eloquent: it speaks of the long and chaotic history, of the desperate need of the community, and of the appropriateness of the property for use as housing; but most particularly it speaks to the Post Office and Postal Service' doubletalk, misuse, and utter lack of responsiveness. I commend the following testimony to your attention. It is a history of newspaper accounts in the neighborhood newspaper, *The Chelsea-Clinton News*, which capture all of what I have wanted to relate to you.

Attachment.

STATEMENT OF ROBERT TRENTLYON, PUBLISHER, CHELSEA CLINTON NEWS

Mr. TRENTLYON. Thank you, Congressman Gray and Congresswoman Abzug. New York City is composed of a lot of small communities. So in many ways the Chelsea Clinton News, which is our local paper in the community of Chelsea, which is where Morgan Annex site is, is quite similar to your weekly press out in Illinois.

Mr. GRAY. We have many of those, too.

Mr. TRENTLYON. Right. What I was going to do here today was sort of use Xerox copies of back issues of the Chelsea Clinton News to give you some of the background and history going back to 1962, when this was first started, so that you would have some idea, almost like a verbal history of the Morgan Annex site.

Mr. GRAY. We would be glad to include those in their entirety in the record at this point.

Mr. TRENTLYON. I will give you all of these when I am through.

Mr. GRAY. Fine.

Mr. TRENTLYON. The first time this was written up was back in 1962 on August 9, and there was a lead story in the paper then:

"Congressman Leonard Farbstein and Assemblyman Francis W. Doheny recently assured site tenants of the proposed new Post Office Truck Terminal (on the block bounded by 28th and 29th Streets, between Ninth and Tenth Avenues) that they would take action before the appropriate authorities to protect their interests.

"The two Democratic Legislators were the only elected officials heard from at a special meeting held by the Chelsea Committee for Neighborhood Development at the Hudson Guild Neighborhood House on Wednesday, August 1, 1962. Representatives of Manhattan Borough President Dudley and the Post Office Department were also present.

"Assemblyman Doheny addressed the meeting and outlined a program of action for the tenants and also stated that he would press for selection of a new site. One of the alternate sites suggested by Mr. Doheny was the air space over the Pennsylvania Railroad tracks between 31st and 33rd Streets, which would not require any dislocation or demolition.

"From Washington—Congressman Farbstein, who was detained in Washington by official business of the House of Representatives, sent a telegram reporting that he had arranged to have Post Office Department officials attend the meeting in order to obtain the views of the tenants and the community, and to explain what steps the Federal government would take to protect the tenants' interests. Mr. Farbstein's telegram read as follows:

"Regret exceedingly my presence in Washington makes it impossible for me to attend your protest meeting tonight. I have spoken with Post Office Department officials concerning proposed Truck Terminal and, at my request, Joseph M. Spiegal, representative of the Department's Bureau of Facilities and member of the Survey Team which selected Truck Terminal site, will attend meeting and explain Department position. At my further request the Department has assured

me either Sean Keating, New York regional director, or Charles Gorman, assistant to the regional director, will also attend meeting to answer your questions. I was not consulted prior to the final decision and release of news of this acquisition. This came as complete surprise and fait accompli immediately before publication. I understand City of New York has given assurances persons displaced by condemnation proceedings will be provided for if proceedings cannot be stopped. I hope Department's representatives will satisfactorily explain why this area was chosen."

There was no discussion at all with any of the local people in the community about the site. The site was not only one where you had 300 low income families living and 30 businesses, but it also had an important local gymnasium which was the only recreation center in the community.

After the Post Office took over running the facilities, they had one organization which was in charge of relocation and running it for the Post Office, the conditions were quite bad, and one article we did on it, I will just give you one quote from some tenants, and this was September 2, 1965:

"Two floors above them, two young men from California who are working their way around the country as construction workers are living on a temporary sublet. Unable to stand the condition of the apartment, they started plastering holes and painting the rooms with leftover paint from their jobs.

"The superintendent objected when we put a new strong door on the apartment and after we carted out the garbage that filled this place when we moved in he told us he would get a summons because we had put out too much garbage," one of the men said in disgust. "I told him he ought to put this whole building on wheels and just cart it away."

On January 27, 1966, there was a rally of Post Office pickets, and the headline on the article was "Chelsea Tenants Picket Post Office To Protest Rats, Filth, Lack of Heat."

Continuing the article:

"Sidney Rubell and Joseph Sperber, who took over as managing agents, report they have spent thousands of dollars on repairs since then.

"He says he is losing thousands of dollars on repairs but I don't know where he is putting those repairs," Mrs. Rodriguez told Mr. Strachan.

"Hundreds of violations"—In a leaflet handed out by the picketers, the tenants charged that Buildings Department inspectors found hundreds of violations in August. "The agent made some repairs, but we still have rats, mice, and roaches; our ceilings are crumbling and falling; the plaster on the walls is falling off, leaving gaping holes; the plumbing leaks in many buildings, wasting thousands of gallons of precious water; the sidewalks in front are uneven and pitted with holes; and the heat and hot water are often irregularly provided."

"Mr. Rodriguez said Congressman Leonard Farbstein had promised to help and had found out for them that the buildings would not be demolished for two years. The Rent Control Board has reduced some of the rents, but everywhere else they have been ignored or given the run-around. They had been unable to reach Buildings Commissioner Charles Moerdler or Mayor Lindsay.

"The conditions are dangerous. Charles West, who lives at 441 West 28th Street, pointed out there have been six fires on the block in the past 40 days. Some have started in the dumbwaiters where garbage has accumulated for days. Others have been started by short circuits caused by water leaking from unrepaired plumbing onto exposed wiring."

One of the facilities which has been torn down was the public recreation center which was also on that block. On February 10, 1966, we wrote:

"The planned Recreation Center would replace the West 28th Street Gymnasium at Ninth Avenue, which will be torn down so that the property may be used by the Post Office Department for its trucks."

"The present Center on West 28th Street, which was built in the early part of the century and reconstructed by the WPA in 1939, provides various free facilities, including showers (about 10 a day come in for this purpose); pool, boxing ring, stage, large gymnasium equipped for basketball, volleyball, handball, track and rope climbing. It is used not only by Chelseaites but also visitors from Brooklyn, Bronx, Staten Island and New Jersey. Some 200 youngsters use the pool daily and during the summer are lined up half-way down the block waiting to get in."

We have not had any facilities to replace this. It has been promised before the time that facility had been torn down.

"Emile Griffith, welterweight champion, works out with his trainer practically every afternoon around 3 o'clock in the boxing ring on the second floor. Many of the local youngsters who have been coached by Parks Department employees have later entered Golden Gloves competitions."

Finally, the pickets of the Post Office won their day, and they got a new management company to manage the facilities. During that entire period the Post Office site management company that we had was probably one of the poorest management companies as far as keeping up the quality and the standard of living in the buildings.

Now most of the people who were there were under a promise that they would be given an extra two years to stay there. But then after the time that the Morgan Annex burned down, they moved up the change and they sent it out in a release from Washington without any notification to the community or to the people that they would have to get out sooner.

This was dated July 14, 1966:

"News of the speedup came as a complete surprise to Norman Levine, Vice president of Casino Management Corporation, the company handling the Post Office's 28th Street property.

"We still haven't received any notice from Washington," he said. "I'm still renting apartments there. We're not closing any of the apartments."

"Levine said he thought the release was 'jumping the gun. The Post Office will have to sit down and discuss it with us. Relocation is not a five-minute thing.'"

In other words, the Post Office had not even notified their own management company to tell them they were thinking of speeding up the relocation process.

Mr. GRAY. So broken promises are nothing new for the people of Chelsea. It goes way back to 1966.

Mr. TRENTLYON. As of August 4, 1966:

"New low-cost housing and improved supervision in existing buildings were among four demands submitted Tuesday by the Post Office Department by the Post Office Site Tenants Organization in the group's protest against a plan calling for their immediate relocation."

It was back then in 1966 that there was started the effort to really get new housing for the tenants on the site.

On August 3, 1967, there was an article that Edward Durell Stone and Associates, which had built the Gallery of Modern Art on Columbus Circle, had been designated the principal architect of the Post Office addition to be built in Chelsea.

"The new \$9 million structure, a trucking terminal for the Post Office's Morgan Station branch, will be situated on the block bounded by Ninth and Tenth Avenues and 28th and 29th Streets.

"Other partners in the joint venture will be Frederick R. Harris, Inc., engineers and the project's coordinators, and Ames Associates, architects and engineers.

"The 1.3-million-square-foot building will be joined to the existing five-story Morgan Station by tunnels and overhead connections across 29th Street."

On July 1, 1968, they showed a diagram or picture of the artist's version of the new 100 million Post Office facility in Chelsea.

The heading of the article is "Neither Snow, nor Sleet, nor Fire, nor \$100 Million."

On August 22, 1968, the headline reads: "Postal Department Outlines New Post Office Construction Timetable," which was on the new \$100 million Post Office to be built in Chelsea, which they claim will bring a lot of business into the restaurants and stores of the area and will eventually reduce the postal truck traffic in the low '30's.

"These were the optimistic predictions outlined for representatives of the Local Planning Board last week when Bill Sansone, Ernie Patterson and Clem Segal met with members of the Regional Office of the Post Office Department for a discussion of the plans for the 28th-29th Street construction."

I will just add parenthetically that one of the things that was stated to us at that time was that it would mean less truck traffic, when in reality with this garage which is really on a key, if you think of Chelsea as a community or a small city, which we do, this block which is being used for the Post Office Truck Station is one of the key blocks in our area, and the main street of Chelsea is 23rd street, so you are within six block of them. You are right across from the only park in the entire community of Chelsea.

On May 22, 1969: "Chelsea Stakes a Claim to Post Office Site."

They painted on the side of the wall that "this site belongs to the community."

"After forcing out several hundred families and more than a score of small businesses to make way for a mammoth new postal facility in Chelsea, the Federal government announced last Thursday that it would not go through with its plans after all.

"Postmaster General Winton M. Blount said that all architectural and engineering work on the \$150 million Morgan Station Post Office had been canceled. It would have been the world's largest postal complex.

"On Monday morning about 60 Chelsea residents, many of them original site tenants who had been forced out, gathered on 28th Street across from Chelsea Park to claim 'symbolically' the block-square site for new housing."

And continuing on in the article:

"Mrs. Florence Pomerantz, who had an old, wisteria-covered house on the property, said the site would be used for housing 'if we have to lay ourselves on the ground.'"

"Mrs. Marina Montalvo who lived at 441 West 28th Street recalled the struggle to get people properly relocated. She said that if housing were built it should be primarily for residents of Chelsea, especially the tenants who were forced out two years ago for the Post Office."

Next in our chronology is an editorial that we wrote on the subject.

Mr. GRAY. We would like to have them in full in our record.

Mr. TRENTLYON. The editorial title is "Sense of Outrage."

I think although this was written in May of 1969, it is just as apropos now:

"When the Post Office Department decided six years ago that it needed a new trucking terminal to handle its rapidly growing bulk mail requirements, it grabbed the block north of Chelsea Park at 28th Street and Ninth Avenue. Never mind that it contained some 200 families and more than a score of small businesses or that placing the facility there made the worst sort of planning sense (twenty-four hundred trucks a day would be added to already congested streets.) The Federal government steamrolled its decision through without once consulting the community of Chelsea. It hired a relocation management firm to get rid of the tenants. They got an efficient one: it forced out a lot of tenants, but the way they did it . . . Broken boilers stayed broken during a very cold winter, maintenance services became practically non-existent, rats lived fat lives. They probably would have gotten away with it, if the tenants hadn't organized and brought their complaints to the very doorstep of their landlord. They mounted a demonstration in front of the General Post Office and the press came to find out what it was all about. Embarrassed, the Post Office Department did a little dance and then fired the management firm. Things got a little better after that. A new firm was hired. The Post Office got heart; it decided it could, after all, pay relocation stipends to the families it was evicting (though it has never done so since).

"One of the buildings to fall was the heavily used West 28th Street gym and pool, training grounds for many young pro boxers. The government promised a new gym and pool would be built before the old one went down. It wasn't.

"It was all in all a classic case of government insensitivity: A little neighborhood had been destroyed for a dubious public improvement.

"Just how dubious became clear last Thursday when Postmaster General Winton M. Blount announced that plans for the Morgan Station Post Office facility had been cancelled. Instead of one large complex at 28th Street, the Post Office had decided to build several smaller ones, which would, he said, speed our mail service and save millions of dollars.

"In making the announcement, Postmaster Blount failed to explain why the government had not considered this alternate proposal, which seems to make so much sense, six years ago. Why did 300 families have to be displaced? And so shabbily. Why was the community never consulted?

"These are questions that the residents of Chelsea would do well to remember as they confront the Federal government with plans to build housing on the vacant site. It will take a sense of outrage to accomplish these plans."

On May 29, 1969:

"Mayor Lindsay said Friday he would discuss with leaders of the Chelsea community the possibility of building new housing on the vacant Morgan Post Office site."

"Lindsay said the city hadn't yet decided what to do about the property, which is owned by the Federal government. Housing would be a possibility, he added, unless there is some 'overwhelming need for public services of some sort.'

"We will review the site's land use to see if housing is the most important need," the Mayor said."

On September 18, 1969:

"Jason Nathan, the city's Housing and Development Administrator, gave encouragement last week to community groups that are seeking housing on the vacant Morgan Post Office site.

"I have a strong personal conviction that it's only a matter of time before the Post Office Department decides in favor of housing," he said."

On February 12, 1970:

"The Post Office Department announced a major shift in construction plans Friday, but left local residents in the dark about the question that concerns them most.

"An announcement from Washington said that a large postal complex to process foreign and bulk mail would be located in Jersey City rather than Manhattan."

"But it left open the question of major importance to Chelsea residents; what will be done with the vacant Morgan Post Office property, a two-acre site bounded by 28th and 29th Streets, Ninth and Tenth Avenues, currently used as a parking lot for postal trucks?

"A Post Office spokesman in Washington said it would be 60 days before the Department decides what it will do with the Morgan site."

That was on February 12, 1970.

"Koch asked Lindsay to urge Blount to place the two sites on the surplus property list so that they can be acquired by the city for housing. The city has already gone on record as favoring a housing development for the Morgan Post Office site."

That was Congressman Koch.

On Thursday, March 12, 1970, the headline was "Answer on Post Office Site Due Soon."

"The United States Postmaster General expects his department to have an answer on the vacant Morgan Annex site 'early in April.'"

"In a letter to Congressman Leonard Farbstein, Postmaster General Winton M. Blount assured the Congressman that the Post Office department would keep in mind the community's desire for housing on the site as it considers alternatives."

"Blount's March 2 letter also said: 'At the present time we have made no firm decision as to the best method to solve the very pressing needs of mid-town Manhattan for better preferential mail service. We are carefully studying and weighing various alternatives, one of which does not involve the economics of modernizing either the General Post Office or Morgan Station, or both.

"We are also studying the need for the unused property that we presently own next to our Morgan Station postal facility. That property was purchased, of course, with the intention of eventual postal use and it is still conceivable that such may be made of it.'"

On March 26, 1970, in front of the Post Office, there was a petition with over 3,000 signatures that was presented by Father John Grange, who is head of the Planning Council for Chelsea, and by Congressman Farbstein.

"When the marchers arrived at the Post Office—that huge edifice reminiscent of an ancient Grecian Palace or a jaded Southern mansion—Father Grange of St. Columbia Church handed a petition signed by 3,000 Chelsea tenants to Congressman Farbstein. The petition, drawn up by the Planning Council for Chelsea, demanded the site be used for low and moderate income housing. Grange is the Council's chairman."

On June 25, 1970:

"An agreement was reached between the Committee on Public Works of the House of Representatives and the Post Office Department to have the block declared excess property. As such it will be turned over to the General Services Administration for disposal.

"Theoretically, any Federal agency will have a chance to pick up the property now, but in actuality the site is nearly certain to be turned over to the city so that housing can be constructed."

I guess that is a case of inaccurate reporting.

On August 13, 1970:

"The community may have to wait at least one year before New York City is even allowed to secure the Morgan Post Office site for housing, in spite of the fact that the area officially has been declared excess property."

"The delay in the transfer of ownership is the result of a three year old fire that had erupted in the Morgan Annex across the street from the site. Many facilities in the Annex, 341 Ninth Avenue, are still in unusable condition, and the Post Office has decided that the transference of the vacant lot will have to await renovation of the building.

"Private contractors will submit bids for the renovation job to the Post Office next Wednesday, August 19. Estimates of the cost of repair work range between \$1,700,000, and \$1,900,000.

"In a letter to Father John Grange, chairman of the Planning Council for Chelsea, an official of the Department said it was 'unequivocally clear that the decision of the Post Office Department on the use of this land will be made after completion of the rehabilitation work on Morgan Annex.' The letter, dated July 15, was signed by Daniel J. O'Connor, chief of the Department's real estate branch in New York.

"A spokesman in O'Connor's office estimated the time for renovation as 'anywhere between nine months and a year, perhaps longer.'

"O'Connor wrote his letter one month after a major hurdle had been cleared in the community's long fight to have the site used for low- and moderate-income housing."

That is where we are now.

Mr. GRAY. We thank you, Mr. Trentlyon. That is a very good chronological order of business. All I would like to say is I would hate to make contradictory speeches in your district, if you keep that kind of a record. It graphically points up certainly that people have been misled. I think this will be very helpful for us.

I might say we are going to have these hearings printed and sent to the Postmaster General, Mr. Lehne, and all the others, so they can just see what false statements have been made by all of the people in the hierarchy in Washington concerning the disposition of this land.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 3, 1971.

Hon. MORRIS K. UDALL,

*Chairman, Subcommittee on Postal Service,
Cannon House Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: This is in reference to your letter of April 27 relative to your new subcommittee maintaining legislative oversight over the U.S. Postal Service.

I am very much concerned if postal employees are denied the right to petition Congress or if Members are denied routine information concerning the activities of the Postal Service.

I do have one experience which I would like to call to your committee's attention.

By letter of February 12, 1971, Mr. Jerry L. Reynolds, Congressional Liaison Officer for the Post Office Department, informed me of a new mail processing plan utilizing mechanized equipment to be implemented at the Inglewood Post Office. A list was furnished of twenty-two Post Offices in the Inglewood area where all outgoing mail would be transferred to Inglewood for processing and dispatch to the delivery destination.

In the past, I had enjoyed excellent liaison with the Postmasters in my District and the postal employee organizations. It had often been a mutual exchange of information where at times they were most helpful to me, and I believe I was of service to the Postmasters as well as to the postal employee organizations.

Upon receipt of the information from the Post Office Department mentioned above, I wrote letters to six of the Postmasters in my District and to nine employee organizations informing them of the change and expressing my appreciation for any comments they may have.

I received in reply responses from the Department's Congressional Liaison Officer in reference to two Postmasters who I assume passed some comments on to the Postmaster General. In the case of employee organizations, I received one reply direct and nothing from the other eight.

This all leads me to believe direct communication between Postmasters and employee organizations has apparently been discouraged.

I am confident, judging from past experience, if a like situation, in my effort to seek comments from Postmasters and employee organizations had taken place one year ago, I would have received excellent response with comments from all whom I contacted.

If I can be of any further assistance in your efforts, please do not hesitate in contacting me.

Sincerely,

GLENN M. ANDERSON,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 7, 1971.

HON. MORRIS K. UDALL,
*Cannon House Office Building,
Washington, D.C.*

DEAR MO: I note that the hearings mentioned in your letter of April 27th are underway. While I cannot arrange to testify personally, I do wish to offer some observations of an affirmative nature.

I have heard the complaints mentioned in your letter. It seems to me that they reflect some of the difficulties of adjustment that must be expected when major reform is undertaken in a major governmental service. Time will cure most of them.

The Congress instructed the Postmaster General to remove politics from the postal system and to bring about efficiencies. The Congress has a responsibility to assist in this transition rather than impede it.

I have encountered no difficulty in communications with the postal service. Individual employees of the service in my district continue to communicate with me when they have points of view to air. I do not feel either mistrust or antagonism toward the service. I am anxious for the new system to succeed and trust that all of us will cooperate toward that end.

With warm regards.

Sincerely yours,

FRANK T. BOW,
Member of Congress.

STATEMENT OF HON. JAMES T. BROYHILL, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF NORTH CAROLINA

Dear Mr. Chairman, I am glad to have this opportunity to offer my comments on postal reorganization and the United States Postal Service.

My interest in postal reform goes back to the time when I had the privilege of serving as a member of the Post Office and Civil Service Committee. It was evident then that major reorganization was needed if the American people were to have consistent and dependable mail service and I was pleased that this fact was accomplished with bi-partisan support.

Of particular satisfaction to me is the fact that employees of the Postal Service will have the same opportunities for advancement as other Federal employees. Service and merit are now the determining factors in an employee's career rather than political sponsorship and I believe that this is as it should be.

No doubt there will be problems but I am certain that as long as the Postmaster General continues in the spirit of cooperation that he has given the Congress thus far, the United States Postal Service will be able to fulfill its mission to the American Public.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 12, 1971.

HON. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service of the Committee on Post Office and Civil Service, Cannon House Office Building, Washington, D.C.

MR. CHAIRMAN: I regret that it was not possible to personally appear before your Subcommittee to testify on what I feel to be some fairly important matters on May 7th and 10th. However, so important do I feel these matters are that I

am taking the time to express my views in this letter and hopefully it will be possible to have them recorded as part of the record of your Subcommittee's hearings on the transition period between the Post Office as we knew it and the new Post Office corporation.

As you indicated in announcing the hearings, you have received many complaints about the difficulties of communicating with the Postal Service during the transition period. And you expressed the feeling that undesirable barriers are being erected between the people, the Postal Service, and the Congress. I couldn't agree with you more based on my own recent experience. I am perfectly aware of the criticisms leveled against the Post Office of by-gone days. I am well aware that there were numerous instances where the Postal Service suffered from too much political interference. However, I don't think it was ever suggested that all of the problems associated with delivering the mail as cheaply and efficiently as possible were entirely because of the fact that the Post Office had to account to Congress for its service. With great publicity, postal patronage and political appointments have been eliminated. The Post Office, we have been told, can now be expected to function more like any other major corporation in this country. In voting to set up the new postal corporation, I am convinced the majority of Congress went along with this and thought that efficiencies and streamlining and better mail service might have a better chance if the corporation were to function more like any other corporation in this country.

Having said that, however, I am convinced that Congress did not vote to set up a private corporation answerable only to its own shareholders and entirely motivated by nothing higher than the simple profit motive. What was established was a public corporation. Inherent in this concept is the recognition that the corporation is answerable to the public. As the representatives of the people, we in Congress have a particular responsibility to see to it that this public corporation functions in the public interest. As representatives of the people, we have a right to see that one of the largest employers in this country treats its employees equitably and does not ignore the requirements of the Postal Service we're pledged to uphold. This is not General Motors we are talking about. We are talking about a public corporation here. As representatives of the people, we have the responsibility to take an interest in the problems that many of our constituents encounter when they fail to get an appointment with the Post Office after taking the appropriate qualifying examinations. At the very least, we have the right to receive an explanation as to why our constituents have not been given a reply to previous inquiries they have made. In other words, a public corporation has a responsibility to the public not only in delivering the mail on time at the lowest rates possible, but also maintaining and adhering to fair and equitable employment practices in view of its status as one of the largest employers in this nation. This corporation is not just answerable to its Board of Directors, it's answerable to the people and their elected representatives, and I am afraid that certain of its Directors, in particular, its former Postmaster General, have come dangerously close to forgetting this ultimate obligation they have.

When I inquire of the postal authorities as to why one of my constituents has not received a reply to repeated communications, when I inquire of the Postal Service as to why someone with a high grade on the qualifying examination seems to have been passed over in postal appointments, I expect to receive a complete explanation and not to be accused of political interference. When I have been informed that Postmasters in my District have been given peremptory notice on mimeographed forms, not even so much as addressed to the individual involved by name, to be replaced by some new people brought into the Postal Service by the present Administration, then I think I am justified in perhaps concluding that all we have done is to replace one kind of politics with another. Speaking for myself, I can truthfully say without reservation that I did not—and I seriously doubt that many of my colleagues could have—voted for a Postal Service that would, in fact, be completely beyond a Congressman's rights of inquiry into individual cases that have been brought to his attention by his constituents. I did not vote to remove a branch of our government from criticism. I don't think any of us voted to make the Post Office free from accountability for its actions.

I had been aware for some time through newspaper accounts and statements by the Postmaster General about his memoranda to the postal workers, which read like edicts from on high, that there were those in positions of responsibility

in the Postal Service who wished to take themselves out of the political context altogether, especially where criticism was involved. Postal workers were told that they were no longer to approach their Congressmen with their grievances, no matter how legitimate. But in view of the denials of the Postmaster that such was his intent, I felt that he was recognizing the errors of his ways and had backed down. But apparently this is not so. Now, when I do get letters from constituents in the employ of the Post Office, I get them marked "personal and confidential", many of them are unsigned, and all of them beg me not to reveal their name when communicating with the postal authorities in Washington. If I now want a first hand report of why mail is being delivered at 4 o'clock in the afternoon to a constituent, I must write to the Post Offices in my District in plain brown envelopes so as not to reveal my identity lest I get the Postmasters in trouble. To get a first hand report on a situation from local Post Offices is now like getting a wartime message through courier and the underground. The time has come for me to speak out and criticize this development before it takes root and takes hold from lack of criticism. I am tired of communicating with Congressional Liaison in Washington to have the matter referred back to my District where, in turn, it is referred back to Congressional Liaison, which in turn gets in touch with me. If any of my constituents write to me about problems they are having with the mail, I do not feel that I should cost them valuable time by going through these absurd official channels.

As a Congressman, I demand the right to represent my constituents where a public service is involved and get to the root of the matter as soon as possible. That means going to the source. And yet I hesitate to do this because the men I contact could lose their jobs under this new regime. What irony! Those who attempt to get effective results under the new Postal Service are penalized and reprimanded, and yet that is just what the new Postal Service was supposed to provide. Those of us with any experience in public service always knew how to cut through the red tape in the old Post Office. This new Postal Service threatens to be a monolithic and impregnable bureaucracy which can only speak with one voice through one officer at the top in Washington. Is this the monster that we intended to create? I don't think so.

Just the other day, I made a routine inquiry on behalf of a constituent who complained that he desperately needed a summer job and time was running out and he had heard nothing from the Post Office. Now to receive a refusal is one thing—and in his case, that is just what I received. But to add to injury, I was also sent a copy of Blount's latest edict in which he informs postal workers, and presumably myself, that henceforth any postal worker writing to a Congressman on any matter was liable to lose his job. Mind you, I wasn't even writing about someone yet working for the Postal Service. I was simply inquiring about the status of a needy applicant who was applying for a postal position. It was then that I determined that I would make my voice heard and determined to take you up on your solicitation of testimony from Congressmen regarding their first hand experiences with the new Postal Service.

I refer you to Postal Bulletin 20805, dated March 11, 1971, prohibiting political recommendations. This bulletin has the arrogance to say that letters of recommendation can only be requested by the Postal Service. Why should postal workers be penalized more than any other government workers, or prospective applicants for postal work be penalized more than applicants for any other position? As a leader in the District I represent, it is only natural that a number of families turn to me for a letter of recommendation. If I feel the recommendation is merited, I make the recommendation. Why is the new Postal Service so afraid of a Congressman's expressing his interest in an applicant? If they are on solid ground, they can ignore the recommendation with impunity. If the case has merit, then the appointment should be made with or without a Congressman's recommendation. About the only thing I see a Congressman's recommendation guaranteeing is a fair hearing, in other words, the case will receive proper consideration. Whether we like it or not, our constituents expect a Congressman to act as ombudsman with the mighty concentrations of power centered in our Federal agencies. The only thing I can conclude is that the Postal Service does not want to be reminded that they should be giving each and every case proper consideration. In other words, they say they want to operate without Congressional interference, when what they really mean is that they want to do as they damn well please.

In conclusion, Mr. Chairman, I am convinced that if the Postal Service and the present Administration, which has overseen its creation and appointed its

Directors, was really interested in taking politics out of the Post Office, then they would have left Mr. Blount out of the picture. Who is kidding whom? Mr. Blount is one of the most political creatures in this city of political creatures. How do you get politics out of a new Postal Service when an old political appointment is chairman of the new political corporation? All I have seen happen is that Democrats have been removed and 'non-political' types brought in by Blount, appointed to fill their places. I hasten to add I use the word non-political facetiously. In the process, Postmaster Blount has been transformed into Captain Bligh, strutting about issuing edicts, insulating himself from the outside world, and demanding the right to be the supreme law in his new kingdom. I think it's time we serve notice on Captain Blount and resolve to be serious about taking politics out of the Postal Service. Then maybe I could believe what they say about the new reforms. This man has displayed arrogance at every turn where this body is concerned. He finds sections in the enabling legislation to permit him to act in a highhanded manner, but then ignores sections of the legislation that indicated that the Post Office Department has no right to raise rates while requested rate increases are still under consideration by the Postal Rate Commission. The courts yesterday went along with this on the grounds that that legislation does not become effective until July 1st. Talk about taking advantage of a loophole, of defeating the intent of Congress, about interpreting the law to suit your own purpose.

My mail indicates that the Postal Service is far from satisfactory and that there is plenty of room for improvement. That is what the new Postal Service reform really is all about in the end. I thought we would have some improvements before anybody was requested to pay more to have their mail delivered. Instead, we have put the cart before the horse once again and raised the rates before the service is improved. If that is an example of running the Post Office like a business proposition, then let's be honest and admit that if this were a private business with competition, it would not survive for long. It would lose its customers. Since we have handed the Postal Service its customers on a silver platter and to some extent they have a captive audience, then we have the responsibility to see to it that the Post Office gives us a complete and full accounting at every opportunity of their actions. So far, the only improvement I have observed is a characteristically political move on the part of General Blount, to offer Congressmen better mail service to their constituents. I would rather my constituents receive the better mail service.

I could go on, but I think I have indicated my main grievances for now. Hopefully, these hearings will lead to a resolve by Congress to reassert its authority over the Postal Service of this nation and to serve notice to General Blount that there is no place in this government for privileged rule free from the normal restraints of the political process.

With all best wishes, I remain

Sincerely,

JAMES A. BURKE,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 10, 1971.

HON. MORRIS K. UDALL,

Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of April 27, concerning the hearings of your Subcommittee. While I do not desire to testify, I would like to submit a few personal observations.

Strong management, in my judgment, is the way to effective business in this country. To this end, the Postal Service has in recent months begun to decentralize and delegate authority to the lowest feasible levels. At long last, the managers who are actually responsible for the policies at the lower levels have the discretion to implement these policies. At present, there have been over 100 separate delegations of authority to postmasters in the field.

I, for one, would certainly oppose any efforts to restrict or abridge the ability of postal management to do the job we mandated just nine short months ago. In my judgment, we must balance on one hand the vast improvement in incentive, desire and overall morale of postmasters, supervisors, and most employees, with the desire of a few for a return to "management by Congress."

Again, I would simply enjoin the Subcommittee to heed not necessarily the accounts of the outnumbered, but rather hear the facts. I enclose for your ready reference the Blount Memorandum of January 12th. You will note that the rights of all employees to petition Congress either individually or collectively is expressly retained. How then can anyone say this Constitutional guarantee has been quashed?

Sincerely,

DON. H. CLAUSEN,
Representative in Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 14, 1971.

Hon. MORRIS K. UDALL,

Chairman, Subcommittee on Postal Service, House Post Office and Civil Service Committee, Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Reference is made to your letter of April 27, 1971, concerning the hearings your Subcommittee will be holding on the Postal Service.

I have been very pleased to see the strides that have already been made in restructuring the Postal Service on sound business-like principles. By giving regional and local managers more responsibility in the everyday running of the Postal Service, it has already strengthened their positions. No one can deny that these managers will be able to conduct their business more efficiently and that because of this, the morale of both supervisors and postmasters has greatly improved.

I cannot concur with some of the complaints made in regard to the so-called "gag rule." I have not found it a hindrance in my relations with the Postal Service. The constitutional rights of employees have not been abused and they still have the same rights to petition Congress individually or collectively.

I hope that my comments will be of help to you in the hearings.

Sincerely,

JACK EDWARDS,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 7, 1971.

Hon. MORRIS K. UDALL,

Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I refer to your April 27th letter informing me of Subcommittee hearings regarding various actions of the Postal Service. I am hopeful that a few pertinent distinctions are recognized concerning these complaints.

The new selection procedures for appointment of postmasters and rural carriers have significantly enhanced the "esprit de corps" of most postal employees in my District. Furthermore, I have not experienced the reservations and concern of my colleagues with regard to the so-called "gag" rule of the Postmaster General. As a matter of fact, just the opposite is true as I receive requests to help retain the management prerogatives and increase the delegations of authority which so improve the posture of the postmaster of the smallest Maine town with regard to his running his office.

As I understand it, the mood of career employees throughout the country has been on the upswing as more and more opportunities heretofore closed are opening. I refer to rural carrier positions and postmasterships specifically. Accordingly, I would oppose any curtailment of the Postal Service management as it now stands.

Notwithstanding allegations to the contrary, I have been reassured that all employee rights of petition—especially Constitutional guarantees—have been retained "en toto". This is merely one other plus for the new Postal Service.

I trust my comments will be considered in Subcommittee deliberations.

With kindest regards.

Sincerely yours,

PETER N. KYROS,
Member of Congress.

STATEMENT OF HON. K. GUNN MCKAY, A REPRESENTATIVE IN CONGRESS FROM THE
STATE OF UTAH

Mr. Chairman, I should like to add my statement to the others who are disturbed about the restrictions on communication between Members of the Congress and certain Post Office officials.

During a recent trip to my district, one of my constituents consulted me about a problem she had had with regional postal authorities in Denver. In an effort simply to clarify the problem and obtain a statement of their position, I called the regional director. When I identified myself, he told me that he could not talk to me. I asked why, and he told me, "That is the rule" handed down by the Postmaster General. I asked him who he could talk to and he told me, "Anyone but a Senator or Congressman." He further told me that the only office with which I could deal was their legislative liaison.

Mr. Chairman, this arbitrary and insulting rule of the Postmaster General should be set aside. Besides being an affront to the Congress, it causes delay, and interferes substantially with our capacity to gather information of use to our constituents. A Congressman's capacity to cut through bureaucratic red tape is often a constituent's only source of relief from arbitrary executive action.

I appreciate the opportunity to bring this matter to your attention. I hope something can be done.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 5, 1971.

HON. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: I appreciate this opportunity to express my views regarding certain activities of the U.S. Postal Service.

I want to protest the arrogance of the Postmaster General in ordering the postal service employees not to communicate with Members of Congress, even in response to the initiative of the Member, on matters of postal practices or policy. This is obviously not designed to protect the employee from political pressure but rather to expose him to the political pressures of the Postmaster General and his subordinates.

As a Member of Congress, I insist upon the right to inquire of any official of government regarding any activities in which he is engaged and I insist that I have the absolute right to a response from him. Nowhere can the Postmaster General find any legal sanction for his outrageous claim of authority.

Sincerely,

JOHN E. MOSS,
Member of Congress.

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., May 7, 1971.

HON. MORRIS K. UDALL,
Chairman, Postal Service Subcommittee, Cannon House Office Building, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I want to congratulate you on holding hearings on the so-called "Gag Rule" imposed by the Postmaster General on the employees of the Postal Service restricting their communication with Congress on matters of policy.

My office in Philadelphia has been restricted to communications with the Liaison Office in Washington, D.C. of the Postal Service on postal problems.

This has not been a major difficulty for my own office because my district is geographically close to Washington, D.C. and because the Postmaster General's staff has been very cooperative. In the past, we were able to work with Mr. Powell in a cordial manner and that relationship continued when he joined the staff of the Postmaster General.

I must say that I have received timely and frank responses from the Liaison staff of the Postal Service on my constituent's problems. Although many of the

responses from the Postal Service on problems my constituents have had are negative, I must add that I have not been in doubt as to the policy of the Postal Service.

Sincerely,

ROBERT N. C. NIX,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 11, 1971.

HON. MORRIS K. UDALL,

Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: Since I didn't get in "under the wire" for the hearing on the Postal Service, I would like to submit this in the hopes that the new postal system will receive the public approval which it must have, if it is to work.

In general, I applaud the efforts of your Committee in making the new system work under very trying circumstances. However, the following has come to my attention:

(1) Very often, it seems, the Postmasters are the last to be advised on changes within their post offices or on projects which directly involve them. They find it necessary to write to me for the information which should be made available to them.

(2) Recently, there were many new Postmaster appointments made and I received a number of letters from constituents complaining about the way in which the changes were handled. In some cases, the Acting Postmaster was notified as late as Friday that there would be a new Postmaster taking over on Monday. This is not fair to the old, or the new employee.

(3) The new "merit system." We are calling it a merit system. But is it really? It is my belief that politics are still playing a major role in appointments. This should not be allowed to continue. If we're going to have a merit system then *all* employees should be appointed on their merit—no other factors being considered.

It is my hope that this criticism will prove constructive.

Warmest personal regards,

Cordially,

JERRY L. PETTIS,
Member of Congress.

STATEMENT OF HON. J. J. PICKLE, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF TEXAS

Mr. Chairman, the Post Office was created nearly 200 years ago to provide service to the people. This should still be the main goal of the Postal System. It is great if the Postal Service can be self-sustaining, but this should not be the main goal. Service should be the bulls eye of what we are aiming at.

If the chief purpose of the Post Office is to serve the people, as the law says it is, then I think it is wrong that the people do not have a greater control over the service under the Postal Reorganization Act passed by the 91st Congress. This Act has largely isolated the Postal Service from the influence of the people's elected representatives. Congress no longer even has any control over such a basic item as the rates charged for the public service of delivering the mail.

If the public feels that the rates set by the new Postal Corporation are unfair, what can they do? They cannot come to their elected representatives and ask for redress, and expect action. They cannot use a competing mail service since there is no comparable service. All they can do is to pay the increase in rates. I don't think it is wise or good management to isolate any organization to this extent.

The rates under the new law are controlled by a five man commission appointed for terms of 6 years by the President. Even the power of approving these appointments was not given to the Senate. Under the present law, the Postal Service recommends to the Postal Rate Commission rate increases. The Rate Commission has the authority to recommend changes different from those proposed by the

Postal Service. The Rate Commission has 90 days to make a decision. If they do not make a decision, temporary increases can be put into effect. By using these temporary increases, it appears to me that the Postal Service can, in effect, force the Commission to agree to a rate increase.

This system may or may not lead to an efficient postal service. Regardless of the result, I am concerned that there is not opportunity for the users of the postal service to disapprove an increase. The Postal Service is not like a private operation where if the customer does not like the price he can go somewhere else. There is only one postal system. There is no competitor across the street.

The bill I have introduced, H.R. 5703, would provide that by a three-fifths vote of either the House or Senate a rate increase may be vetoed. This proposal would not interfere with the Postal Service originating rate increases. That has been a problem in the past because Congress is generally hesitant to initiate the increase.

All my bill would do is let the people, who this Corporation is supposed to serve, say through their elected representatives, that this increase is not equitable or that it is being placed on the wrong class of users.

We cannot ignore the realities of life. Different groups do lobby for certain favorable postage rates. There is nothing wrong with this. Interest groups should be able to present their case. However, under this new postal bill, there are only five rate commissioners for these interest groups to convince. There is a much easier task than trying to convince in excess of 500 representatives and senators.

My bill would only be a check on the power of the postal service. If an increase was needed and this could be shown, then it would not be likely that Congress would veto such an increase. In summary, all my bill would do is to give the elected representatives of the people, the users of this postal system, a chance to express their approval or disapproval of a rate increase or change.

I would also like to comment on what I think is a ridiculous situation. I am speaking of the apparent effort the Postal Service is making to isolate their employees from their congressmen. The Postal Service has in effect told their postmasters to break off contact with Congress. The Postal Service has even gone to the length of authorizing the stamping as illegal, any kind of letter from a congressman that sounds like a recommendation of an employee or a prospective employee. This is an unthinkable situation.

The Postal Service should act quickly to remedy this situation or we should tell the Post Office that they are a creature of Congress and the people, and not the other way around.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 7, 1971.

Hon. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, Cannon House Office Building, Washington, D.C.

DEAR "Mo": Though I do not plan to testify during your subcommittee hearings today and Monday, I do want to reply to your "Dear Colleague" letter of April 27th.

To counter the expected criticism of the new Postal Service, which you undoubtedly will hear, I would like to say that I am, to date, very pleased with the progress that Postmaster General Blount and his staff have been making in this transition period. For example, from what I have heard, the reaction, generally, in rural areas, is that the filling of rural carrier and postmaster positions has been going very well. Also, over 100 separate authorities have been delegated to the local level allowing postmasters to use their own discretion and make their own decisions on many matters. Of additional importance is the increased management training which has been undertaken, and management has been responding very well.

I realize, Mr. Chairman, that there have already been rumblings of discontent from various directions, but I, for one, do not feel any "mistrust" or "antagonism" toward the new Postal Service. Any criticism must be tempered by the realization that this new Postal Service is just getting off the ground, and we should give it a chance before attempting to take back any management prerogatives which were only recently given.

I commend your subcommittee for exercising its legislative responsibility with respect to the Service, and I just wanted you to know that I support Postmaster General Blount and his staff in their efforts to date and feel that they must maintain their independence if they are to be at all effective.

Sincerely yours,

HOWARD W. ROBISON,
Member of Congress.

STATEMENT OF HON. TENO RONCALIO, A REPRESENTATIVE IN CONGRESS
FROM THE STATE OF WYOMING

Mr. Chairman, I would like to take this opportunity to call to the attention of your Committee a problem that has arisen between the Post Office Department and the National Association of Letter Carriers officials in my State of Wyoming, which has resulted in mistrust and antagonism on all sides.

On January 27, 1970, Mr. Amos D. Pitzer, President of Branch 463 of the National Association of Letter Carriers in Laramie, Wyoming, wrote to his Congressman complaining that the leave program was not properly handled at the Laramie Post Office, causing some employees to forfeit leave time.

The Wyoming Congressman followed through with an inquiry to Mr. Jerry L. Reynolds, Congressional Liaison Officer of the Post Office Department. Mr. Reynolds reply of February 10, 1970, stated that, "no leave was forfeited," and continued as follows:

It is suggested in the future Mr. Pitzer contact postal officials at the Laramie Post Office since such matters could more properly be resolved through discussions with those officials.

I do not know what Mr. Reynolds, the Congressional Liaison Officer, said in his letter to Mr. Pitzer, but that letter prompted the following remarks from Mr. Pitzer, noting that he had already contacted postal officials in Laramie, and backing up his forfeiture of leave claim with statistics.

"Since only 240 hours can be carried over by each person they forfeited all leave in excess of 240 hours: Mr. Pitzer—6 hours, Mr. Flower—15 hours, and Mr. Warren—3 hours, since January 9, 1970, was the date the pay period and the leave year ended. I am sure that a check with the Dallas office, where these records are kept, will verify these statements.

"To further answer Mr. Reynolds' very nasty letter, these things were discussed with the Postmaster at Laramie by me in person. This I cannot prove since there were no witnesses to the discussions. This was done prior to the actual loss of the leave. On Monday, January 5, 1970, I personally contacted Mr. Walter Davis, the N.A.L.C. Regional Representative in Denver, Colorado. He contacted the Post Office Regional officials in Denver and they authorized the use of overtime for the remaining four days of the leave year. The reason for waiting this long was to give sufficient time for the leave situation to clear up. At this time it was apparent that nothing was going to be done. The time was too short by this time for everyone to get their leave. Had this not been done at this time there would have been at least another 30 hours of leave forfeited by men here. I am sure Mr. Davis will be happy to assure you of my contact with him.

"Perhaps Mr. Reynolds should check his facts a bit closer before blowing off his mouth and calling someone a liar. I know I'm just a dumb mailman but I know enough not to make statements without facts to back them up. Maybe Mr. Reynolds should learn to engage the brain before putting his mouth in gear"

Wyoming's Congressman, along with our Senior Senator, pursued the matter further.

On March 19, 1970, The Postmaster General, Winton M. Blount, notified Wyoming's Senior Senator that, in fact, annual leave has been forfeited and that forfeiture of leave in the future would be eliminated. Parts of his letter follow:

"Unfortunately the advice we received through postal channels and furnished in our February 18 letter was incorrect. We have now been informed that Messrs. Pitzer, Warren and Flower did, in fact forfeit annual leave—6, 3 and 15 hours, respectively. We regret the error.

"In view of the forfeiture of leave, the Postmaster at Laramie is being instructed to establish procedures to eliminate the possibility of forfeiture of annual leave in the 1970 and future leave years."

Shortly after I was elected to office, Mr. John B. Dunnebecke, Wyoming State President of the National Association of Letter Carriers, advised me of the 1970 incident which I have described above. In his letter of January 23, 1971, Mr. Dunnebecke pointed out that without Congressional assistance their problems were not satisfactorily handled by the Post Office Department.

I am enclosing a copy of a letter from Postmaster Blount. It seems apparent that he wants no interference from Congress, yet we know how badly the Post Office and its liaison officers have ignored our problems.

I have since protested this January 12 edict and the reply received was completely unsatisfactory.

POST OFFICE DEPARTMENT,
THE EXECUTIVE ASSISTANT TO THE POSTMASTER GENERAL,
Washington D.C., February 16, 1971.

HON. TENO RONCALIO,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN RONCALIO: The Postmaster General has asked me to reply to your letter of recent date concerning the recent memorandum on Congressional procedures for the U.S. Postal Service.

In order to clarify these procedures on Congressional contacts as they relate to individual postal employees and employee organizations, attention is invited to the provisions of Chapter 71 of title 5 of the United States Code.

5 U.S.C. section 7101 provides in pertinent part that:

A postal employee may not be reduced in rank or pay or removed from the postal service because of—

* * * * *

(2) presenting, individually or as a member of a group of postal employees, a grievance to Congress or a Member of Congress.

5 U.S.C. section 7102 provides that:

The right of employees, individually or collectively, to petition Congress or a Member of Congress, or to furnish information to either House of Congress, or to a committee or Member thereof, may not be interfered with or denied.

39 U.S.C. section 410(b), as contained in section 2 of the Postal Reorganization Act, makes the foregoing provisions applicable to the new Postal Service. In addition, 39 U.S.C. section 1002(g), as contained in the Postal Reorganization Act, states that the provisions of section 1002, dealing with political recommendations, shall not affect the right of an officer or employee of the Postal Service to petition Congress as authorized by section 7102 of title 5.

The new Congressional procedures, as set forth in the attached copy of the Postal Bulletin, are designed to insure that when the Postal Service, as such speaks to Congress or to individual Members of Congress, it will do so through the Congressional Liaison Office or other authorized channels. While postal employees, and organizations of postal employees have a statutory right to communicate with Congress or Members of Congress on matters of a personal nature which may also involve the Postal Service, they may not speak for the Postal Service unless authorized to do so.

I trust that this will assist you in responding to the communications you have received.

Sincerely,

JERRY L. REYNOLDS,
Congressional Liaison Officer.

In light of the 1970 incident, it is clear to me that the Post Office Department would have dismissed my constituents' original complaint regarding forfeiture of employees' leave had it not been for the fact that a Senator and a Member of the House of Representatives intervened in his behalf.

The present attitude of the Post Office Department disturbs me greatly, and I am deeply dissatisfied with the contents of the January 1971 bulletin. I realize there have been some changes in the postal service, and that changes were necessary. But at the same time, I feel I can hardly do a complete job in the House of Representatives if there are people in Wyoming who cannot contact me. I don't think we can take away an individual's rights just because he happens to be a postal worker.

I view the January edict as an arrogant dictate by the politically appointed Postmaster General of the new, non-political U.S. Postal Service. Not only does it flout basic constitutional rights of American citizens, but it tramples on guarantees spelled out in 1912 by the Lloyd-LaFollette Act, which was incorporated anew into the Postal Reform Law, preserving the right of employees, individually or collectively, to petition Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 3, 1971.

HON. MORRIS K. UDALL,
U.S. House of Representatives,
Washington, D.C.

DEAR MO: I am enclosing pertinent remarks which I made in the House when Postmaster General Blount issued his "don't communicate with Congressmen" edict.

In addition to that phase which I know you are going to explore in the hearings, perhaps you can get the Post Office Department to answer the question why it is taking so long to fill the various postmaster vacancies throughout the country.

One of the main complaints of the Department when asking for postal reform and removing the "advisor" system was the great delay in filling postmaster and rural carrier vacancies. In my opinion, postal officials are the biggest offenders. Personnel changes should have been the No. 1 priority! There are too many post offices in my District which still have "acting postmasters" and "officers-in-charge."

With very good wishes,
Sincerely,

JOHN P. SAYLOR,
Member of Congress.

[From the Congressional Record, Feb. 18, 1971]

BLOUNT AND UNDERLING PENTZ DISREGARD THE LAW, THE CONSTITUTION, AND THE CONGRESS IN "CLARIFYING" JANUARY EDICT

Mr. SAYLOR. Mr. Speaker, I realize my comments on the Post Office Department which appeared in the RECORD on January 22 were considered "harsh" by some. Apparently they were not strong enough. If you will recall, at that time I addressed myself to the dictatorial edict laid down by the Postmaster General on January 12 which would have restricted contacts between postal employees and their elected representatives in the Congress. I termed the edict as "Fascist," and in the light of subsequent events, there is no reason to back away from that description.

After raising a hue and cry over the January edict—not by myself mind you—but in conjunction with the press, individual postal employees, and some postal unions, the Department issued a "clarification" in the Postal Bulletin of January 21 (No. 20798). In a section entitled "Employees Retain Right To Petition," the Department stated:

"In order to clarify the foregoing procedures on congressional contacts as they relate to individual postal employees and employee organizations, the attention of all postal employees is invited to the provisions of chapter 71 of title 5 of the United States Code."

Thereupon followed a recitation of the laws applying to contacts between postal employees and Members of the Congress. In summary, the bulletin section was intended to take the sting out of the policy laid down by the Postmaster General. I invite you to compare the following two statements to see if you believe the second "clarifies" the first.

The Postmaster General's edict said in part:

"Direct contacts with Members of Congress, their staffs, and congressional committees, on all matters involving the Postal Service, will be the exclusive responsibility of the Congressional Liaison Office."

The law says in part:

"The right of employees, individually or collectively, to petition Congress or a Member of Congress, or to a committee or Member thereof, may not be interfered with or denied."

The statements are in direct contradiction to each other. Plain and simple. How does one interpret the contradiction? Is the Department specifically telling its employees to disregard the law in favor of the policy established by the Blount edict?

To top this, I have in my possession another "clarification" which came out of the Post Office Department earlier this month in a memorandum to Postmasters from J. B. Pentz, the regional director of the Philadelphia, Pa., office. You may recall that Mr. Pentz has a long career with the Postal Service, having served since 1969. On February 1, the former Borden Milk Co. official issued a directive to the employees of his region. I will include its full text and accompanying documents at the end of my statement but first I want to give you the "flavor" of this particular "clarification" of the "clarification" of January 21 which was intended to "clarify" the Blount edict of January 12.

Pentz says to his employees:

"I consider this message one of the most important I will communicate to you as we convert to the Postal Service. I ask every postmaster to make certain that a copy reaches every supervisor on his staff."

He then goes on to say, regarding congressional contacts:

"Direct contacts with Members of Congress, their staffs and Congressional Committees, on all matters involving the Postal Service, will be the exclusive responsibility of the Congressional Liaison Office at Washington."

That sounds very much like the Postmaster General's edict does it not? The procedures outlined by Pentz are also in the same vein as the original and offensive January 12 edict. For example:

"1. If you receive a written inquiry from a Congressional office, you are not to answer it directly, but will prepare, within three work days, a candid, forthright and responsive draft reply to the inquiry and forward it *directly* to: (the Congressional Liaison office)."

Two more of Mr. Pentz' directions to his employees state:

"5. The draft reply will be typed in final form by the appropriate Headquarters Department for the signature of a Congressional Liaison Officer. Two copies of the final letter will be sent to me; I will send you a copy. 6. If circumstances require that you make direct contact with a Congressional office please coordinate it with me in advance."

At least Mr. Pentz says "please" in that direction but the effect of that slip into courtesy is vitiated just before he signs off.

If there is any doubt that the Post Office Department and/or the Postal Service intends to deprive American postal employees of their constitutional rights, consider how Mr. Pentz ends his letter to postal employees:

"You must understand that these procedures in connection with Congressional contacts are mandatory, not optional. If you are still uncertain about your role in a given situation, call me and I will clarify it."

The only call Mr. Pentz should receive is one from the President asking for his resignation. However, I hope the President fires the Postmaster General who evidently has condoned this action.

Our postal employees are already restricted by the provisions of the Hatch Act. There is no reason for them to be further subjected to second-class citizenship status which the recent directives intend to convey.

What Congress has given in authority for postal reform it can equally take away. The Postmaster General and his subordinates had better go slow in not depriving rights that belong to all employees of the postal service, and they had better not tramp too heavily on the toes of Congress lest their temple be toppled. Already, several Members who voted for postal reform legislation have expressed misgivings and tell me they now wish second thoughts had been given to the proposal before voting for it.

Pages 1 and 2 of the January 21 issue of the "Postal Bulletin" are reproduced below in order that there be no misunderstanding about the full intent of the Postmaster General's edict.

CONGRESSIONAL PROCEDURES FOR THE U.S. POSTAL SERVICE—BACKGROUND

Postal managers at all levels can share credit for the great progress that has been made to date in our goal to remove political considerations from the Postal Service's decision making process.

For postal managers and employees, this transition will provide expanded career and promotional opportunities that are based upon individual merit and work performance. For the many dedicated persons throughout the Postal Service, this transition will offer challenging opportunities for revitalizing and improving the services that we provide to our "customers"—the people of the United States.

Under the postal reorganization concept, it will be the responsibility of those of us who manage the Postal Service to encourage our "customers" to come directly to us for solutions to their mailing problems. In the past, the field offices of many Representatives and Senators have referred the day-to-day problems of their constituents directly to local postmasters and their staffs for solution.

Also in the past, there has been a hesitancy for anyone throughout the Postal Service to even begin trying to find a workable solution to the legitimate problems of our customers until a congressional office had intervened on behalf of their constituent.

The need for this type of reliance on the Congress must now be eliminated by prompt and strong management attention, especially by our local managers, to the legitimate needs of our "customers."

It is mandatory that postal employees immediately cease any direct or indirect contacts with congressional offices on matters involving the Postal Service. At stake is the public credibility of our goal and commitment to completely remove political factors from the decision making process of the Postal Service.

POSTMASTER GENERAL'S MEMO IS PIECE OF FASCIST NONSENSE

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR) is recognized for 15 minutes.

Mr. SAYLOR. Mr. Speaker, my initial reaction to Postmaster General Blount's January 12 memorandum was simply, "Seig Heil!" I will not reveal my second reaction. Can you believe that any official of the U.S. Government would issue the following:

"It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service."

And later, lay down a rule which states:

"In the event that a direct contact with a Congressional office becomes necessary, it is to be coordinated in advance with the (new) Congressional Liaison Office."

That, honorable Members of the U.S. Congress, is the heart of the Postmaster General's way of cutting the ties between postal employees and their representatives in this House. Mr. Blount has, by executive order, abridged a fundamental right of American citizens and I say such a policy cannot be tolerated. I will go one step further, the official who issued such an order should be summarily fired.

The Postmaster General will have a devil of a time enforcing his edict, but that is not the question at hand. The question is one of responsibility. Who is ultimately responsible for allowing such a person to hold a position of trust in the U.S. Government? Without a doubt, the President is responsible. But should he fail to act, who then is responsible? We are. The Members of the House of Representatives. And the Constitution, in article I, section 2, clause 5, provides us with the means of removing such an official from his position.

Can you imagine anything as dictatorial as telling a citizen that he cannot talk to his Congressman just because he works for this sanctimonious new Postal Corporation? I fully understand why the Postal Unions are up in arms. They have every right to be. In fact, every citizen should be concerned when a Govern-

ment official takes an action which is alien to our democratic form of Government.

For the good of the country, the postal service and the postal employee, I hope Mr. Blount rescinds his ill-advised memo before a full-scale citizen revolt develops. It would seem the prudent course of action in light of his expected announcement to raise postal rates, reduce employment, and curtail services.

Unfortunately, if "the past is prolog" I expect Mr. Blount will continue on an obstinate course thereby creating another postal crisis. I have added two newspaper stories by John Cramer of the Washington Daily News which deal with Mr. Blount's edict.

[From the Washington Daily News, Jan. 18, 1971]

LATE BLOUNT MOVE OPENS BIG NEW GAP

(By John Cramer)

You don't have to be a postoffice employe to be puzzled, disturbed, or even downright angry about the latest move of Postmaster General Winton Blount—his attempt to impose a gag rule on postal workers.

At one and the same time, it is both ham-handed and devious, certain to create for Mr. Blount a credibility gap he never may lose.

He justified his action in the name of taking critics out of the Postal Service.

If he wanted to antagonize Congress, he is certain to have succeeded admirably.

If he wanted to convince the 700,000 postal employees that his work rules are devious double talk—saying one thing, meaning another—he has done that, too, and probably irrevocably.

Rarely has this capital city seen such a left-footed maneuver.

WHAT HE DID

What Mr. Blount did was this:

Last Tuesday, he had his underlings issued at a press conference, something called General Release No. 4, his address of welcome to the newly-nominated board of governors for the Postal Service. Release time: 12 noon Tuesday.

After reporters left, the same minions distributed General Release No. 5—same release time—disclosing a sanitized version of his gag rule.

Good old No. 5 announced the creation of a liaison office as "the sole voice of the Postal Service in communicating with Congress."

It also included a disclaimer, saying the directive does "not affect the right of any employe to petition, as a private citizen, his U.S. Representative or Senators on his own behalf."

The same disclaimer was included in Mr. Blount's official "procedures" for implementing the new directive.

But an official "background" for the procedures told an entirely different story.

It said:

"It is mandatory that postal employes immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service."

So which Mr. Blount do you believe? The Mr. Blount of the press release and the procedures? Or the Mr. Blount of the "background" memo?

Some would say it's difficult to believe either.

That's precisely what postal union officials say. Speaking thru their Council of American Postal Employees, they called the Blount action a violation of their constitutional rights: They used angry words like "dismayed" . . . "disgusted" . . . "outraged" . . . "shocked".

The Constitution clearly guarantees the right of all citizens to petition Congress. But it took a 1903 "gag rule" by Teddy Roosevelt followed by the 1912 Lloyd-LaFollette Act to spell out, once and for all, that the guarantee also applies to Federal employees, including postal employees.

That Act enshrines the right of Government workers to petition Congress individually or collectively. And courts have construed "petition" in broadest terms.

The 1970 Postal Reform Act specifically re-affirmed that postal workers are covered by L-F Act language.

How then does Mr. Blount propose to defend the legality of his gag rule? By pointing out that his "procedures" say one thing while his "background" says another?

It just won't wash, Mr. Postmaster General. It just won't wash. You kid no one, offend everyone sensitive to citizens' rights against bureaucratic rights.

But I have an offer for you, Mr. Blount. If you have an answer to the above, I offer equal space in this pulpit at your convenience. Moreover, if your answer convinces we done you wrong, I'm just non-dishonest enough to say so.

On the other hand, if you prefer to remain silent, it will be construed as silence should be.

Fair enough, Mr. Blount?

No gag rules here!

[From the Washington Daily News, Jan. 20, 1971]

BLOUNT DOES ABOUT FACE ON GAG RULE

(By John Cramer)

Postmaster General Winton Blount's attempt to gag his 700,000 postal employees—cutting off their constitutional right to contact members of Congress—becomes all the more reprehensible in the light of his own testimony to Congress in 1969.

That was when Mr. Blount was first displaying the remarkable persistence which eventually won approval for the 1970 Postal Reform Act, converting the Post Office Department into a corporation-type U.S. Postal Service.

I have checked the record of hearings before the House Civil Service Committee. They know that Mr. Blount then was very positive, indeed, in his assurances that he had absolutely no intent to deny postal workers access to Congress.

REVERSES

But last week, Mr. Blount did the very thing he promised not to do in 1969. Moreover, he did it in apparent violation of Lloyd-LaFollette Act, the Magna Carta of Federal employee rights, whose language was written intact into the Postal Reform Act.

Last week, Mr. Blount created a new liaison office to be "the sole voice of the postal service in communicating with Congress."

A press release announcing the office, and an accompanying document, detailing "procedures" for its operation, both carried a pious disclaimer.

It said the new order did "not affect the right of any employee to petition, as a private citizen, his U.S. Representative or Senators on his own behalf."

Even that language leaves much to be desired.

But the true intent of the Blount directive same thru in something called a "background" to the "procedures," which said "Cease . . . Contacts".

"It is mandatory that postal employees immediately cease any direct or indirect contacts with Congressional offices on matters involving the Postal Service."

It hardly need be pointed out that "matters involving the Postal Service" can be very important, indeed, to a postal employee . . . important in terms of jobs, pay, working conditions and many other matters on which the law, including the Postal Reform Act, guarantees him every right to contact members of Congress.

Both "as a private citizen," and thru his union.

June 3, 1969—testifying before the House Civil Service Committee, Mr. Blount assured Rep. H. R. Gross, R-Iowa, that there was no intent to exclude Lloyd-LaFollette Act language from the postal reform bill.

Also, June 3—Rep. Robert N. C. Nix, D-Pa., wanted to know whether the postal unions would be cut off from their right to petition Congress. Mr. Blount: "The right to petition a member of Congress is not excluded by our bill. As a matter of fact, it is precisely included."

June 4, 1969—David Nelson, general counsel of the Post Office Department, told the committee: "It is our intention to provide that federal employes shall have the right to petition Congress."

Rep. Gross said he questioned whether the language of the Lloyd-LaFollette Act so provided. Mr. Blount: "I might say that that is our intention" to provide the right to petition.

June 10, 1969—Rep. Jerome Waldie said he saw nothing in the bill which changed the rights of postal employes in relation to Congress. Mr. Blount: There, of course, is nothing in this bill to prevent the employees from coming to the members of Congress in the same manner they have always had."

As finally enacted, the bill carried, with no change whatever, the precise language which had prompted Mr. Blount to assure Congress employees would have the same rights "They always had."

And now we come to:

Tuesday, Jan. 12, 1971—Mr. Blount: "It is mandatory that employees immediately cease any direct or indirect contacts with Congressional office"

POSTAL CUTBACK?

Headquarters Postal Service employees here have been alerted that they may be facing layoffs, transfers, or reductions in grade by reason of a current manpower study.

The study is expected to lead to considerable reorganization. Employees have been assured all necessary personnel actions will be handled in accordance with Civil Service rules.

OFFICE OF THE EXECUTIVE ASSISTANT TO THE POSTMASTER GENERAL, Washington, D.C., May 25, 1971.

HON. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of May 11, 1971, requesting a status report on the filling of postmaster vacancies nation-wide.

Listed below is a tabulation as reported by our Postmaster Appointments Section on May 17.

	July 1, 1970 to date
Installation of "Officer-in-Charge" (authorized)-----	1,859
Vacancies initiated (resignations, etc.)-----	1,607
Total postmasters appointed (all classes)-----	2,488
Vacancies to be filled-----	3,536

We appreciate your interest in the Postal Service and hope the above information will be helpful.

Sincerely,

JERRY L. REYNOLDS,
Congressional Liaison Officer.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 7, 1971.

HON. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service, Committee on Post Office and Civil Service, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your invitation to me with regard to your hearings on congressional relations with the U.S. Postal Service. I am glad to see you checking on the status of this subject.

One field in which I am glad to see the Postal Service moving forward is that of management training, where it is increasing its budget figure from \$16 million to \$40 million. This is the first comprehensive program of its kind for the

department in a field where it is badly needed. I think this is an effort which constructively pursued can pay off for public and Postal Service alike.

All good wishes, and I will expect to keep in touch with you.

With kindest personal regards, I am

Sincerely yours,

TOM STEED,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 6, 1971.

HON. MORRIS K. UDALL,
Chairman, Subcommittee on Postal Service, Cannon House Office Building, Washington, D.C.

DEAR MR. CHAIRMAN: This is in reply to your "Dear Colleague" letter of April 27, 1971.

While I will not have time to testify, I do want your subcommittee to know my feelings.

As you know, I fully supported Postal Reform from the very beginning. The Post Office and Civil Service Committee did a Herculean job of perfecting the legislation and seeing it successfully through Congress.

No legislation is perfect, but from reports and information I have received, I am delighted with the direction the Postal Service is taking. I have already seen changes of which I approve, and I hope you would agree that complete improvement is not possible overnight.

With reference to communications with Members of Congress, this has not been a problem to me and my staff. In fact, I believe the Postal Service's liaison service is one of the best in Washington. At the same time, my constituents, both postal employees and others continue to write or call me for assistance. As a matter of fact, I approve of the Postmaster General's actions in this matter.

My feeling is that Congress should give the Postal Service a reasonable time to make the legislation work. If either your committee or the Postal Service then believes changes are in order, I would certainly want to offer assistance when necessary.

I urge the committee to enable the Postal Service to continue the work it has started and not to move precipitously on any legislation.

With kind regards,

Sincerely yours,

WILLIAM A. STEIGER,
Member of Congress.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 25, 1971.

HON. MORRIS K. UDALL,
*U.S. House of Representatives,
Washington, D.C.*

DEAR MO: I understand that the Subcommittee on Postal Service of the House Post Office and Civil Service Committee is holding hearings on H.R. 7939 and your Committee House Resolution.

I believe that H.R. 7939 and your Committee House Resolution are most important and should be passed by the House and Senate as soon as possible. Their importance is pointed out by the fact that on several occasions, I have written rather routine letters of recommendation for postal employees whom I have known for several years and who were seeking a promotion. None of the letters were even forceful. Rather, I called attention to the outstanding characteristics of the men I was recommending.

In each case, I have been informed by the Postal employees involved that they have been rebuked by their supervisors because I wrote a letter in their behalf. Actually, the type of letters I have written in behalf of postal employees were no different than the type of letter I have written in behalf of any constituent who wanted a recommendation and I knew well enough to give such a letter of recommendation.

The present attitude of the U.S. Postal Service toward their employees is one which tends to make the employees second class citizens. This is again illustrated by the fact that my Administrative Assistant, Robert Siegrist, called a Con-

gressional Liaison officer of the United States Postal Service in an attempt to resolve some discrepancies of a constituent who thought he had a summer job with the United States Postal Service. The response of the U.S. Postal Service officer to my Administrative Assistant was, "the U.S. Postal Service is out of politics and I don't know why you are bothering us." This is certainly a most deplorable attitude.

I hope that your Subcommittee will favorably report H.R. 7939 and your Committee House Resolution to the full Post Office and Civil Service Committee and that the full committee will promptly report them to the Rules Committee and then to the floor of the House.

Kindest regards and I will be happy to appear before your Subcommittee if you so desire.

Sincerely,

LAWRENCE G. WILLIAMS,
Member of Congress.

STATEMENT OF HON. CLEMENT J. ZABLOCKI, A REPRESENTATIVE IN CONGRESS FROM
THE STATE OF WISCONSIN

Mr. Chairman, I would like to take this opportunity to commend you and the other members of the Subcommittee for scheduling these hearings on the serious problems which many Members of Congress have encountered in trying to deal with the new Postal Service.

As you well know, it was not the intention of Congress in establishing the Postal Service to abdicate its responsibility to provide adequate mail service to all Americans. Rather, by creating this quasi-government agency, Congress sought to improve mail service as well as remove it from the influence of partisan politics. I supported and voted for this action.

Nonetheless, certain officials of the Postal Service have developed a completely unreasonable attitude toward any scrutiny of mail service operations by Congress. Apparently, these officials consider themselves immune from responsibility to anyone but themselves—an erroneous and most unfortunate assumption.

To this attitude I would respond that, although Congress does not intend to exercise partisan political influence over the Postal Service, we *do* intend to scrutinize the operations of the Postal Service closely and, if needed, to make appropriate clarifications or changes in the legislation which authorized the creation of the Postal Service.

After all, the Postal Service is indeed not simply another private enterprise. It is the agency established by Congress to take over the governmental function of providing mail service to citizens across the country. We expect the Postal Service to succeed in this assigned task. However, if for some reason the Postal Service does not fulfill the purposes for which it was intended, further action by Congress will of course be necessary.

In view of our concern about the success of the Postal Service, I am pleased to know that the Postal Service Subcommittee will monitor all of its operations closely.

In connection with the Subcommittee's oversight function, I would like to call to your attention a totally unsatisfactory experience which I had recently in trying to obtain information for a constituent about his prospects for employment. I emphasize here that there was absolutely no intention of recommending this applicant or exerting political influence on his behalf.

For the Members' more complete information on this case I am submitting a copy of the report which I received from the Postal Service in response to my inquiry about the employment prospects of my constituent (Example No. 1). I am deeply concerned about the high-handed manner in which I was informed in this report that *any* inquiry from a Member of Congress can be construed as an attempt to exert political influence. Further, I am dismayed to learn of the possible implications of the "political influence" regulation which is being implemented by the Postal Service pursuant to Section 1002 of the Postal Reorganization Act.

This regulation, a copy of which is included in the report I received from the Postal Service, states in part that anyone who solicits or "accepts" a prohibited statement or recommendation is subject to disqualification or suspension. I call attention to the word "accepts." If an unrequested statement of this kind should somehow make its way into an employee's personnel file, what is there

to prevent the employee from being held accountable for this gesture of a well-intended but misguided public official unaware of the possible effects of his gesture? What is to prevent some political enemy from take just action, with the unsuspecting employee then being held liable for suspension from his job or for disqualification for employment.

I have conveyed to appropriate postal officials my conviction that Members of Congress should be able to inquire at a constituent's request about his *prospects* for employment on the basis of his examination score and available positions. However, I was informed that there is at the present time no plan to make such information available.

As the Members know, similar inquiries to the Civil Service Commission are quite common. There is no connotation from the Commission that such an inquiry constitutes a recommendation for employment or promotion of an individual who is not qualified for a particular position on his own merits.

As an example of the kind of information which satisfactorily meets the needs of Members of Congress in this area I am submitting a copy of a second Postal Service report which I received on behalf of another constituent (Example 2.) I might point out that this second report, like the first, is dated after the activation of the "political influence" regulation. This inconsistency further confuses the issues and demonstrates the need for Congressional oversight.

Interestingly enough, the first report, which amounts to a thinly veiled threat, was in response to my "bucking" the constituent's inquiry about his job prospects to the Postal Service with a standard "buck" form used by Members of Congress. The second report was received in response to a dictated letter regarding another constituent's exam score and his inquiry about his prospects for employment. Since the report to the dictated letter did not carry with it the warning that the "bucked" inquiry did, I wonder which method is preferable for Members of Congress to follow in making inquiries to the Postal Service? And under what system will they receive straight forward answers to their questions?

Reluctantly, I must conclude that inquiries from Members of Congress regarding personnel practices, policies or employment opportunities are apparently not welcome at the Postal Service. I consider this a rather serious matter and I look forward to the Subcommittee's conclusions on this aspect of the reorganization.

I am also somewhat concerned about the manner in which the Postal Service began implementing Section 1002 of the Postal Reorganization Act on March 1, prior to the general reorganization date of July 1. In view of the stringent way in which the Postal Service seems determined to implement this section of the law relating to the prohibition of any political influence in employment practices. I would certainly think that every effort would have been made to publicize the implications of the regulation which was being issued pursuant to Section 1002.

Unfortunately, that was not done. I attempted to find out from Postal Service officials whether the early activation of this part of the law brought to the attention of Members of Congress. I was told that press releases on it were sent out but, as far as they were able to determine, not to Members of Congress.

Mr. Chairman, I can only conclude from some of my personal experiences with the Postal Service that there is on the part of certain officials in that agency a serious disregard for the prerogatives and responsibility of Congress—in the public interest and as the elected representatives of the people of this country—to be kept fully informed about our mail service operations. I sincerely hope that the Subcommittee will be able to correct this shortcoming or to recommend remedial action by the Congress.

Thank you.

(Attachments follow:)

OFFICE OF THE EXECUTIVE ASSISTANT
TO THE POSTMASTER GENERAL,
Washington, D.C., April 20, 1971.

HON. CLEMENT J. ZABLOCKI,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ZABLOCKI: This is in reply to your inquiry of April 19, concerning — of Milwaukee, Wisconsin who has attained an eligible rating in an examination for postal employment.

An eligible's opportunity to be considered for employment depends upon his standing on the register and the number of vacancies being filled. The certification and selection processes are such that it is not possible to determine when an eligible's name may come within reach, or whether a particular individual will be selected for appointment if his name does come within reach.

We are attempting to make our employees, and the general public, aware of the provisions of the Postal Reorganization Act of 1970 that provide for the selection of employees by merit alone. The selection of employees has been entirely delegated to the postmaster in the office where a vacancy occurs, as he is responsible for the efficient operation of his office. Enclosed is information on the strict procedures that a postmaster must follow when he selects a person outside the Postal Service to fill a vacancy.

For — future guidance, Title 39, U.S. Code Section 1002 (Postal Reorganization Act) prohibits the solicitation or making of any type of recommendation or statement on behalf of a prospective postal employee except those relating solely to character and residence or as requested by the Postal Service. Information on this law is enclosed.

If I can be of further assistance, please do not hesitate to contact me.

With kind regards.

Sincerely,

DAVID L. CANTOR.
Congressional Liaison Officer.

NOTICE—POLITICAL RECOMMENDATIONS PROHIBITED

The law (39 U.S. Code 1002) prohibits political recommendations for appointments, promotions, assignments, transfers, or designations of persons in the Postal Service. Statements relating solely to character and residence are permitted, but every other kind of statement or recommendation is prohibited unless it either is requested by the Postal Service and consists solely of an evaluation of the work performance, ability, aptitude, and general qualifications of an individual or is requested by a Government representative investigating the individual's loyalty, suitability, and character. Anyone who requests or solicits a prohibited statement or recommendation is subject to disqualification from the Postal Service and anyone in the Postal Service who accepts such a statement may be suspended or removed from office.

OFFICE OF THE EXECUTIVE ASSISTANT
TO THE POSTMASTER GENERAL,
Washington, D.C., March 11, 1971.

HON. CLEMENT J. ZABLOCKI,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN ZABLOCKI: This is in reply to your letter of March 4 concerning Mr. — of Milwaukee, Wisconsin, who is interested in postal employment.

Registers of eligibles are maintained by the United States Civil Service Commission. When vacancies are filled by appointment from the register, the postmaster must request a list of eligibles from the Interagency Board of Civil Service Examiners. For each vacancy, the postmaster is entitled to choose one of the top three eligibles available for appointment, so long as he does not pass over a veteran and select a non-veteran.

Thus, an eligible's opportunity to be considered depends upon how high he stands on the register and the number of vacancies being filled. Enclosed is further information about the selection of eligibles.

Mr. — name is on the register of eligibles for the Milwaukee, Hailes Corner, and Greendale post offices with a score of 79. Unfortunately, his standing on the register is not very favorable, as Milwaukee is an extremely competitive employment area.

In these circumstances, Mr. — best course is to contact the Board of Examiners which issued his notice of rating. The Board may be able to offer helpful advice such as suggesting other post offices where the outlook for employment might be more favorable or authorizing Mr. — to retake the examination in an attempt to improve his rating.

Please assure your constituent that he will be given every proper consideration if his name comes within reach on a list of eligibles.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., May 20, 1971.

Hon. MORRIS K. UDALL,
House of Representatives,
Washington, D.C.

DEAR MO: Enclosed is a copy of a position paper given me by an interested postal employee.

Perhaps we should examine consequences of this latest inept move by postal service.

Sincerely yours,

JEROME R. WALDIE,
Member of Congress.

Enclosure.

THE ECONOMIC GENOCIDE PLAN OF THE U.S. POSTAL SERVICE

1. The Postal Reorganization Plan will strip all Blacks from positions of policy- and decision-making in the Postal Service.

The fifteen postal regions are being combined into five and all persons now employed in the present regions have been told that they have no jobs. Postal Service Officers have been told that their jobs will not be part of the new set-up. It cannot be considered coincidence that a Postal Service Officer position is the highest position now held by Blacks in the decision-making process.

2. The new Postal Service wants to organize on a corporate structure, with corporate-type management.

It must be pointed out that in the American Corporate structure, there are no Blacks participating in decision-making; therefore, the new Postal Service will bring from the private sector the type of managers they want and Blacks will be denied because of their lack of experience.

3. The San Francisco, Denver and Seattle Regions will be combined to form the new San Francisco Region, encompassing an area approximately one-half of the geographic United States.

The plans call for the present Director of the Seattle Region to be in charge of this combined Region as the Regional Postmaster General.

It must be observed the present Seattle and Denver Regions have no Black administrators and few minority employees. The area served by these Regions have a sparse minority population. However, the new Region will take in California, the Pacific Islands (including Hawaii) and most of the Southwest, with large minority populations and a large number of minority postal employees.

It would seem that if the Postal Service had a commitment to Equal Employment Opportunity, it would place a man in the Regional Postmaster General's position who has experience in dealing with minority people—not one from an area which is all-White—and the Postal Service would also guarantee minority participation in future decision-making.

4. The Postal Reorganization Plan is economic genocide for urban minorities.

The Post Office is the largest employer of Blacks and other minorities in almost every large city in the United States. This is because of (1), low pay in comparison to other trades; (2), there has been the security of employment not available to minorities in other jobs; and (3), mass exodus of Whites to the suburbs and their refusal to commute to the city for low Post Office pay.

Now, under this Reorganization Act, one of the major plans is to move the mailhandling operation to the suburban areas. It is common knowledge that housing patterns in this country will not allow these minority employees to follow their jobs.

5. The discontinuance of Saturday service could mean the elimination of 140,000 jobs.

Question: How many blacks and other racial minorities are ever employed in suburban enterprises?

Question: Can our cities afford any more unemployment?

6. The forced retirement of employees who are ready, willing and able to work must be examined very closely.

It is understandable to ask a man to retire who has the required age and length of service and who receives full retirement benefits. It's quite another thing to *force* a man to retire who does *not* have the required age or years of service for a full retirement pension. There is a reduction in monthly annuity for early retirement.

7. In order to insure minority participation in decision-making and to guarantee jobs to minority employees, some type of Philadelphia Plan must be forced on the U.S. Postal Service.

POSTAL SERVICE RESPONSE TO THE POSITION PAPER SENT BY WALDIE TO
THE SUBCOMMITTEE

1. The postal reorganization currently under way is not designed to "strip" any individual from a policy and decision-making position. When the new Postal Service organization is sufficiently defined (by mid-July), all personnel under the reorganized areas will be considered for available positions in the new structures. This includes any individual serving in a position that is abolished. Consideration will be made in accordance with Civil Service Commission RIF regulations covering competitive area retention rights, transfers, and assignments.

Postal reorganization calls for the deletion of some old positions as well as the addition of new ones. All individuals presently in position which might be abolished—including Postal Service Officers—will be afforded every consideration under Civil Service regulations for placement in the new organizational structure.

The Postal Service Officer position is not the highest held by Blacks in the "decision-making process." The Postmasters of New York and Chicago, as well as numerous post office supervisors, can serve as examples of higher positions.

2. The Postal Service's intent to reorganize its management structure on the principles of up-to-date management provides no logical basis for the charge of a contrived effort to deny any individual employment or advancement opportunities. Anyone hired from the private sector or advanced from within the Service will be on the basis of merit without discrimination.

3. The new Regional Postmaster General for the Western Region, Mr. Fridolf G. Huleen previously had a long career as Vice President for Personnel, Boeing Aircraft, and has worked with programs and actions concerned with non-discrimination in employment and promotion. His activities included action within the Seattle community and in other national locations. Mr. Huleen's management capabilities are exceptional in working with the needs of all employees.

4a. The necessity to locate new, modern postal facilities near major transportation centers is dictated by the changing patterns of our transportation system and the Postal Service's dependence upon them.

Under Public Law 91-375, 101 Postal Policy, g, "In planning and building new postal facilities, the Postal Service shall emphasize the need for facilities and equipment designed to create desirable working conditions for its officers and employees, a maximum degree of convenience for efficient postal services, proper access to existing and future air and surface transportation facilities, and control of costs to the Postal Service."

Any planning involving the relocation or reallocation of facilities necessarily includes detailed analysis and consideration of the impact on postal employers. The Postal Service is fully aware of the potential impact on the central city work force of any relocation and will naturally explore methods to relieve personnel inconveniences to the greatest extent practicable.

4b. There is no overall plan to discontinue Saturday service. Appropriate adjustments may be made in specific cases when it has been determined that customers no longer desire delivery service on Saturday. Some commercial firms that employ minimum staffs or close on Saturday have indicated that Saturday delivery service can often result in more inconvenience than service.

5. There is a major reorganization of the Postal Service under way to meet the requirements and conditions of Public Law 91-375, the Postal Reorganization Act. In advance of this reorganization being conducted under rules and regulations of the Civil Service Commission, employees are being offered benefits exceeding the existing liberal Civil Service Commission retirement benefits. In addition to the cost-of-living annuity, an employee is offered a bonus of six months salary if retirement is taken by June 15. Anyone not qualified to retire under these conditions is entitled to and will receive all Civil Service considerations if affected by reorganization. No Postal Service employee has been or is being forced to retire. Retirement is a voluntary choice by each eligible employee.

6. The Postal Service supports all Equal Employment Opportunity law, Executive Orders and provisions both in substance and in spirit. Analysis and action programs are a continuing concern of all levels of management with a commitment to an employment and advancement policy free of discriminatory practices.