



# American Postal Workers Union, AFL-CIO

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## LEGISLATIVE PRIORITIES

116<sup>th</sup> Congress

### Paying More For Less: Attacks on Postal Retirement

As dedicated postal employees, we know the promise that was made to us for our hard work is the comfort of a dignified and secure retirement. At the bargaining table and in the halls of Congress, APWU will continue to fight to see that our postal employment promises are kept.

One of the cuts we are fighting to keep is the prospect of the outright elimination of our defined benefit pension plans. Such a move would downgrade FERS defined retirement benefits with a risky market-based 401(k). While some legislation is limited to new employees, an injury to one is an injury to all. We recognize other cuts would cost current workers their guaranteed pension as well. APWU stands firmly against the drastic threat of eliminating guaranteed pension benefits – Congress cannot use postal and federal employees as a means to balance the budget!

Postal and federal workers have already contributed enormously to deficit reduction – and now they want more. While budget after budget diminishes workers' livelihoods in the name of austerity, they ask nothing of the wealthiest Americans. Instead, the budgets advanced by anti-worker politicians preserve, protect, and expand big tax cuts for America's richest few.

### APWU Opposes Increased FERS Contributions

Recent White House and Senate budget proposals would have severe impacts on federal and postal employees. These attacks include significant increases in the amount federal and postal employees must pay towards their retirement plans.

- Under recent budget proposals, postal employees could see an increase of 1% every six years toward their retirement payments – reducing wages by thousands of dollars each year for the same benefits.
- In recent years, new employee contributions under FERS have risen from 0.8% all the way to 4.4%, with further increases under consideration.
- Hiking employee contributions with no increase in benefit is nothing more than a back-door pay cut.

### High 3 To High 5: Say “No!”

While congressional budgets seek to increase employee retirement contributions, other proposals would slash retirement benefits by “tweaking” the way the federal retirement system calculates annuities. Rather than averaging the highest three years of an employee’s salary, there are proposals to instead average the five highest years.

- Inserting lower-paid years into the calculation, the net effect would be big cuts in how much federal and postal employees receive in retirement benefits.
- Over ten years, the Congressional Budget Office says such changes would take over \$3 billion out of the pockets of retired workers.

**The continued drumbeat of cuts to pay and benefits disrespect the work of civil servants. We reject ugly attempts to turn ‘public service’ into dirty words and public servants into piggy banks. APWU stands strong with its sisters and brothers in the face of these legislative attacks.**

Contact the APWU Legislative and Political Department at (202) 842-4211 for more information  
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