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Watchdog Group Praises Much-Needed Postal Task Force Recommendations

WASHINGTON, D.C. – Today, the Taxpayers Protection Alliance (TPA) praised the recommendations of the Task Force on the United States Postal System (USPS). The report, which was released yesterday afternoon, covered an array of topics ranging from postal pricing models to retiree benefits. The findings come shortly after an abysmal fiscal year 2018 financial statement in which the USPS reported a net loss of \$3.9 billion.

TPA President David Williams welcomed the long-awaited report, noting that, “as the USPS has continued to hemorrhage money for more than a decade, Postal officials are seemingly more concerned with yelling at critics than addressing real structural problems. The Task Force is a new, welcome voice in the debate, soberly assessing, for instance, that, given ‘narrow expertise and capital limitations,’ experimental new business lines such as Postal banking should not be pursued.”

Williams continued, asserting that, “no blueprint for Postal reform would be complete without a comprehensive plan to clamp down on subsidies, including crony arrangements benefiting Amazon and Stamps.com. The Task Force report rightly points out that the Postal Service’s pricing for packages is outdated, and, ‘the USPS and the PRC [should] develop a new cost allocation model with fully distributed costs.’ While this is a welcome start, the Postal Service must also be more transparent about Sunday delivery and the ‘postage reselling program,’ which is likely costing hundreds of millions of dollars per year.”

Williams concluded: “the report is particularly commendable in its finding that taxpayers should not have to foot the bill for the excesses of the USPS. The Task Force cautions against USPS retiree health benefits being shifted onto taxpayers, as postal self-sustainability would be better served by creating more accurate retiree cost projections for the future. It is important to make clear that Postal reform should ward off, rather than enable bailouts by taxpayers. The Task Force rightly believes it necessary to reform its business model ‘rather than simply providing relief.’”

“The Postal Service must get serious about reform, and the Task Force has given the agency a welcome push. It is now time for the USPS and Congress to act.”

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Taxpayers Protection Alliance (TPA) is a non-profit, non-partisan organization dedicated to educating the public through the research, analysis and dissemination of information on the government's effects on the economy.