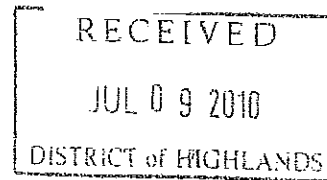


To Council
August 16, 2010

June 28, 2010 File: 0110-20



Dear Chief Administrative Officer,

Re: The Canadian Postal Service Charter and the Future

I am writing to follow-up on the federal government's 2008 review of Canada Post, which resulted in the establishment of the *Canadian Postal Service Charter*.

The Charter outlines the federal government's expectations for Canada Post. Mostly, it reiterates existing policy. For example, there is an expectation of five day a week delivery to every address in the country. But the Charter also acknowledges that providing postal services to rural areas is an integral part of universal postal service, which is very important. As well, the Charter includes an expectation that Canada Post will maintain "the moratorium on the closure of rural post offices."

While it's a good start, the Charter isn't altogether reasonable. The Canadian Union of Postal Workers (CUPW) believes this document needs to be dramatically improved, especially in relation to the moratorium on rural closures. I have attached a copy of a fact sheet which outlines a number of our concerns.

The *Canadian Postal Service Charter* is up for review every five years. We hope to make the case, over the next few years, for a vastly improved Charter.

Canada Post's plans for the future

CUPW is also concerned about the course that Canada Post Corporation is charting for the future.

Our public post office is the midst of modernizing and reviewing its operations. These initiatives will result in the destruction of jobs in hundreds of communities across the country. Canada Post's modernization plans alone could destroy thousands of positions.

The corporation is also planning on privatizing its contact centres and the National Philatelic Centre in Ottawa, Edmonton, Winnipeg, Antigonish and Fredericton. This move threatens to destroy over 300 jobs and erode the quality of this service.

As you know, the corporation is also cutting services by eliminating rural mailbox delivery, closing post offices and removing street letterboxes.

These service and job cuts undermine communities, especially small and rural communities that are already struggling to preserve local economies.



The cuts are also indicative of a Canada Post that is increasingly focused on commercial objectives rather than public policy objectives and the public interest.

We believe that, as a public institution, Canada Post should be taking a less commercial and more socially responsible approach as it transforms our post office for the future.

We also believe that our public post office should share the benefits of modernization with the public by preserving and improving public postal service and jobs. At the moment, Canada Post intends to use all the productivity gains from its \$2.5 billion modernization initiative to cut jobs and save millions annually.

From our perspective, there is no good reason why the management of a public institution such as Canada Post should assume all the benefits of modernization.

CUPW is hoping that you will consider encouraging Canada Post and the government to rethink its policies and practices by passing two resolutions:

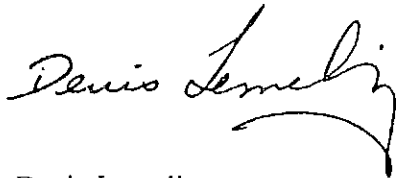
- One protesting the service and job cuts at Canada Post and urging the government to consult with people to develop an improved *Canadian Postal Service Charter*.
- Another endorsing a socially responsible vision of Canada Post, as outlined in the People's Postal Declaration.

CUPW would also like to encourage you to submit these resolutions at the next annual meeting of your provincial union, association or federation.

I have enclosed the resolutions and a copy of the People's Postal Declaration. Please do not hesitate to call me if you have any questions or concerns.

Thank you very much for your ongoing interest in our public postal office and for considering this request.

Yours truly,



Denis Lemelin
National President

Encl.

c.c. NEC, REC, National Union Representatives, Regional Union Representatives, Specialists.

DL/bk cope 225



Resolution on Canadian Postal Service Charter and Cuts to Public Postal Service and Jobs

WHEREAS Canada Post plans on cutting thousands of jobs in hundreds of communities across the country by modernizing and reviewing its operations and privatizing philatelic and call centres.

WHEREAS Canada Post is also cutting services by eliminating rural mail box delivery, closing post offices, removing street letter boxes and other means.

WHEREAS these cuts are indicative of a Canada Post that increasingly puts commercial interests before the public interest.

WHEREAS the government's *Canadian Postal Service Charter* does not adequately protect the public interest or the public nature of our post office, especially when Canada Post is considering cuts to public postal service or privatizing part of its operations (e.g. post offices, call centre, etc.)

BE IT RESOLVED THAT the (name of municipality) write a letter to Rob Merrifield, the Minister responsible for Canada Post and ask that he 1) instruct Canada Post to stop cutting public postal service and jobs and start acting like the public service people want it to be 2) consult with the public, municipalities, members of Parliament, postal unions and other major stakeholders to dramatically improve the *Canadian Postal Service Charter*.

MAILING INFORMATION

Please send your resolution to: Rob Merrifield, Minister of State for Transport, Place de Ville, Tower C, 29th Floor, 330 Sparks Street, Ottawa, Ontario, K1A 0N5.

Please send copies of your resolution to:

1. Denis Lemelin, President, Canadian Union of Postal Workers, 377 Bank Street, Ottawa, Ontario, K2P 1Y3
2. Your member of Parliament. You can get your MP's name, phone number and address by calling 1-800 463-6868 (at no charge) or going to the Parliament of Canada website: <http://www.parl.gc.ca/common/index.asp?Language=E>
3. Hans Cunningham, President, Federation of Canadian Municipalities
24 Clarence Street, Ottawa, Ontario, K1N 5P3

Please consider submitting this resolution at the next annual meeting of your provincial union, association or federation. Thank you.

FOR FURTHER INFORMATION

Contact George Floresco, 3rd National Vice President, Canadian Union of Postal Workers, 377 Bank Street, Ottawa, Ontario, K2P 1Y3, (613-236-7238 ext 7909)

Resolution on People's Postal Declaration

WHEREAS Canada Post is spending \$2.5 billion on new plants, vehicles, equipment and other items to modernize our public post office.

WHEREAS the corporation is expecting to save millions annually from modernization, largely through productivity gains that pave the way for Canada Post to eliminate thousands of jobs in communities all across the country.

WHEREAS Canada Post is also making cuts to service by closing post offices, eliminating rural home delivery, removing street letterboxes and other means.

WHEREAS the gains flowing from postal modernization could be used to preserve and improve public postal services and jobs.

BE IT RESOLVED: That (name of municipality) agrees to sign the *People's Postal Declaration* which calls on Canada Post 1) to share the benefits of postal modernization with the people who own Canada Post – the public; 2) to pursue more socially responsible objectives as it transforms our post office for the future.

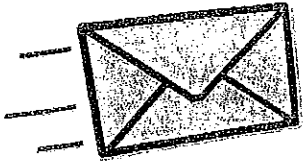
MAILING INFORMATION

Please send your resolution and a signed copy of the People's Postal Declaration to Denis Lemelin, President, Canadian Union of Postal Workers, 377 Bank Street, Ottawa, Ontario, K2P 1Y3

Please consider submitting this resolution at the next annual meeting of your provincial union, association or federation. Thanks you.

FOR FURTHER INFORMATION

Contact George Floresco, 3rd National Vice President, Canadian Union of Postal Workers, 377 Bank Street, Ottawa, Ontario, K2P 1Y3, (613-236-7238 ext 7909)



Canadian Postal Service Charter Needs Work

On Saturday, September 12, 2009, the federal Conservatives quietly announced a *Canadian Postal Service Charter* that outlines the government's expectations for Canada Post in regard to service standards and other matters.

The Charter largely reiterates existing policy and includes an expectation that Canada Post will maintain "the moratorium on the closure of rural post offices."

The Charter also acknowledges that providing postal services to rural areas is an integral part of universal postal service.

While it's a good start, the Charter isn't altogether reasonable.

1) Moratorium on closures needs to be clarified

The government has confirmed that the Charter maintains the existing moratorium.

The moratorium that has been in effect since 1994 protects public post offices in rural and small one-post-office towns.

Unfortunately, it appears that

Canada Post does not believe the moratorium protects the public nature of post offices. The corporation says each situation will be "determined on a case-by-case basis in consultation with the affected community."

The government needs to tell people if there is an expectation that the post offices and outlets covered by the moratorium are to be public offices and not private outlets.

2) Consultation period needs to be extended

The Charter says that the government expects Canada Post to inform people at least one month prior to closing, moving or amalgamating their public post office or changing their method of delivery. The corporation is also expected to explore options that address people's concerns. One month is not enough time. The government should dramatically extend the consultation period.

3) Exceptions to moratorium need to go

There are too many exceptions to the moratorium. Communities may

face post office closures due to retirement, illness, death, fire or termination of lease, etc. The exceptions should be removed from the Charter.

4) List of post offices covered by the moratorium needs to be publicly posted

The list of post offices covered by the moratorium has not been made public by Canada Post or the government. This list should be posted in a prominent place on Canada Post's website.

5) Consultation process needs to be posted

The process that is to be followed when Canada Post closes, moves or amalgamates a public post office or changes the method of delivery has not been made public by Canada Post or the government. This process should be posted in a prominent place on Canada Post's website.

6) Canada Post shouldn't report on its own performance in meeting Charter expectations

This job should be given to an independent Canada Post ombudsperson.

7) The public and key stakeholders need to be consulted on the Charter

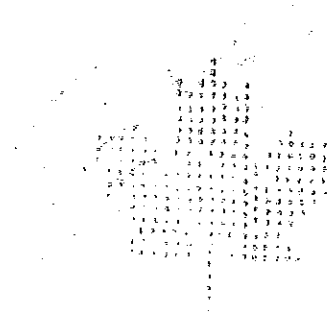
The people who own Canada Post – the public – were never asked what a *Canadian Postal Service Charter* should say. The government should consult with the public, their elected representatives, postal unions and other major stakeholders to dramatically improve the *Canadian Postal Service Charter*, including developing a reasonable, uniform and democratic process for making changes to the postal and delivery network.

Note : This information was compiled on February 17, 2010. All information contained herein is accurate as of this date.

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Produced by the Canadian
Union of Postal Workers
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CANADIAN POSTAL SERVICE CHARTER



Preamble

The Canada Post Corporation was created to provide a standard of postal service that meets the needs of the people of Canada. The Government of Canada is committed to ensuring transparency in how Canada Post provides quality postal services to all Canadians, rural and urban, individuals and businesses, in a secure and financially self-sustaining manner.

The Government has therefore established the *Canadian Postal Service Charter* to describe its expectations regarding Canada Post's service standards and related activities in providing postal services that meet the needs of consumers of postal services in Canada. These expectations are not intended to modify or derogate from Canada Post's obligations as set out in the *Canada Post Corporation Act* or any other legislation.

Universal Service

1. Canada Post will maintain a postal system that allows individuals and businesses in Canada to send and receive mail within Canada and between Canada and elsewhere. Canada Post will provide a service for the collection, transmission and delivery of letters, parcels and publications.
2. The provision of postal services to rural regions of the country is an integral part of Canada Post's universal service.

Affordable Rates

3. Canada Post will charge uniform postage rates for letters of similar size and weight, so that letters to Canadian addresses will require the same postage, regardless of the distance to reach the recipient.
4. As required by the *Canada Post Corporation Act*, Canada Post will charge postage rates that are fair and reasonable and, together with other revenues, are sufficient to cover the costs incurred in its operations.
5. Canada Post will provide advance notice of and publicly advertise proposed pricing changes for regulated letter mail products and consult with consumers during the rate-setting process.

Frequent and Reliable Delivery

6. Canada Post will deliver letters, parcels and publications five days a week (except for statutory holidays) to every Canadian address, except in remote areas where less frequent service may be necessary due to limited access to the community.
7. Canada Post will deliver to every address in Canada. This may be delivery to the door, a community mail box, group mail box, a rural mail box, a postal box, general delivery at the post office or delivery to a central point in apartment/office buildings.
8. Canada Post will deliver letter mail:
 - Within a community within two business days;
 - Within a province within three business days; and
 - Between provinces within four business days.

Convenient Access to Postal Services

9. Canada Post will provide an extensive network for accessing postal services that includes retail postal outlets, stamp shops and street letterboxes, as well as access to information and customer service through the Canada Post's website and call centres.
10. Canada Post will provide retail postal outlets, including both corporate post offices and private dealer operated outlets which are conveniently located and operated, so that:
 - 98 percent of consumers will have a postal outlet within 15 km;
 - 88 percent of consumers will have a postal outlet within 5 km; and
 - 78 percent of consumers will have a postal outlet within 2.5 km.
11. The moratorium on the closure of rural post offices is maintained. Situations affecting Canada Post personnel (e.g., retirement, illness, death, etc.) or Canada Post infrastructure (e.g., fire or termination of lease, etc.) may, nevertheless, affect the ongoing operation of a post office.

Secure Delivery

12. Canada Post will take into consideration the security and privacy of the mail in every aspect of mail collection, transmission and delivery.

Community Outreach and Consultation

13. Where Canada Post plans to change delivery methods, Canada Post will communicate, either in person or in writing, with affected customers and communities at least one month in advance to explain decisions and explore options that address customer concerns.
14. At least one month before deciding to permanently close, move or amalgamate corporate post offices, Canada Post will meet with affected customers and communities to jointly explore options and find practical solutions that address customer concerns.
15. Each year, Canada Post will hold an Annual Public Meeting open to the public to provide an opportunity for the public to express views, ask questions and provide feedback to Canada Post.

Responding to Complaints

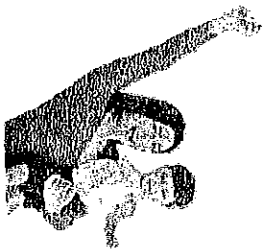
16. Canada Post will establish and promulgate complaint resolution processes that are easily accessible to customers and will address complaints in a fair, respectful and timely manner.
17. The Canada Post Ombudsman will investigate complaints about compliance with the *Canadian Postal Service Charter* in situations where customers remain unsatisfied after they have exhausted Canada Post's complaint resolution processes.

Reporting on Performance

18. Each year in its Annual Report, Canada Post will report on its performance against each of the expectations in this *Canadian Postal Service Charter*.
19. In addition, Canada Post will present in its Annual Report an overview of the delivery methods it uses, indicating the number of addresses served with each delivery method and the financial costs associated with each method of delivery.

Reviewing the Charter

20. The Government will review the *Canadian Postal Service Charter* every five years after its adoption to assess the need to adapt the Charter to changing requirements.



People's Postal Declaration

We the undersigned believe that Canada Post should share the benefits of postal modernization with the public in the form of improved public postal service and jobs.

We want a modern post office that:

- is universal, public, affordable and green.
- maintains and improves services.
- works for people and employees.
- provides good jobs in communities.
- promotes economic growth and healthy communities.
- is service-oriented and financially viable.

