



Canada Post is Under Review through Section 108 of the *Canada Labour Code*

As you may know, the Minister of Labour, Steven MacKinnon, ordered the resumption of mail service at Canada Post just before the holiday break, ordering CUPW members to return to work under Section 107 of the *Canada Labour Code*. What many do not know is that under Section 108, he also created an Industrial Inquiry Commission lead by William Kaplan that will work with CUPW and Canada Post to examine the future of the public post office with a very broad scope.

It will review Canada Post's financial situation, the possible diversification or alteration of delivery models, Canada Post's viability as it is currently configured, as well as bargaining issues, including full-time employment, health and safety and job security and produce a report not later than May 15, 2025. Accordingly, Kaplan's "recommendations may include amendments to the collective agreement, and any other changes to be implemented, including the structures, rights and responsibilities of the parties in the collective bargaining process."

The Commission is Seeking Input

We have an incredibly short timeline to follow. Hearings will begin January 27 with statements from both CUPW and Canada Post. The good news is that there is an opportunity for third parties to send in a written submission to the Commission as part of its public review. CUPW and Canada Post must have their bilingual submissions in to the commission by end of day Monday, January 20. We do not have a date or mechanism yet for third-party submissions, but it could be very soon. CUPW would like to ensure that the views of community groups, municipalities, allied organizations and labour are also considered. Therefore, if at all possible, we would like you to provide input to the Commission.

Please let us know if you will be making a submission. Please contact Brigitte Klassen at bklassen@cupw-sttp.org, so we can provide you with more details on how to send it to the Commission as soon as we have more information.

As time is of the essence and to help get you started on your submission, here are some suggested themes to consider that are important supplements to CUPW's bargaining demands.

- Keep Canada Post a Public Service
- Maintain universal service at a uniform price
- Expanded services to diversify and generate new revenue streams, no service cuts
 - add financial services
 - maintain the moratorium on post office closures to enable community hubs (meeting spaces, sales of local crafts, community gardens, government services for all levels of government)
 - maintain door-to-door delivery and increase where financially viable
- Major changes to Canada Post should not be made without full public consultation conducted through a mandate review involving all stakeholders

Keep Canada Post a Public Service

The Commission will examine the financial situation at Canada Post. Currently, the Crown Corporation is required only to be self-sufficient. It is completely user-funded and does not rely on taxpayer dollars. Canada Post still tends to prioritize major, high-profit customers over the public and providing a public service. Canada Post must not lose sight of its public interest objectives.

Major changes to Canada Post and the *Canadian Postal Service Charter* should not be made without full public consultation and hearings conducted through a mandate review involving all stakeholders. There is simply not enough time to do this under the Labour Minister's *Canada Labour Code* Section 108 order.

Maintain universal service at a uniform price

There have also been calls in the media and by various think tanks to privatize or deregulate Canada Post with little regard for the impact on public service or working conditions. Though transaction mail has been in decline, there are still over 2 billion letters delivered every year to an increasing number of addresses. Canada Post has an exclusive privilege (a monopoly) to handle letters so that it is able to generate enough money to provide affordable postal service to everyone, no matter where they live, be it a large urban centre or a rural or isolated community. There is no comparison in the world of a deregulated or privatized post office that serves anything near Canada's vast size and geography.

It will become increasingly difficult for our public post office to provide universal postal service if the exclusive privilege is eroded or eliminated. The exclusive privilege funds its universality. If parts of the service are deregulated or privatized, competitors will leave it to Canada Post alone to provide increasingly expensive delivery service to rural and remote communities, while they compete in profitable urban areas.

Providing Canada Post with an exclusive privilege to handle addressed letters is a form of regulation. Reducing or eliminating this privilege is deregulation. We have this regulation for a reason.

Expanded services to diversify and generate new revenue streams, no service cuts

For years, CUPW has been advocating for new and expanded services to help diversify and create new revenue streams as a direct means to handling decline in letter volumes. Many of these services, such as postal banking, already exist in many other post offices around the world and they generate significant revenue. Around the world, more than 1.2 billion people hold postal bank accounts.

Providing new services through the existing corporate retail network ensures that good jobs remain for workers and their families in the communities in which they live.

Financial Services

Given Canada Post's vast retail network, postal banking would offer in-community service for those who are underbanked or who have had their financial institutions close and leave town. Today, there are many rural communities with post offices, but no banks or credit unions. Very few Indigenous communities are served by local bank branches. Hundreds of thousands of low-income Canadians don't have bank

accounts at all, and almost 2 million Canadians rely on predatory payday lenders for basic financial services.

Postal banking is relatively straightforward. Like commercial banks, post offices would provide everyday financial services like chequing and savings accounts, loans and insurance. Postal banking could also be used to deliver government loans, grants and subsidies to boost renewable energy projects and energy-saving retrofits.

In many countries, postal banking is also mandated to provide financial access for all citizens and to play a role in addressing social inequalities. Postal banking could provide reliable financial services that everyone needs at affordable rates.

Community Hubs and Moratorium on Post Office Closures

We have also advocated community hubs (provide government services for all levels of government, meeting space, sales of local crafts, community gardens) and EV charging stations.

One of Canada Post's demands during Negotiations was to have the *flexibility* to close more than 130 of the 493 corporate Retail Post Offices that are protected under the current CUPW-Canada Post Urban Postal Operations collective agreement. These are post offices that are run by Canada Post and are not franchises located inside another host business.

While about three-quarters of these are also covered by an additional 1994 moratorium on closures, for those that are not, they could end up being privatized or disappear altogether if we lose this contract language. Residents may then have to travel further for their postal needs. No franchise host business is going to give up retail space for community hubs, nor parking space for charging stations that generate revenue for Canada Post. Longstanding, good-paying, full-time jobs in our communities could be replaced with low-wage, part-time work.

You can find a list of the post offices under the moratorium and how they are protected here:

<https://www.tpsgc-pwgsc.gc.ca/examendepostescanada-canadapostreview/rapport-report/bureaux-outlets-eng.html>

Senior Check-Ins

We have proposed creating a senior check-in service as well. Senior check-ins could bring peace of mind to loved ones and relatives who don't live nearby. Japan, France and Jersey in the British Isles currently offer effective and successful senior check-in services through their national postal services. Door-to-door postal workers are already watchful for signs that something isn't quite right. They could be allotted extra time on their routes to simply check in on seniors or people with mobility issues who sign up for the service to make sure everything is okay and deliver peace of mind.

Find out more about our service expansion proposals at <https://www.deliveringcommunitypower.ca>