

August 31, 2017

The Right Honourable Justin Trudeau  
Prime Minister of Canada  
Office of the Prime Minister  
80 Wellington Street  
Ottawa, ON  
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**Subject: Criteria for new Canada Post Board applicants**

Dear Prime Minister,

I am writing you to express our concern and hopes about the future direction of Canada Post and its Board.

It is our belief that within Canada Post senior management, there exists a culture characterized by a lack of transparency, collaboration and accountability. This lacuna does not serve our society well and filters top down throughout the Corporation. To protect and expand this valuable and successful public treasure, we must first engage in a culture shift within the Board, to be followed by senior management. As you are no doubt well-aware, in recent years the current Board has authorized a management approach which yielded:

- An attempt to eliminate door-to-door mail delivery – based on false long-term financial projections,
- Post office closures,
- A confrontational and toxic approach to the relationship with its employees and their unions,
- Running roughshod over municipalities as the voice of local communities,
- A management refusal to seriously examine new revenue-generating services, such as postal banking,
- Large bonuses to senior management, even during periods of financial restraint ,
- A total lack of any real interest to play a leading role in environmental issues.

Given the above, we believe many Board members (with their Harper-era mentality) must be removed as a first step to heal.

As your government develops criteria for their replacements, we believe that a revamped Board must have an ethos which is expansionary, diverse, inclusive as well as representative of Canada Post's users. I will expand on each of these themes below:

***An expansionary ethos:***

Canada Post's new Board must have a mandate to not just maintain Canada Post, but expand the postal service as a successful entity for decades to come. The Canada Post Act notes, "*the desirability of improving and extending its products and services in the light of developments in the field of communications*" [emphasis added].<sup>1</sup> This growth must:

- a. Include a continued determination to succeed in the delivery of parcels (particularly from online shopping), letters and direct marketing,
- b. In order to provide a needed service to financially excluded and underserved Canadians, Canada Post should follow the lead of over 60 other post offices and introduce postal banking services. The new Board must have a mandate to move forward on this,
- c. The Corporation must also have a mandate to experiment with new services to reach Canadians, such as senior's check-ins, internet and mobile services, or enabling the electrification of transport. Again, these are the types of services which the Corporation's peers – such as in France, Italy, Japan and Germany – are aggressively moving into. We believe that Canada Post management's failure to trial such services derogates from its responsibilities under the Act to extend its services.

***A diverse ethos:***

To succeed in offering diverse services in a diverse country, the new Board must possess a diversity of viewpoints and experiences. Appointments must reflect equity and Canadian society. Specifically, the new Board must:

- Have an indigenous member,
- Have members with background knowledge of rural issues, as well as municipal issues affecting communities large and small, and,
- As is the case within your own cabinet, the new Board must also have gender parity, as well as ensuring ethnic diversity.

Further, given the ecological crisis the planet is facing and your own government's commitment to be a global leader on climate change, we strongly believe **the Board should include a prominent environmentalist**, capable of adding an environmental lens to the operations of the country's largest fleet operator and e-commerce enabler.

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<sup>1</sup> *Canada Post Corporation Act*, Part I.2 (a)

***An inclusive ethos:***

The Board should represent the different communities and needs that Canada Post meets. A history of proven commitment to public service– as witnessed through previous leadership roles in the following sectors - should be considered:

- The labour movement,
- Community organizing, including the not-for-profit and NGO sector,
- A track history of successful leadership in leading innovative, progressively-minded employers who strive for positive labour relations and providing good working conditions,
  - This could include experience with heavily unionized workforces in mature collective bargaining relationships, whether found in the profit or not-for-profit sectors,
  - This could also include leadership in new industries,
- Leadership within academia – such as a senior-level University administrator,
- The arts.

***Representative of Canada Post's users:***

Lastly, the Board should also include expertise from the user-side of the mail, parcels and post office system. This could include members with a background and knowledge of:

- Small and medium sized (SME) internet based mailing firms,
- Digital innovation and disruption, particularly how this affects the public sector as well as mature industries,
- The unbanked and underbanked: as you are no doubt well-aware as an MP with many low-income constituents, many people have difficulty accessing adequate and affordable financial services. Canada Post already provides some basic financial services (such as pre-paid credit cards, money orders and international money transfers) and should deepen and expand its financial service offering, in particular to reach those left-behind by the big banks. A Board member with a background in socially-minded finance, such as from the credit union, Desjardins or Labour venture capital fund movements, would be of interest to CUPW,
- The seniors and differently abled movements.

In order to avoid conflicts of interest, Board members should not come from:

- a sector that is in direct competition with Canada Post,
- a major supplier of Canada Post (Note: This does not exclude representative bodies),
- a major customer of Canada Post (Note: This does not exclude representative bodies).

We also find it important that appointees should not be partisan nominations.

I wish to thank you for your careful consideration of new Board members at this critical juncture. As we enter a new era in Canada Post's lengthy history, CUPW members remain as committed as ever to the Post Office as a publicly-minded, affordable universal service continually evolving to meet the needs of the public.

Should you wish to discuss these matters further, please do not hesitate to be in contact.



Mike Palecek,  
National President

cc. Minister of Public Services and Procurement  
Canadian Labour Congress: Hassan Yussuf, Donald Lafleur  
FTQ - Daniel Boyer (President)  
Federation of Canadian Municipalities – Brock Carlton (CEO), Jenny Gerbasi (President)  
CUPW- NEB, Communications, Appendix T, National Union Representatives, Education  
Members of the Standing Committee on Government Operations and Estimates  
Leader of the Official Opposition  
Leader of the New Democratic Party of Canada  
Leader of the Green Party of Canada  
Leader of the Bloc Québécois