

Profits Continue, Innovation is the Way Forward for Canada Post

For Immediate Release

May 4, 2018

Ottawa - The Canadian Union of Postal Workers (CUPW) welcomes yet another profitable result from Canada Post Corporation (CPC) for 2017.

"Postal workers have always seen the potential for growth and improvement in the postal service," says Mike Palecek, CUPW National President. "The phantom of huge losses at Canada Post is far behind us, and it's high time to put growth and new service ideas front and centre."

The Canada Post segment made \$74 Million before taxes, on revenue of \$6.4 Billion. The success was mainly driven by increased revenue from parcels, which outpaced the decline in revenue from lettermail in 2017.

The Canada Post Pension plan's position also improved in 2017, on both the going-concern basis and the solvency basis, which are two actuarial standards of evaluating a pension plan's health.

"Our members are proud to have delivered another net surplus. We perform the service and we build the public's faith in the brand." Palecek continued, "These are just the sort of stable, modest profits everyone should want to see in a Crown Corporation, and another confirmation of what CUPW has been saying all along: there never was a financial crisis at Canada Post, and there's all kinds of room for growth."

The federal government mandates the service to be financially self-sustaining. This January, following on a 2016 service review, it asked CPC not to pay dividends to the government – investing its surpluses instead in growth and adapting its services to the public's changing needs.

One of the union's big hopes for innovation is to bring back postal banking. Postal banking, a successful part of postal services all around the world, could help keep Canada Post sustainable, improve financial access for marginalized populations, and perhaps even provide a public alternative to the big private banks.

Meanwhile, CUPW is anticipating the filling of several vacancies on CPC's Board of Directors. Palecek says that the senior management behind the 2013 service cuts have been proven wrong for good: "Were hoping to see new direction from the top down, with an openness to new ideas, better treatment of the workers, and sincere hope for the future at Canada Post."

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