

April 17, 2018

Michael Ferguson  
Auditor General of Canada  
Office of the Auditor General of Canada  
240 Sparks Street  
Ottawa, Ontario  
K1A 0G6 Canada

Dear Mr. Ferguson,

I am writing to request that you examine the decision-making that led to the incorrect reporting of injuries to labour Canada by Canada Post during the years 2010 to 2017 and determine if the incorrect reporting of workplace injuries resulted in improper bonuses being paid to senior management of Canada Post.

There is no dispute that Canada Post continues to have the highest injury rate of all industries in the federal sector. There is also no dispute that Canada Post submitted false injury reports to Labour Canada for a number of years. As you can see from the tables 3.1(a) and 3.2 (a) from the Labour Canada Report on Occupational Injuries in the Federal Sector the number of disabling injuries the disabling injury rate reported to Labour Canada by Canada Post increased by 90% from 2013 to 2014. In reality the injury did not increase by anything close to this amount. What actually occurred was that Canada Post was discovered to be submitting false information to Labour Canada for many years.

(see: <https://www.canada.ca/en/employment-social-development/services/health-safety/reports/statistical-2015.html>)

It appears that at some time in 2010 CPC decided to adopt a standard of “lost time injuries” instead of disabling injuries. The definition of disabling injuries used by labour Canada includes injuries which result in modified duties. Canada Post’s decision to only report lost-time injuries allowed it to understate the actual rate of injuries by simply requiring more injured workers to attend work under modified duties.

In paragraph 107 of the Auditor General of Canada Special Examination of Canada Post (see: [https://www.canadapost.ca/cpo/mc/assets/pdf/aboutus/specialreport\\_en.pdf](https://www.canadapost.ca/cpo/mc/assets/pdf/aboutus/specialreport_en.pdf)) it states that safety is the highest weighed objective on management's scorecard. We are concerned that by reporting reduced injuries, at a time when the incident rate of disabling injuries was actually remaining constant, Canada Post managers may have received bonuses to which they were not entitled. We are asking you to investigate if this is the case.

Canada Post management has claimed that the incorrect reporting of disabling injuries was due to an "inadvertent" error. This does not appear to be correct. On page 27 of the 2010 CPC Social Responsibility Report management stated that it was their intention to change the reporting of lost time injuries. The Report states: *"In 2011, we will change how we report accidents internally to provide our accident frequency, rather than a raw number of total lost-time accidents."* On page 35 of the Auditor General's report it is stated *"Management told us in 2010 they plan to implement new processes to collect accident information"*.

These new processes, such as no longer including employees on modified duties, were directly contrary to past practice and the clear instructions issued by Labour Canada concerning the definition of disabling injuries.

The improper redefinition was a deliberate act sanctioned by the management of CPC. It enabled the Corporation to report a steady reduction in disabling injuries in 2011, 2012, and 2013 until the scheme was revealed and CPC was required to report a 90% increase in disabling injuries in 2014.

This did not stop Canada Post from issuing a press release in June 2016, stating that the disabling injury rate had been steadily reduced for four years. (see: [https://www.canadapost.ca/web/en/blogs/announcements/details.page?article=2016/06/10/2015\\_social\\_responsi&cattype=announcements&cat=newsreleases](https://www.canadapost.ca/web/en/blogs/announcements/details.page?article=2016/06/10/2015_social_responsi&cattype=announcements&cat=newsreleases))

The release cites the results reported in the CPC 2015 Social Responsibility Report which reported 2,021 lost time injuries for 2013 and 1,871 lost time injuries in 2014. The actual number of disabling injuries reported to Labour Canada was 2,019 for 2013 and 3,886 for 2014.

It is important to note that for many years Canada Post reported basically the same number of "lost-time" injuries in its Social Responsibility Report as it reported to Labour Canada as "disabling injuries". For instance in 2007 Canada post reported 4378 "lost-time injuries" and 4328 "disabling injuries". In 2008, Canada Post reported 4277 lost-time injuries and 4470 "disabling injuries". However in 2014 Canada Post reported 1871 "lost-time" injuries and 3886 "disabling injuries". Between 2008 and 2014 the incident rate for "lost-time" injuries fell by

62% while the incident rate of “disabling injuries” fell by only 1.5%. See attached. During these years CPC repeatedly congratulated itself on improving safety yet the reality was that CPC’s injury rate remained essentially unchanged, and Canada Post continued to have by far the highest injury rate in the federal sector.

There are also several other issues that should be investigated with respect to Canada Post’s reports to Labour Canada. An examination of CPC’s reports to Labour Canada reveals systematic errors in the reporting of hours and the calculations of FTEs, contrary to Labour Canada guidelines. These errors have permitted Canada Post to understate the actual incidence rate of injuries.

The Canadian Union of postal Workers has conducted a thorough examination of the problems associated with Canada Post’s injury reporting. We would be most welcome to review this with you or members of your staff.

Sincerely,



Mike Palecek  
National President

Cc: Patty Hajdu, Minister of Labour  
Justin Trudeau, Prime Minister of Canada  
Andrew Scheer, Leader of the Conservative Party of Canada  
Jagmeet Singh, Leader of the New Democratic Party  
Martine Ouellet, Leader of the Bloc Québécois  
Jessica L. McDonald, Interim President of CPC  
National Executive Board, CUPW

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