

February 20, 2014

The Honourable Lisa Raitt
Minister responsible for Canada Post
Place de Ville, Tower C 29th Floor
330 Sparks Street
Ottawa, Ontario K1A 0N5

Minister Raitt,

I am writing on behalf of the New Brunswick Federation of Labour's Executive Council and our 40 000 members to express our opposition to the cuts of door-to-door mail delivery by Canada Post in addition to the drastic increase of postage rates.

Our primary concern is cutting services to Canadians, particularly those who rely on door-to-door mail delivery: our seniors and people with reduced mobility. The Canadian Postal Service Charter does specify that: "*Canada Post will take into consideration the security and privacy of the mail in every aspect of mail collection, transmission and delivery*". In our opinion, asking seniors or people with reduced mobility to walk a distance in freezing rain, ice and snow, as it is a common factor in our northern country, does not constitute consideration for the security of mail collection. Furthermore, Canada will become the only country in the G7 not to have door-to-door mail delivery.

We are also very concerned over the loss of good paying jobs in our communities and what affect it will have on local economies. As you pointed out in the House of Commons on June 23, 2011: "*Canada Post is one of Canada's largest corporations and delivers a service that many Canadians count on. It supports 70 000 full-time and part-time employees and contributes \$6.6 billion to our country's GDP. A reliable postal service without interruption is an important part of what keeps our economy running smoothly.*" Canada Post must continue to be a service that Canadians can count on and must continue to contribute to the Canadian economy. How is this possible with the loss of 8000 good paying jobs?

The increased postage rates will have a dire consequence on individuals, small businesses and charities that rely on Canada Post to do fundraising campaigns. Because Canada Post is sustainable and has been profitable for 17 of the last 18 years with a return of \$1.7 million profit back to the Canadian taxpayer, we don't see the need to increase mailing costs for Canadians.

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We strongly believe that Canada Post should look at other sources of revenue such as postal banking as supported by the Library of Parliament in a 2005 report entitled *Canada Post Corporation as a Provider of Financial and Government Services: The Way of the Future?* In addition, the Canadian Centre for Policy Alternatives (CCPA) study *Why Canada Needs Postal Banking* published in October 2013 made a strong case for postal banking and cited profits made by postal banking in other countries: Kiwibank generated 70% of New Zealand Posts' Profits in 2012, Post Finance generated 71% of Swiss Posts operating results and the banking and insurance arms of the Italian Post Office brought in 67% of total profits. In addition, the CCPA concludes that Postal banking would greatly benefit the approximately 900 000 Canadians who don't have a bank account and are forced to use fringe financial institutions such as pay-day loans with very high interest rates.

It also came to our attention that a Canada Post report obtained through access to information by Blacklock's Reporter, seem to support postal banking. We cannot confirm this as we have not seen the report and some pages were redacted.

The NBFL strongly support a universal public postal service that all Canadians can rely on wherever they live. Because Canada Post is a crown corporation, in other words, it's solely owned by the Federal Government, we are calling on your government to reverse these cuts and consider other options such as postal banking.

Sincerely,



Patrick Colford, President
NBFL

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C.C. Denis Lemelin, National President – CUPW
Jeff Callaghan, National Director Atlantic Region – CUPW
Members of Parliament – NB
NBFL Executive Council members
Claude Dauphin, President – Federation of Canadian Municipalities

