

For Immediate Release

August 26, 2014

Canada Post \$62 million profit proves cuts are unnecessary

OTTAWA - Canada Post's latest profits prove what postal workers have been saying all along: alternatives to cutting postal service should not be dismissed.

"When our post office has been profitable for most of the last two decades, the types of cuts that Canada Post and the Conservatives are trying to impose on us are completely unnecessary," said Denis Lemelin, National President of the Canadian Union of Postal Workers.

"We need to do what the rest of the world is doing and make the post office a better service, not a lack of service."

Canada Post's case for cutting has rested on a 2013 Conference Board report that claimed traditional mail volumes would plummet, spelling disaster. Instead, the Crown Corporation has posted higher-than-expected mail volumes and significantly lower-than-predicted losses since the report was issued, including a profit in 2012.

Notably, the Conference Board report predicted Canada Post would lose \$400 million in 2014 rather than showing a profit

"That '\$1 billion by 2020' figure the Conservatives toss around as an excuse to attack our public post office is from a report that has failed to predict anything accurately so far," said Lemelin.

"According to Canada Post's own annual reports, the Conference Board was wrong about 2012, they were wrong about 2013 and now they're wrong about 2014. The report is discredited, the Conservatives are wrong and Canada Post management is wrong."

CUPW has been pushing for postal banking, an idea steadily gaining traction in the United States, as a way to keep the postal system viable while offering much-needed financial services to underbanked Canadians.

The union points out that the upcoming anniversary of the *Canadian Postal Charter* provides the government with a real opportunity to consult with the public on any changes to the post office.

-30-

For more information, please contact Aalya Ahmad, CUPW Communications,
613-327-1177 or aahmad@cupw-sttp.org

/mcmd cope 225