

June 20, 2013

Federal government makes concessions relating to postal services in CETA negotiations

Media reports indicate that the federal government has agreed to give Europeans more market access to our postal services as a result of negotiations over the Canada-EU Comprehensive Economic and Trade Agreement (CETA).

The term "market access" is used in trade agreements to refer to conditions relating to market entry, such as tariffs or customs regulations and procedures. However, it traditionally means providing greater entrance to a market. As you may recall, the government increased access to our postal market in 2010 when it deregulated international letters. It is possible that the government has locked in its deregulation of outbound international mail through CETA, which would prevent a future government from being able to reverse this move.

CUPW has written to Steve Verheul, Canada's Chief negotiator for CETA, asking for more information. We are also attempting to arrange a meeting with Verheul.

What we want

CUPW has urged Verheul to protect postal services with fully effective reservations. Specifically we have asked the government to take an Annex II reservation because it would protect existing and any new non-conforming measures and allow for future policy changes. For example, an Annex II reservation would give the federal government the policy flexibility to reverse postal deregulation that is not working.

A leaked document from October 2012 indicated that the government had taken an Annex II reservation for postal services. We have asked Verheul if Canada has maintained this position.

What the government has said

CUPW has urged the federal government to resist making any moves that would deregulate or

liberalize postal services (i.e. allowing private companies to deliver lettermail).

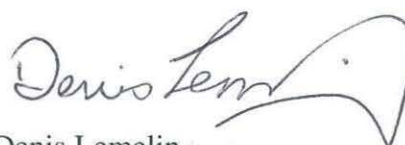
During a civil society update on April 26, 2010, Verheul stated that, "for postal in general, [they] would not be moving on Canada Post's ability to handle letters." He assured us "that would not be compromised." In a letter dated September 2, 2010, he confirmed that "Canada has and will continue to maintain its position with respect to preserving Canada Post's domestic monopoly for letter mail."

CUPW has also urged the government to oppose efforts to change the classification of postal and courier services or add new obligations imposing so-called pro-competitive regulation on the postal sector.

In a letter dated March 22, 2010, Verheul stated "In the context of all of its international trade negotiations, including negotiations with the EU, Canada has taken the position that the current classification is adequate to respond to the demands of our negotiations partners for liberalization. Meanwhile, discussion with the EU with respect to the possible application of procompetitive regulatory principles are still at an early stage, but Canada does not see value in prescribing regulatory approaches to the sector under the rubric of trade agreements."

We hope to be able to update you on this matter in the near future.

In solidarity,



Denis Lemelin
National President

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