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August 8, 2008

Canada Post Corporation Strategic Review
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Sirs:

The Kamloops and District Labour Council welcomes this opportunity to make a submission to the Canada Post Corporation Strategic Review (CPCSR).

The Kamloops and District Labour Council is a labour organization with approximately 30 affiliates and over ten thousand members. Both our organization and our members rely heavily on Canada Post Corporation and our postal service to communicate with each other on a regular basis.

We are writing because we are very concerned about the future of universal, public postal service in this country.

As users of the mail, we are concerned by the kind of changes being considered by the CPCSR, such as deregulation of our public post office. The Kamloops and District Labour Council relies on the mail to communicate with our members and the public on a regular and ongoing basis.

Overall, full scale postal deregulation has not worked well. We are very concerned that deregulation would negatively affect our members and the public at large.

Postal deregulation in other countries has largely led to fewer jobs, less service and higher postal rates for the public and small businesses. Recently an independent review of the United Kingdom deregulated postal sector found that there have been no significant benefits from liberalization for smaller businesses and domestic consumers. Currently the United Kingdom Post Office is losing hundreds of millions of dollars on an annual basis making it virtually impossible to continue without government assistance or the elimination of services.

Deregulation elsewhere has not proven to be a good thing for the public. People who use deregulated post offices tend to pay a higher postage rate than we do. The standard postage rate in Sweden has increased by 90% since its post office was deregulated in 1993 while the Canadian rate has increased by only 21% during the same period (1993 to 2005). The United Kingdom's Royal Mail has faced intense pressure from competitors since it was deregulated in 2006, resulting in falling mail volumes and revenues. Royal Mail says higher prices for stamped letter are inevitable and universal service is at risk.

There is no good reason to change the mechanism that funds universal postal service – the exclusive privilege. We currently have one of the lowest standard postage rates in the industrial world. Our postal services are universal and affordable, no small feat in the second largest country in the world. It will be difficult for Canada Post to improve public postal service if the government erodes the mechanism that funds this service, the exclusive privilege.

As an organization whose members work and live in rural communities we understand that deregulation would hit us the hardest. We also understand that the jobs lost would affect women disproportionately as they are the majority of employees in rural areas.

The Kamloops and District Labour Council would like to see the profits currently being earned at Canada Post Corporation to be used to improve door to door delivery and increased presence in rural areas of Canada. This could not be possible if deregulation is implemented or the exclusive privilege is eroded.

Members of the Kamloops and District Labour Council are also members of the public with a real stake in our public post office. We are concerned, from this perspective, that the government is not holding public hearings as part of its review of Canada Post. Any review of our public post office should include public hearings. The government should not make any decisions about our public post office until it has properly consulted with the public. The government should also extend the deadline for submissions to ensure that all the owners of Canada Post, the public, have an adequate amount of time to make their concerns known.

Thank you for considering our submission.



Karen Cerniuk, President
Kamloops and District Labour Council