

September 2, 2008

Canada Post Corporation Strategic Review
330 Sparks Street (HCCR)
Ottawa, Ontario
K1A 0N5

Dear Committee Members:

Re: Canada Post Corporation's Strategic Review


Thank you for the opportunity to make a submission to your committee on what is a very important issue. The future direction of Canada Post will affect many lives in Canada, and our company is deeply concerned over some of the activities that Canada Post has been engaged in.

Kirk Integrated Marketing Services Ltd. is a small, privately held small business providing mailing services for Canadian and international clients. We have been doing so for over 50 years, and wish to continue well into the future. There are two areas of concern with the current business practices of Canada Post that I will address in this submission.

For over 20 years, Canada Post Corporation has had an exclusive privilege to deliver mail in Canada and a universal service obligation to all Canadians. As a mail service provider, we accepted this exclusivity and cooperated; we printed and prepared the mail and Canada Post delivered it on behalf of our clients. However, Canada Post did not have an exclusive privilege to mail letters outside of Canada, nor did they have a universal service obligation to the citizens of the rest of the world, so we competed aggressively and fairly for international mail.

Canada Post's recent legal action against international mailers after over 20 years of not only accepting, but competing in the international mail business is unfair, and is potentially jeopardizing thousands of Canadian jobs. If Canada Post is successful in their litigation, and Bill C-14 is not passed, hundreds of companies will be negatively affected as this business simply will move to a country with more favourable postage rates and business climate. The revenue that Canada Post feels they are missing out on will not move to Canada Post because they are not competitive. If they were competitive, they would already have this business.

I respectfully submit that the international mailing industry be left alone to continue what it has done for over 20 years, and that Bill C-14 be passed to insure the protection of this industry.



Secondly, Canada Post is becoming more and more aggressive competing with service offerings that printers and mail service providers have been providing for decades. As a small business owner, we accept competition in our industry, in fact we thrive on it. But we object to what we consider to be unfair competition from our post office. The exclusive privilege noted above means that we have no choice who we use to deliver our clients' mail in Canada. We are electronically connected to Canada Post, and they have access to all of our clients' names, details and mailing volumes. Additionally, they have massive revenue and cost structures, making it possible to potentially cross subsidize print and mail preparation costs with mail delivery revenues. This is an unfair advantage that small business cannot compete with.

If Canada Post is going to keep their exclusive privilege to deliver mail in Canada, then they should stick to their core business and deliver the mail. However, if they wish to compete openly and fairly with private business, then they should give up their exclusive privilege and compete on a level playing field. Frankly, I feel that the latter may be detrimental to many Canadians, particularly rural Canadians, who have come to rely on Canada Post's universal service obligation.

Thank you again for the opportunity to make a submission to your committee.

Yours truly,



Gordon Taschuk
President