

TOWN OF LABRADOR CITY

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August 19th, 2008

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

To whom it may concern,

The Town of Labrador City welcomes the opportunity to make a submission to the Canada Post Corporation Strategic Review. The future of the universal public postal service in Canada is in jeopardy and creates concern for both businesses and citizens alike.

As users of the postal service, we are concerned by the changes being considered by this review, such as deregulation of our public postal service. The Town of Labrador City relies on Canada Post and its service; we take for granted that it will be there to mail notices to residents, statements and permits to applicants, and even payments to suppliers. The convenience that Canada Post provides is second to none.

The negative effect that deregulation could impose to our members is unsettling. Postal deregulation in other countries has led to fewer jobs, less service and higher postal rates for the public and businesses. In recent studies, it has been noted that "there have been no significant benefits from liberalization for smaller businesses and domestic consumers". Only a few countries have had any long-term experience with postal deregulation. It would make sense to see how the system works out in these countries prior to making irrevocable changes to our universal public post office.

There is no good reason to change the mechanism that funds universal postal service – the exclusive privilege. Canada currently has one of the lowest standard postage rates in the industrial world. Our service is universal and affordable, which is no small feat for the second largest country in the world. Countries that have a deregulated postal service tend to pay higher rates. As an example, postage rates in Sweden has increased by 90% since its postal service was deregulated in 1993 while the Canadian rate has increased by only 21% during the same period.

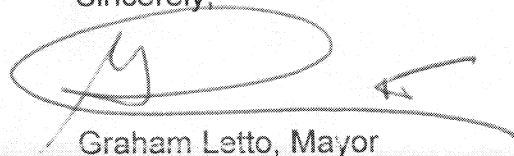
Our post office is not broken. It does not need to be fixed, only improved. It will be difficult for Canada Post to improve public postal service if the government erodes or eliminates the method that funds this service.

The Town of Labrador City supports our local service and all their hard work. They are not only employees of Canada Post who recognize the needs of those living in an isolated community, but are also members of the community who avail of this service.

We are concerned about the fact that government is not holding public hearing sessions as part of its review. A review of our public postal service should include hearings to provide an opportunity for citizens in this country to stand up and be heard. The government should not make decisions about our public post office until it has properly consulted with the user of this service. Furthermore, the deadline for submissions should be extended beyond September 2nd, 2008 to provide adequate time for residents to make submissions as well.

Thank you for consideration.

Sincerely,

A handwritten signature in black ink, appearing to be 'Graham Letto', is written over a horizontal line. The signature is enclosed in a hand-drawn oval. To the right of the signature, there is a small arrow pointing left towards the signature.

Graham Letto, Mayor

cc. Jim Baker, MHA Labrador West
Todd Russell, MP Labrador
Denis Lemelin, National President
Bev Martin, Local President