

Yvonne Holliday

Sask.

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Canada Post Strat  
330 Sparks Street  
Ottawa, Ontario  
K1A 0N5

Dear Sir:

I am writing to you today to voice my concern about the review of Canada Post. As a rural Canadian and as a postal worker, I would like to add my input. I have lived at my present address on the farm for the last ten years. I receive my mail at a community mail box on the road at the east edge of my property. I get this service on Tuesday and Friday every week. The rest of the time, if I choose to get my mail, I must drive about ten kilometers to the Post Office in the hamlet of Zehner and at this time I do not have a problem with this.

Prior to living in the country I resided in Regina, where I last lived in a new subdivision for ten years. There, I also had a community mail box on my crescent to which I had mail delivery every day but had I purchased a home two blocks away, I would have had mail delivery to my door. Did I feel that was right? No, but I got used to it although I always felt like a second class citizen in my own city. Needless to say I really feel like a second class citizen more so now than before, but as I have been told I chose to live in the country. Does that make it right? Could my right as a Canadian citizen demand more? Maybe, yet I do understand and have accepted this.

In this review it is my understanding that you wish input from anyone who would be affected by the outcome of this review. I would say that could possibly be me. If the review was to close my small post office then I would have to drive to Regina, (the nearest city), thirty two kilometers to pick up my mail and thirty-two kilometers to return home. My thinking would be that with the high price of gas, I would probably not be able to afford to get my mail. I would say that I would then feel like I lived in a third world country and not the Canada that I know and love.

My next point comes from a postal clerks view. I have been employed by Canada Post since 1985. In the years that I have worked there I have seen many changes and some of those changes have been what the corporation has deemed for the best of the company. In reviewing a statement by Ms. Moya Greene CEO of Canada Post when she appeared in Parliament on the closure of Quebec's plant she had said that the impact to the employees was minimal and that service would be kept up.

As an employee, I have experienced some impact when the corporation makes decisions like Quebec, that they tell the public is alright, (if they even tell the public, since there was no announcement pertaining to the secretive movement of the mail from Saskatoon to Regina), when in fact it can be horrendous for the employees. In the late

80's, the corporation made a decision to send Saskatoon's mail to Regina every Friday evening to be processed and returned to Saskatoon, by Sunday, for delivery on Monday. This was done as a cost saving measure, due to the fact that Regina had been chosen to have a new machine called the MLOCR. Regina gained some positions while Saskatoon lost some. For many years this process of transporting the mail to and from went on. The impact to the employees became a workplace that was extremely miserable and hostile as tensions were very high, as the commitments had to be met at any cost, in order for the system to work. When the machines became more commonplace, Saskatoon got their own MLOCR and the practice stopped, much to the relief of the Regina employees.

In this century, Canada Post has been downsizing it's workforce at an alarming rate, with a "do more with less," motto. In Regina alone we have lost over fifteen positions, since last year. The injury rate has become astronomical across the country partly due to lack of staff and Ms Greene seems to be of the mindset this is okay as long as a large profit is made and that the, "200 best commercial customers" are served. Ms. Greene as CEO has forgotten that we are not serving the public for profit and that ALL Canadians are her best customers! Why not keep the exclusive privilege and consider putting the profits back into the corporation to best serve the Canadian public.

I believe Ms. Greene had made the statement that as the CEO, it was her responsibility to do what was best financially for the corporation by being profitable as it is a commercial business. The corporation is not a business for profit, it is a Canadian public service of which I can say I am proud to do my best on the job, to be sure that all Canadians receive their mail, no matter where in Canada they live, as we do not discriminate. This country is a vast place of which, for the price of a stamp you can send a letter anywhere. Have you thought for one moment that if you privatize this company that someone living anywhere, except a major city, will never receive another letter unless they pay through the nose to a private company to deliver it. Mail delivery as most Canadians, if asked, feel is a right as a Canadian citizen. As I said in the beginning I too felt like a second class citizen but if you privatize I will not only feel like a second class citizen, I will be one.

I hope that for a brief moment you put yourself in my shoes, in the country and think of how I will get my mail if you privatize Canada Post. In the best interest of all Canadians why not ask the public, in a democratic way for their opinion?

I appreciate you taking the time to read my letter and I hope this has given you some perspective of an individual, of one whom receives mail and of one who works to make sure you receive yours.

Sincerely,  
Yvonne Holliday

Encl: copy of House Committee transcripts

next intervention

**Ms. Christiane Gagnon (Québec, BQ):**

I am very glad to meet you today and to have this opportunity to ask you some questions.

In your career, you have had much experience with privatization and regulation. You are known as someone who applies drastic measures, in other words, some of your decisions have been rather draconian.

Let me mention a decision you made in 2005, which was to close down the Quebec mail sorting centre. At the time, 130,000 persons petitioned against this closure. Moreover, municipalities tabled some 1,000 resolutions to try and stop this decision by Canada Post, which was at the time your decision.

With regard to this decision, I would like to know whether you have a plan for downsizing. Why

did you decide to implement downsizing in Quebec? You know that we have two centres, one in Quebec and one in Montreal, and that they serve 7.5 million people. Ontario has six centres for 12.5 million people. If you close down the Quebec centre, there will be a ratio of one centre for 7.5 million persons, whereas in Ontario, there will be one centre for 1.7 million persons. What is the rationale for this? Is this just or fair?

I know that you will tell me that no jobs were lost, but as far as I am concerned, I believe that jobs will be lost in the long term. You will tell us that the service would be just as good, but that is not what I want to know. Tell me, do you have a downsizing plan? Will you table it if you do? We already asked the minister for this in 2005. Now we are dealing with Minister Cannon. We want you to present a plan and to put a moratorium on your decision until this plan is made public.

[+](#) [-](#) [\(1310\)](#)

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

Thank you for your question. I have no plan to downsize the sorting centres. At Canada Post, we have been downsizing for the past 15 years as conditions allow. We do this following certain criteria.

First of all, we downsize operations if we can do so, without penalizing employees. Next, we check to see if there is enough production capacity in the other undertakings of Canada Post. With regard to Quebec, the answer is yes. Montreal can increase its productivity by 30%. Thus, mail can be transferred from Quebec to Montreal without any loss in the quality of service. In fact, Ms. Gagnon, I'm very proud to tell you that the service in Quebec is the best in the province. It is done in a timely way 99.6% of the time. It is very important to avoid any decrease in service.

Finally, there is a third standard that allows us to know whether we can use our centres more efficiently. When a long process is involved, different types of mail can be transferred without Canada Post having to change its operating plan in any major way.

If we see that the situation is favourable in all three ways, then why not go ahead? The service offered by Canada Post to the Canadian population is of course very important, but it is commercial in nature, which is another important factor. This is in keeping with my mandate.

As CEO for Canada Post, the fact that 30% of the production capacity in one of my centres is not being used gives me an opportunity to streamline operations without even penalizing one single employee. If there is no decrease of service in the region, I think that it would be irresponsible not to go ahead.

[next intervention](#) [previous intervention](#)

**Ms. Christiane Gagnon:**

Let us say that I do not agree at all with what you've just said. First, Canada Post is not a commercial service, it is a public service, a crown corporation.

[+](#) [-](#) [\(1315\)](#)

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

It is a commercial company.

[next intervention](#) [previous intervention](#)

**Ms. Christiane Gagnon:**

Yes, but I mean that you are going about the downsizing as if it were a private company.

Secondly, I would like to know what you mean by fairness. You have two sorting centres in New Brunswick for a population of 752,000 persons. This is a ratio of one sorting centre per 376,000 citizens. Thus, in Quebec, mail delivery has decreased more than anywhere else in Canada. Mail delivery is only decreasing in Quebec while the installations in the rest of Canada are improving.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

No.

[next intervention](#) [previous intervention](#)

**Ms. Christiane Gagnon:**

There are two sorting centres for a population of 752,000 in New Brunswick, whereas Quebec has one centre for 7.5 million. Now you said that the service will remain the same and that there will be no problem with delivering service in Quebec. I do not believe that.

Have you studied the matter?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

Yes.

[next intervention](#) [previous intervention](#)

**Ms. Christiane Gagnon:**

In general?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

Yes.

[next intervention](#) [previous intervention](#)

**Ms. Christiane Gagnon:**

And in New Brunswick as well?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

Yes. We did some studies and it is—

[*English*]

[next intervention](#) [previous intervention](#)

**The Chair:**

Just very briefly, please.

[*Translation*]

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

The studies are conducted by an independent firm, a third party. The firm is IBM, which conducts studies of this nature for most major postal organizations in the world. IBM conducts service studies in Canada and the US because we have to know what the levels of service in both countries are, and determine whether they are met.

According to information from IBM, which is not paid by Canada Post, I can assure you that service in Quebec is the best in the country.

With respect to equity, I don't believe that is the issue. The issue is rather to make the most efficient and effective use of all resources at Canada Post, without reducing services and without causing harm to employees. Let's say that some 319 people will retire in Quebec over the next three years. We could transfer the mail to Montreal in stages, in order to harmonize the process with the retirements. So it is not an equity issue. We have some facilities here, and others there. It is an issue of...

[*English*]

[next intervention](#) [previous intervention](#)

**The Chair:**

Excuse me.

Mr. Julian.

[*Translation*]

[next intervention](#) [previous intervention](#)

**Ms. Christiane Gagnon:**

In Ontario, there are six for 12 million people...

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

That is 45% of the mail.

[*English*]

[next intervention](#) [previous intervention](#)

**The Chair:**

Mr. Julian, please.

[*Translation*]

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

Thank you, Mr. Chairman.

I would like to come back to the issue of postal sorting stations in Quebec. Public reaction was very strong, and that is very clear. We are all familiar with Quebec's geography. It makes no sense to close these postal sorting stations without consulting the public. This is being done in the same way as the more low-profile closures—but closures nonetheless—of rural post offices.

Is the corporation planning to close other sorting stations and rural post offices? Is this something that is being done, or being planned? Is there a moratorium on the closure of rural post offices and postal sorting stations in Quebec, so that they stay open?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

There is no plan, but I will not say there will be no moratorium. If those three criteria are there in the future, and if I can use Canada Post enterprises more effectively without reducing service and without penalizing any employees, I would be very irresponsible not to do so.

With respect to consultation, I'm well aware that the mail delivery system is a source of inconvenience for a number of people. I am consulting on the issue at present.

Regarding plans...

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

But whom are you consulting?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

The people affected. One month after I arrived at Canada Post, I had the pleasure of implementing a communication plan targeting people who would be affected by change, whether it be change to rural services or to delivery.

However, when it comes to postal sorting stations the situation is rather different. It's not a service issue. Service is an issue that concerns the delivery side, by and large. In this case, I will be consulting people. But why should we consult people at the stations if no employees, be it permanent or part-time employees, are affected, and there is no resulting service reduction?

I would say that in this instance client relations are not an issue. Rather, it is up to Canada Post to find the best way of conducting its affairs, while making sure that the postal system does not yet again become a burden to taxpayers.

[+](#) [-](#) [\(1320\)](#)

[next intervention](#)

[previous intervention](#)

**Mr. Peter Julian:**

Are you actually telling us that the public was not consulted, and that over the coming weeks other postal sorting stations might be closed?

[next intervention](#)

[previous intervention](#)

**Ms. Moya Greene:**

With all due respect, Mr. Julian, I would point out that we gave Quebeckers two and a half years' notice. We are not talking about weeks here. Transferring mail takes a great deal of time operationally. In addition, we will be taking potential retirement numbers into account.

[next intervention](#)

[previous intervention](#)

**Mr. Peter Julian:**

I did talk about the announcement of a further closure. If I understand correctly, you will in no way reconsider the decision to close the Quebec City postal sorting station.

[next intervention](#)

[previous intervention](#)

**Ms. Moya Greene:**

No. That is a good decision.

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

As Ms. Gagnon has just pointed out, it is quite clear that public reaction doesn't reflect this at all. The frustration in eastern Quebec is considerable. Obviously, the public does not agree with you.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

I know that this is a political issue, and not a business issue—

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

Please allow me to finish.

In this instance, would you at least consider consulting people in Quebec City so that they can give their views? Then, if you maintain your decision, you will have to provide local residents with some explanation.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

No. This is a good decision, and I am not going to question it. Any CEO would act in a similarly responsible fashion to assure the future of the corporation and to ensure that the corporation does not become a burden to taxpayers.

That has nothing to do with service, since service quality remains high, nor does it have anything to do with delivery, which remains unchanged. I know that this has become a political issue, rather than a business issue. But the point here is to manage Canada Post properly.

[*English*]

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

I will come to another subject, because I think there's only a minute or so left.

This is a crown corporation, with public input. Are there any plans or have there been any

discussions whatsoever about privatizing Canada Post with this new government?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

No.

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

And there are no plans to do so? Can you give us assurance today--

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

Privatization is up to the shareholder, Mr. Julian. I'm not the shareholder. I am the chief executive officer of Canada Post.

If the shareholder of Canada Post, which is the Government of Canada, represented by the government of the day, chooses to exercise its rights in relation to its interest in Canada Post, that is the shareholder's decision. That is not my decision.

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

That has not been communicated to you in any way?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

In any way.

[next intervention](#) [previous intervention](#)

**Mr. Peter Julian:**

There isn't any proposal or any study going on to that effect?

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

There is no study going on to that effect.

[next intervention](#) [previous intervention](#)

**The Chair:**

Mr. Jean.

[next intervention](#) [previous intervention](#)

**Mr. Brian Jean:**

Thank you, Mr. Chair.

Thank you very much for coming today. I've had the opportunity before to have you answer my questions and I've really appreciated it. Quite frankly, I admire your business acumen very much. I've had the opportunity, as I said, to speak to you somewhat and I'm very impressed.

One thing I liked best about you is you're very blunt, and so am I. You've asked for comments in relation to the execution of what happened in Fredericton, and I can assure you that I believe as well that the implementation and execution of that plan was not very good. Anyway, there's my bluntness.

As you know, being the parliamentary secretary for this particular transport and infrastructure--17 crown corporations, every road and bridge and water system in Canada--the number one issue that I deal with on a daily basis is Canada Post, actually. I get approached by my Conservative colleagues who are very active, including Mr. Blaney, who I think has some additional questions for you on the Quebec sorting plant. I'll give you a reprieve from that for now.

I have some other questions, but I just want you to know that daily I get approached in relation to the Quebec sorting plant by my Conservative colleagues. This is the number one issue that they're driving right now in Quebec and it's very, very important.

I also want to say, since I am blunt, that I hear you use the word "inconvenience", but from my perspective, from western Canada, Canada Post's postal system and getting letters is to some people the most important thing that happens in their day. It's much more than an inconvenience; it affects their entire life.

[+](#) [-](#) [\(1325\)](#)

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

I know that.

[next intervention](#) [previous intervention](#)

**Mr. Brian Jean:**

It's very, very important.

My question really deals with the legal perspective here. My background is law--11 years as a litigator, an ambulance chaser, if you like. I did a lot of litigation, a lot of personal injury, and I just don't get it. We have Australia, where I lived for three years, the U.K., the United States, all with very similar postal systems. Australia has much smaller streets than we do, especially rural. The United States and the U.K. have much smaller streets as well, and yet all of them seem to be doing an effective job in delivering mail to rural post boxes. They do.

What makes our country any different, first of all, and why do we have this issue when the United States, quite frankly--I have litigated some files from there as well--is a much more litigious society than we are? They litigate much more over many more things and they don't seem to have these problems. Yet we do have them.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

That's a good point. My discussions, though, with the U.S. post office indicate that they do have these problems in the rural United States. They have similar.... It's not so much litigation, I think, Mr. Jean, as it is a question of people exercising employment rights that have been given to them by statute.

I'm not an expert by any stretch of the imagination, but I understand that some similar rights exist in the United States and they do have these issues. I don't know at all about whether the employment rights are the same in Australia as they are here, but the truth is that in Canada under the Canada Labour Code occupational health and safety, employees have the right to assess their working conditions and refuse work if they feel they are unsafe. When that happens, the employer has to respond immediately.

[next intervention](#) [previous intervention](#)

**Mr. Brian Jean:**

To be fair, Australia's labour code is much more stringent. The United States has the same issues with the labour code and it is a legal issue. The labour code issue is a legal issue. It's about keeping the employees safe, which is very important.

Would you be able to table to the committee your reference in relation to the U.S.? You referred to them having the same problems.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

We have had discussions with the U.S., so we'd be happy to do that. As we have discussed with you, they do have some of the same situations we have had. So I'd be very happy to table with the committee the results of those discussions.

[next intervention](#) [previous intervention](#)

**Mr. Brian Jean:**

And any information you have pertaining to how many issues they do have, because it would be very interesting to do a comparison.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

We know the number of their road safety accidents in rural United States, so we're quite happy to give you that information.

[next intervention](#) [previous intervention](#)

**Mr. Brian Jean:**

Thank you very much.

[next intervention](#) [previous intervention](#)

**The Chair:**

You have 20 seconds, Mr. Blaney.

[*Translation*]

[next intervention](#) [previous intervention](#)

**Mr. Steven Blaney:**

Ms. Greene, thank you for being here today.

Canada Post serves the citizens who elect us. In a way, we are the representatives of Canada Post shareholders. Today, you have been unable to demonstrate that a number of decisions, such as the closure of the Quebec City postal sorting station, met the needs of residents in the region, particularly where service is concerned. That is what I understand. Some other committee members remain unconvinced as well.

My concerns are on transportation security. I am told that a letter will leave Chicoutimi, go through Quebec City, through Montreal, then come back to Quebec City and to Chicoutimi. I have difficulty understanding how you will maintain the same quality of service. If there is a single postal sorting station in Quebec, and there is a problem in Montreal, how will you ensure service in eastern Quebec? I also see a great deal of transportation occurring between Quebec City and Montreal, while we are trying to achieve sustainable development and reduce the number of points of transportation.

I know that you do not have much time to answer, but these are issues that concern me and my colleagues.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

I understand and respect your concerns, Mr. Blaney. It is also very important to me to ensure that our services and our transportation system provide the best possible service for clients. When we decided to close the Quebec City station, we increased transportation service capacity and changed the mail handling process in Montreal, so that mail which comes from furthest away is handled first. We are now certain that there will be no reduction in service quality.

I arrived at Canada Post only recently, and the logistics in that corporation are extremely complex. Canada Post is perhaps the crown corporation with the most know-how about logistics and transportation. So thanks to the complexity of our logistics and the way mail is handled, we are certain that there will be no reduction in service quality.

[\(1330\)](#)

[*English*]

[next intervention](#) [previous intervention](#)

**The Chair:**

Because of time restraints, what I might suggest--

[*Translation*]

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

Mr. Blaney, I would be quite prepared to resume this discussion with you.

[*English*]

[next intervention](#) [previous intervention](#)

**The Chair:**

I will thank you, Ms. Greene and Ms. Traversy, for being here. I would think that the committee would be more than interested in welcoming you back for another chance to speak.

[next intervention](#) [previous intervention](#)

**Ms. Moya Greene:**

We are very happy to be available one on one with your committee members, Mr. Chairman, or in front of this committee again, anytime. It would be my pleasure.

[previous intervention](#)

**The Chair:**

Thank you very much.

Just for the information of the committee, on Tuesday we will be doing clause-by-clause on Bill C-3. If you have any amendments, they should be filed with the clerk ASAP. There have been some amendments filed, and they will be circulated to the members very quickly.

With that, we are adjourned.

