

**DOWNTOWN
REVITALIZATION
PROJECT**



August 11, 2008

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

Dear Sir or Madam:

We have been informed that Canada Post Corporation is conducting a strategic review on our public post office - if it should continue to have exclusive privilege to handle letters so that it has the money to provide universal service. We are not in favor of deregulation of this service.

Deregulation has not proven to be an effective alternative when you look at other countries and other services. In other countries (United Kingdom, Sweden), deregulation has forced the postal rates up and led to fewer jobs and less service. In Alberta, other deregulated services has led to us paying the highest utility rates in Canada.

Canada Post has an exclusive privilege or monopoly to handle letters so that it is able to generate enough money to provide affordable postal service to everyone, no matter where they live in our huge country, be it a large urban centre or a rural isolated community. It will become increasingly difficult for our public post office to provide universal postal service if the government erodes or eliminates the very mechanism that funds universal postal service – the exclusive privilege.

The post office also provides jobs. It plays a key role in supporting economic growth by providing the stable infrastructure that communities need to thrive and businesses to grow.

Canada Post is an institution that should focus on its postal workers, the public, and providing a public service. In all small towns, the post office is the hub of the community. People come for their mail or for services and visit. It becomes a social place. Economically, when people stop for the mail, they generally also stop at the local store or bank. To change the post office system in small towns or villages would cause their demise. Deregulated companies would only be concerned about their own



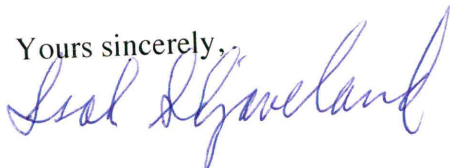
profits and where would they be located and would the company change each time it was up for review and tendering? The post office is constant and stable. It should be self-sustaining but not necessarily generate huge profits. It provides a service that should be cost recovery but still remain static in its service provision and operations. The Act says that postage rates shall be fair, reasonable, and sufficient to defray the costs incurred by the corporation in the conduct of its operations under the Act.

Canada Post is a Crown Corporation that has both public and commercial activities but is yet distinct from other commercial enterprises in that it is designed to serve the public interest, not maximize profits.

We urge you to consider our concerns when making your decision. Deregulation should not be an option. Canada post has a legal mandate to provide basic postal service while improving service operation on a financially self-sustaining basis and balancing the objectives of the corporation with the needs of its employees.

Please keep this mandate in place.

Yours sincerely,



Claude Lagace,
Mayor

CL:ds

Cc: Canadian Union of Postal Workers, Dennis Lemelin, National President
Chris Warkerntin, Peace River MLA, Member of Parliament
Sexsmith Post Office