

August 18, 2011

Canada Post Reports Highest Profits in History

Despite a modest decline in volumes during 2010, Canada Post Corporation (CPC) reported a record net profit of \$443 million. Fully \$315 million was due to income from operations, which makes 2010 CPC's second-best year for Income from Operations. CPC's 2010 Return on Equity (ROE) of 21.8% also sets a new record; in the 29 years since 1981, when Canada Post became a Crown Corporation CPC had never achieved a ROE greater than 17%.

Much of the success of CPC during this period of slow economic growth has been as a result of productivity improvements. For example, between 2007 and 2010 the number of paid hours in mail processing decreased by 15.9% while volume decline was only 10.2%.

Report Reveals CPC's 17% Lie

During urban negotiations CPC repeatedly claimed that lettermail volumes had declined by "in excess of 17%" between 2006 and 2011. The annual report reveals that volumes declined by 11.6 % during this period.

CPC Throws Away Success

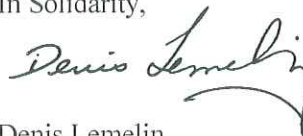
CPC could have built upon the success of 2010 by treating workers with respect and dignity, and sharing the benefits of the productivity increases. Instead the corporation has pursued an arrogant and reckless bargaining strategy with both urban and rural CUPW members. When it

could not bully the urban workers into accepting rollbacks it initiated a two-week national lockout that, according to CPC, cost the Corporation hundreds of millions of dollars. In the case of the rural workers CPC has done everything possible to delay the current interest arbitration and has refused to pay rural workers the retroactive pay that both parties agree they should receive for 2010.

Still Time to do the Right Thing

Instead of continuing to attack the rights and benefits of the employees whose work has generated these record profits, CPC should sit down with the Union and resume negotiations. As the success of the last 16 years shows, we do not need an arbitrator-imposed collective agreement, which will only become the source of future conflict. Free collective bargaining has made Canada Post one of the most successful post offices in the world. It can continue to do so.

In Solidarity,



Denis Lemelin
National President

2008-2011 / Bulletin #467

DL/bk cope 225

