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Negotiations

Canadian Union of Postal Workers, urban operations

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WAS LEGISLATION BASED ON LIES? YOU BE THE JUDGE!

In the media and in parliament Canada Post management and Conservative politicians made all sorts of claims to justify the passage of back-to-work legislation. As seen below, some even claimed that CPC was losing hundreds of millions of dollars. Now, with the publication of CPC financial data, we can test the accuracy of their statements.

WHAT WAS SAID TO JUSTIFY THE LEGISLATION

"Had we seen the same amount of movement before the beginning of strikes, we would have been in a much better position to reach a deal. However, after incurring hundreds of millions of dollars in losses, we are even in a worse position to pay for all of the demands."

Deepak Chopra, CPC President and CEO and Jacques Côté CPC Chief Operating Officer: Open letter to employees, June 23, 2011

"There were rotating strikes that were causing huge problems for the corporation and costing hundreds of millions of dollars."

Hon. Steven Fletcher, Minister of State (Transport): House of Commons Debates, June 23, 2011

"Canada Post estimates that it is losing \$25 million per day during this work stoppage."

Ms. Kerry-Lynne D. Findlay (Parliamentary Secretary to the Minister of Justice: House of Commons Debates, June 23, 2011

"Before the lockout, Canada Post was losing, I understand, about \$22 million to \$24 million a day. After the lockout, Canada Post was losing approximately half of that, \$10 million to \$12 million a day at present..."

Hon. Steven Fletcher, Minister of State (Transport): Appearing before the Senate, June 26, 2011

THE TRUTH: \$35 MILLION LOSS BETWEEN APRIL 2, 2011 AND JULY 2, 2011

CUPW began rotating strikes on June 3, 2011. During the next 12 days approximately 50% of the public was directly impacted, usually for one day. On June 15, 2011 CPC imposed a full-scale national lockout that lasted until June 27th.

CPC is now required to release a financial statement

every three months. The figures reveal that the Corporation did not lose anything close to the hundreds of millions of dollars claimed by Chopra, Côté, Fletcher and Findlay.

For the thirteen weeks which include the entire strike/lockout period the Canada Post segment (not including Purolator and other subsidiaries) experienced an after tax loss of \$35 million. Compared to the same period in 2010 costs were reduced by \$52 million and revenues decreased by \$108 million.

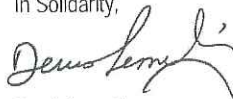
The numbers also show us that CUPW's job action strategy was right on target. Just as intended, our rotating strikes put a pinch on Canada Post's revenues without harming the public or threatening Canada Post's future viability. But instead of responding to the pressure by taking negotiations more seriously, CPC fabricated dollar figures to bring about government action.

CANADA POST CORPORATION PROFITABLE IN 2011

The CPC Quarterly Report also reveals that Canada Post Corporation (including Purolator and other subsidiaries) is on the way for another profitable year in 2011. For the first six months of 2011 the Corporation has reported an after tax profit of \$3 million. Usually the last six months of the year account for the majority of CPC's profits. All signs indicate that 2011 may yet be a very profitable year despite the financial impact of the national full-scale lock-out initiated by Canada Post management.

When Parliament resumes this September, we will be raising this issue of misinformation with the Honourable Members of the House of Commons and the Senate.

In Solidarity,



Denis Lemelin
National President and Chief Negotiator

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