Growing the Post Office: The Canadian Campaign

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Abstract
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Keywords
Canadian Union of Postal Workers, CUPW, Canada Post, privatization

This article is available in Labor Research Review: http://digitalcommons.ilr.cornell.edu/lrr/vol1/iss15/6
Growing the Post Office

The Canadian Campaign

In 1981 the Canadian postal service, Canada Post, was converted from a government department into a "crown corporation"—an agency owned by the people of Canada and governed by a board of directors. It was given three mandates by the government: to improve service, to improve labor relations, and to eliminate the postal deficit and become financially self-sufficient.

Since that time, Canada Post has focused its energies on attacking the postal deficit, at the expense of the other two mandates. More than 2,000 jobs have been eliminated by attrition, and greater and greater emphasis has been put on increasing the productivity of its existing employees, which has meant incredible harassment of workers.

At the same time, the quality of postal service has declined. Delivery standards were revised. Services such as redirecting incorrectly addressed mail were eliminated. Cleaning services were contracted out. Both postal rates and mail delays have increased.

In 1986 Canada Post unveiled a sweeping 10-year privatization plan that would eliminate 8,700 union jobs, 5,221 rural post offices, and 734 urban postal stations. In the name of "financial self-

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"sufficiency;" the plan called for the introduction of "super-mailboxes" (as opposed to door-to-door delivery), reduction of rural routes, increased use of technology, and improved productivity through the reduction of absenteeism.

The Canadian Union of Postal Workers (CUPW) has fought Canada Post's privatization plan every step of the way. With strikes and public demonstrations, at the bargaining table and in the community, CUPW has fought to protect jobs and work standards while at the same time promoting an alternative vision of the postal service, one that truly responds to the requirements of the Canadian public.

Since February 1989, CUPW now represents some 46,000 inside postal workers, letter carriers, couriers, maintenance staff and other Canada Post workers who were previously members of four different unions with separate contracts. In late 1988, the Canadian Labour Relations Board ordered an election between CUPW and the Letter Carriers Union of Canada (LCUC) to decide which would represent Canada Post's operational employees. CUPW won narrowly, and now the CUPW strategy for fighting privatization is unifying all Canada Post's workers around an alternative vision of the postal service.

**Service Expansion vs. Cutbacks**

CUPW recognized from the first that Canada Post's monomaniacal pursuit of financial self-sufficiency could only be thwarted if the union was capable of forcing the corporation to implement revenue-generating alternatives. Beginning with the first round of collective bargaining following the conversion of the Post Office into a crown corporation, CUPW has been presenting our employer with a whole host of ideas, gleaned from our international contacts and our research into services offered by post offices in other countries.

In contract negotiations, CUPW has put forward a series of demands geared to improve service for the public, increase revenues for the corporation, and create new job opportunities for our members. Some examples follow.

**Catalog Sales:** In 1984 CUPW forced the initiation of a 90-day experiment with a company called Consumers Distributing. Customers could place their orders from the Consumers' catalog at eight Canada Post postal stations across the country. The orders were transmitted by postal clerks to a central Consumers' outlet, and the merchandise was immediately forwarded to the postal station for pick-up by the customer.
The experiment was a tremendous success. Customers liked the service, dayshift jobs were created for our members, and Canada Post received increased revenues. The project was terminated, however, due to the interference of a small but highly effective group of private businesses who complained about competition from the Post Office.

CUPW maintains that Canada Post should offer catalog sales and that the corporation should have a right to offer services competitive with the private sector as a means of reducing its deficit.

**Selling Mail Materials:** There is absolutely no reason why Canada Post cannot sell supplies such as envelopes, stationery, post cards, mailing tubes and boxes, adhesive tape and string at its outlets. These products are available in post offices in other countries. Similarly, owners of brand new homes in Canada must buy their mailboxes from a hardware store as this product is unavailable at post offices.

**Banking Services:** Canada Post has 8,200 offices across the country, and there are approximately 2,500 communities in which there is a post office but no bank. Canada Post could offer much needed financial services through a Post Office Savings Bank (similar to Girobank in Great Britain) or in a fee-for-service arrangement with a major bank. Financial services such as bill payments and sale of travellers' checks should be introduced in all outlets. We found that the Australian Post Office, which makes a profit, receives approximately 10% of its revenues from providing financial services like these.
Extended Hours: To preserve and create jobs, our members are willing to work evening and weekend shifts in order that postal stations can be more responsive to the public's needs.

Lock Boxes: A common complaint from the public in both large and small communities has been the lack of lock boxes. Canada Post's response has been to increase the fee for this service. CUPW believes that lock boxes should be easily accessible at a reasonable price, especially since they are a necessity for voluntary organizations and small businesses.

Contracting-in Sub-Post Offices: Canada Post has approximately 2,200 sub-post offices operated by for-profit private contractors who pay their employees near-minimum wage. Sub-post offices are a real source of lost revenues for Canada Post; the latest available figures disclose that Canada Post paid out more than $30 million in commissions to sub-post office contractors. In the 1985 round of negotiations, we convinced Canada Post to convert nine sub-post offices into regular postal outlets. These stations are staffed by our members earning union wages, they provide a greater range of services, and they've been making profits.

More "New Directions Outlets": In the 1985 round of negotiations, we forced the corporation to open 19 New Directions Outlets, most of which are located in shopping malls and are open evenings and Saturdays. These are staffed by CUPW members and are "boutique-style." Customers can shop for postal wares displayed on open shelves rather than behind counters. New Directions Outlets offer a range of products such as packaging materials, federal government publications, coin banks in the
shape of mailboxes, and Canada Post Lego trucks. These outlets are profitable, and more should be in place across the country.

Package Distribution Business: Our research has revealed that from 1973 to 1985, the total number of parcels carried annually by Canada Post declined by 33% while the total market increased tenfold, paving the way for private sector companies, like Purolator and United Parcel Service, to infiltrate the market. Canada Post must offer an expanded high-speed courier service to be part of the $10 billion movement-of-goods industry.

We were happy to see that a seafood company on the Atlantic Coast has taken the initiative to contract with Canada Post, to deliver frozen lobster across the country through the use of Priority Post (which guarantees next day delivery). Canada Post should also explore a delivery service that is offered by the British Post Office—called Florapost, it makes use of postal employees and vehicles to deliver floral bouquets.

Electronic Communications: Although Canada Post has entered the field of electronic communications through the introduction of Envoypost, Intelpost and Telepost, the development of a national electronic bulk mail system was flummoxed through budget cuts. CUPW feels that electronic mail must be allowed to develop and expand if Canada Post is to play a significant role in the communications industry of the 21st Century.

Door-to-Door Delivery: More than 500,000 Canadian households do not receive door-to-door delivery. These people must pick up their mail from group mailboxes, or those in rural communities must drive to the nearest post office, which may be in another town. CUPW believes that all communities which have 2,000 points-of-call should automatically receive letter carrier delivery.

Working to Grow the Post Office

With these and other proposals, we have sought to convince Canada Post and the broader public that there is an alternative to shrinking the post office. We've put the union in the forefront not only of defending the quality and reach of public services, but of expanding them to better meet the needs of all Canadians.

This stance was necessary because although the union was of the belief that the post office ought to first and foremost provide a service and profit be damned, Canada Post was arguing that jobs and service ought to be cut in order to eliminate the deficit. The union countered with the approach that if Canada Post was really concerned with eliminating the deficit, it can do so without jeopardizing jobs and service to the public.
In order to win our demands at the bargaining table and to change the way Canadians think about their post office, CUPW, in conjunction with the other postal unions and the Canadian Labour Congress, has worked to garner broad-based public support. We've used a variety of measures to build the awareness levels of our membership and of the public in general.

In our written materials, meetings and educational sessions, we discussed the effects of privatization on the membership and from a broader social perspective. A special convention was held to free up $2 million from our defense fund, to provide for 12 members to work full-time for a year with the union locals on our campaign against privatization.

Educated and mobilized, our members have held public demonstrations in front of Canada Post offices, demanding “No Service Cutbacks,” “No Privatization” and “Make Jobs, Keep Jobs and Improve Service.” We've also demonstrated at some of the private postal outlets, leafleting their customers to promote a boycott of nonunion postal services and following up with letters to potential and current private operators to discourage them from doing our work.

Besides lobbying politicians at the municipal, provincial and federal levels, we've held public forums and town hall meetings to present our views. We've organized “Theme Days,” such as on International Women's Day where we depicted how particularly devastating privatization is for women and women workers. Supported by radio, newspaper and billboard ads, we've distributed thousands of anti-privatization leaflets, balloons, stickers, posters and buttons.

But we've also worked one-on-one at the grassroots level. CUPW local officers and members meet with other local unions, municipal councils, community groups, anti-poverty organizations, church groups, seniors, women's organizations, and labor councils to urge them to adopt resolutions, sign petitions and write letters calling for improved postal service and against privatization.

In Canada CUPW is seen as a leader in the struggle against privatization, and many unions and progressive organizations have adopted aspects of our strategy in their own campaigns. The union's public image has improved vastly. When CUPW was forced to take strike action in 1987, the media was supportive and there was good coverage on the issue of privatization. The New Democratic and the Liberal parties—who oppose the Conservative government—are on the union's side, and we are working closely with them.

We have learned that no union can fight alone and that a union’s
fight cannot be relegated to the bargaining table. We have found that we have allies and believe strongly in building coalitions both for achieving our aims and in helping our allies achieve theirs.

**Conclusion**

The Canadian Union of Postal Workers has been carrying out a struggle against postal privatization for nearly a decade, and it will again be a major issue in the current round of collective bargaining. We have found that once the public is made aware that the post office need not be the carrier of last resort and that we are capable of articulating viable alternatives, there is support for our goals. A national poll conducted in 1988 disclosed that 70% of Canadians agreed that "Canada Post's top priority should be to provide the best service possible, even if it means they lose money and we have to cover some of the costs with our tax dollars."

In Canada, the post office is responsible to a government which is hell-bent on destroying all public services and is philosophically in favor of turning these services over to their corporate friends at bargain basement prices. We realize it is also part of the global right-wing agenda to de-unionize workplaces, to destroy much needed social programs, to eliminate the middle class by making the rich richer and the poor poorer. Ultimately, the solution is a political one—if you can’t change the government’s mind, you can change the government.