



NATIONAL

BIG CHANGES FOR CANADA POST



When was the last time you got an old-fashioned letter delivered to your home?

Can't remember? You're not alone. That's why Canada Post, a **Crown corporation**, says postal service must undergo a major shift. In December, the organization announced that over the next five years it will gradually stop mail delivery to five million **urban** Canadian households and businesses.

Door-to-door service will be replaced with super mailboxes. People will go there to pick up their letters. The first places to undergo the switch will be named later this year.

A 30-YEAR TREND

Thirty years ago, postal workers delivered mail daily to most homes and businesses in

cities. Today, just one-third of all Canadians still enjoy this service. The rest already get their mail at community or rural mailboxes or at post offices.

This change has saved Canada Post millions of dollars. The reason? One worker can service many more households by dropping mail at a central location than by delivering it door-to-door.

DID YOU KNOW?

It costs about \$269 a year for a household to get door-to-door mail delivery, compared to \$117 through a group box.

LESS MAIL, LESS PROFIT

Yet Canada Post is still in financial trouble because email has drastically reduced

the volume of mail it delivers. In 2006, for example, postal workers delivered about five billion letters; by 2012, that number had dropped to around four billion. What's more, a recent study predicts the amount of mail could fall another 25 percent over the next seven years.

At the same time, the number of addresses Canada Post delivers to has been growing by about 150,000 each year. That means the company has been making less and less money, while its costs have been steadily rising.

If these trends continue, the company, which Canadian taxpayers help support, will have a \$1-billion **deficit** by 2020.

"The idea of having an army of people trudging up and

DEFINITIONS

CROWN CORPORATION: a company owned by the government but operated at arms-length

DEFICIT: the amount by which expenses exceed income

URBAN: relating to towns or cities



down every street in Canada, delivering less and less mail... seems crazy," said Robert Campbell, head of a committee on Canada Post's future.

THOUSANDS OF JOBS TO GO

The move will result in 6,000 to 8,000 fewer jobs at Canada Post over the next five years. However, the corporation says that an estimated 15,000 workers will leave or retire within the same time frame, so no one will have to be laid off.

Still, Denis Lemelin, who speaks for postal workers, believes Canada Post could have found savings in other ways. For example, service could have been reduced to three days a week.

"We recognize that Canada Post needs to change," he said, "but this is not the way!"

ACCESS AND SAFETY CONCERNS

The announcement also upset those with **mobility** issues.

"What will happen with senior citizens who won't be getting service over the winter months?" worried NDP MP Peter Julian.

Tony Dolan, a spokesperson for those with disabilities, holds the same view. "[Their] struggle for independence is a constant,"

he said. "They're now going to depend on other people – whether it's family or friends – to pick up their mail."

He said postal workers are often first to notice if mail delivered to a home hasn't been picked up. That may mean a resident is in distress – and the worker can quickly alert someone. By contrast, with super mailboxes, a postal worker might assume a resident just hasn't had time to empty a mailbox.

DID YOU KNOW?

The number of email accounts worldwide is expected to rise from 3.9 billion now to 4.9 billion in 2017.

Some also worry that super mailboxes aren't safe. A recent news report found that some 5,000 illegal incidents occurred at these mailboxes between 2008 and 2013. These ranged from vandalism to mail theft.

THE COST OF STAMPS TO RISE

To help bring its finances under control, Canada Post is also increasing the price of stamps. The cost of stamps bought in sheets will jump from 63 cents to 85 cents as of March 31. Using postage meters for bulk mail will

reduce the price of a stamp to 75 cents each, but a single stamp will cost one dollar.

Many small companies, charities and political fundraising firms say the rate hike will hurt them.

"For marketing... and fundraising purposes and staying engaged as a supporter of a political party... mail actually works really well," says one expert, Steve Falk.

But others accept the increase.

"Eighty-five cents to send a letter across the country [is] pretty good. No one can compete with that," said another analyst.

NECESSARY CHANGE

The changes should save Canada Post \$700 million to \$900 million annually and help make the corporation financially stable by 2019.

Lisa Raitt, the federal minister responsible for Canada's postal service, applauded the corporation's announcement.

"The Government of Canada supports Canada Post in its efforts... to protect taxpayers, while modernizing its business," she wrote in an email. ★

DEFINITIONS

MOBILITY: the ability to move or be moved freely and easily