

# Canada Post to end home mail delivery, slash pensions

Carl Bronski

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With the full support of the federal Conservative government, state-owned Canada Post is slashing mail delivery and mounting a frontal assault on postal workers' terms of employment, beginning with their pensions.

Canada Post Chief Executive Office Deepak Chopra used a December 16 interview with the *Globe and Mail* to announce that the corporation will be demanding major changes to the postal workers' pension plan, including in all likelihood both increased premiums and reduced benefits.

Chopra's concessions call came only days after Canada Post announced a five-year business plan that calls for the phasing out of door-to-door delivery of mail, a major hike in mailing costs, the privatization of more post offices and the elimination of 6,000 to 8,000 jobs.

Canada Post has cited decreasing mail volumes and a projected \$1 billion dollar loss by the year 2020, much of it due to increased pension costs, as justification for the cuts.

Beginning next year, urban mail delivery will begin to be switched from front-door home delivery to community mailboxes. Once fully implemented, Canada will become the first of the G-7 nations to entirely eliminate full service delivery. Currently, 63 percent of mail is delivered either to apartment building lobbies or directly to home mailboxes. In recent years, mail to new urban subdivisions has been delivered to community "super-boxes" on selected street corners. Canada Post will now extend this system to cover the entire urban environment.

Next March 31, the price of a first-class stamp will be hiked by 35 percent—from 63 to 85 cents—when stamps are bought in bulk. An individual first-class stamp will sell for a dollar.

Should the five-year plan fail to meet profitability targets, Canada Post says it is prepared to further reduce postal service, including by regressing to three-day per week mail delivery from the current five-day service.

Correctly anticipating the unpopularity of its plan, Canada Post, in consultation with the Conservative government of Prime Minister Stephen Harper, waited until the federal parliament had adjourned for the Christmas holidays before

making it public. Chopra, however, was unable to avoid appearing before an emergency meeting of a federal transport committee December 18. Reflecting the arrogance of the ruling elite when it comes to the public services relied upon by the general population, Chopra dismissed the chorus of complaints voiced by seniors' groups, homeowners and small business proprietors, going so far as to smugly argue that seniors would welcome the prospect of trudging daily from their homes to collect mail as it would provide an incentive for exercise.

In the wake of the announcement of the five-year plan, the opposition Liberal and New Democratic parties centered their fire, not on a defense of public services, but on Canada Post's (and the government's) cynical decision to publicize it during parliament's holiday recess.

For his part, Canadian Union of Postal Workers (CUPW) President Denis Lemelin issued a perfunctory statement denouncing the cuts. "We recognize that Canada Post needs to change," bleated Lemelin. "But this is not the way."

CUPW intends to mount an impotent "Save Canada Post" protest campaign, in which the union will seek to rally support from the Conservatives' big-business political opponents to temper the cuts. Thus a December 11 CUPW statement entitled "Postal Workers Will Work With Allies to Defend Door-to-Door Delivery," fondly recalls that "In 1993, the first act of the newly-elected Liberal government was to introduce a moratorium" on the program of post office closures implemented by the previous Mulroney Conservative government. What the statement omitted to mention was that in the subsequent four years the Liberal government of Jean Chretien and Paul Martin imposed the greatest social spending cuts in Canadian history—including massive cuts to jobless benefits and to the provincial transfers that pay for health care, welfare and higher education. Moreover, under the 12 years of Liberal rule there was a vast expansion of privatized postal outlets and a continuous drive to erode postal workers' wages and working conditions, including through the illegalization of the 1997 CUPW strike.

For the CUPW bureaucrats mobilizing the working class in defence of all public services and against the “austerity” drive of big-business governments of every political stripe is a nonstarter. Rather, their campaign against Canada Post’s business plan is predicated on demonstrating that the corporation can be made profitable otherwise.

“The *Canada Post Corporation Act* clearly calls for CPC (Canada Post) to be financially self-sufficient,” declares the December 12 CUPW statement. “It is the challenge for CUPW to demonstrate to the public that CPC can achieve this objective by expanding into new revenue-generating services instead of imposing unilateral cuts.”

CUPW is urging Canada Post to expand into the financial services sector and is seeking to dupe postal workers into putting their energies into promoting this reactionary pipedream.

Reactionary because it separates the struggle against the cuts at Canada Post from the struggle to defend all public services and accepts the logic and framework of the capitalist system—the subordination of workers’ jobs and wages to corporate profit.

A pipedream because Canada’s political elite and the big banks to which they are beholden will not entertain any such scheme. Indeed, the ruling class welcome Canada Post’s fiscal crisis as an opportunity: an opportunity to slash public services and to impose cuts in pensions and other concessions on a section of workers historically associated with militant struggles, with a view to intimidating the entire working class.

Critics of Chopra’s plan from the union officialdom and the social democratic NDP have highlighted the fact that over the course of the past 16 years, Canada Post has consistently managed to declare a profit. But that profit has come not from any significant development of revenue streams (including the increase in package deliveries) but rather by wringing regular cost and productivity concessions from its labour force.

After being legislated back to work during the last, bitter labour dispute in 2011, CUPW eventually agreed to a contract that featured two-tier wage provisions as well as givebacks on benefits and pensions and the imposition of ever-more draconian and hazardous work rules.

From the outset of that dispute, CUPW sought to prevent a full mobilization of postal workers, claiming that this would enable them to avert a headlong confrontation with the Conservative government.

Predictably, this only encouraged the government and Canada Post in pressing forward with their concession demands.

When negotiations collapsed in the spring of 2011, CUPW called ineffectual rotating walkouts that the union leadership

bragged had little effect on mail service. And when Canada Post imposed a lockout—so as to provide the Conservatives with a pretext to illegalize the strike and impose a contract—the union immediately offered to end its 12-day-old campaign of localized rotating walkouts, if Canada Post would only abide by the terms of the existing contract.

To help the union corral postal workers back to work after the Conservatives introduced a back-to-work law that provided for a wage increase lower even than that offered by Canada Post, the NDP mounted a parliamentary filibuster. But the union soon prevailed on the NDP to drop this token opposition, allowing the Conservatives’ antistrike bill speedy passage.

To oppose the Conservative government-Canada Post assault, postal workers must build rank-and-file committees independent of the CUPW apparatus and committed to making the struggle against the cuts at Canada Post and the defence of postal workers’ pensions and other rights the spearhead of a cross-Canada working-class counteroffensive against the dismantling of public services and all job, wage, and benefit cuts. Working people are not responsible for the capitalist crisis and should not be made to pay for it. The prosecution of such a counteroffensive will require mobilizing workers’ industrial strength in strikes and occupation. But above all it will require the independent political mobilization of the working class in the fight for a workers’ government that will resolve the crisis of capitalism at the expense of big business through the socialist reorganization of socioeconomic life.



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