

Seizing on Trump's trade war, government officials discuss overturning Canada Post's monopoly on delivering mail

Niles Niemuth
17 March 2025

Postal workers around the world are under assault! We encourage all postal workers to contact the Postal Workers Rank-and-File Committee to join and help build an international movement of postal workers and the working class as a whole against austerity and attacks on workers' rights. Fill out the form at the end of this article or email canadapostworkersrfc@gmail.com.

Discussions are underway at the highest levels of government about eliminating, in whole or in part, Canada Post's legal monopoly over the delivery of letter mail. Such action is being promoted under the guise of cutting "red tape" on trade within Canada's borders.

A longstanding demand of the most voracious sections of the ruling class, the proposal to eliminate Canada Post's monopoly has been pushed to the fore in the midst of a roiling trade war with the United States launched by President Donald Trump, who is determined to economically weaken and annex Canada as the 51st state of the United States.

According to a white paper posted March 6 by the Canadian Union of Postal Workers (CUPW), the Committee on Internal Trade (CIT) has discussed eliminating Canada Post's federal exception for the "exclusive privilege"—a legally mandated monopoly—over letter mail from the Canadian Free Trade Agreement (CFTA).

Such an attack would mark a move toward the full privatization of the Crown corporation, which is mandated to deliver mail to every address, including the most remote parts of the vast country. While the "exclusive privilege" currently remains codified in the Canada Post Act, an attack on it by the CIT would open the way for the government to rescind and fully privatize the Crown corporation.

The monopoly over letter mail forms the core of the Crown corporation's operations. Its erosion or elimination in the name of "liberalizing" trade barriers and protecting corporate Canada's profits during the trade war would mean the destruction of thousands of jobs and the end of Canada Post as it currently operates. It would open all of Canada Post's operations to competition from private couriers, as is already the case with parcel delivery. In practice, it would allow private

operators paying far lower wages to snap up lucrative urban areas, with Canada Post at best being left to serve unprofitable rural and remote parts of the country.

The CIT is responsible for implementing the CFTA, which regulates trade between the federal, provincial and territorial governments. It came into force in 2017 for the stated purpose of reducing barriers to trade, investment and labour mobility within Canada.

The CIT is composed of ministers responsible for internal trade in each province and territory, and includes representatives from the Liberals, New Democratic Party, Conservatives and Coalition Avenir Quebec. The current federal representative is Chrystia Freeland, Minister of Transport and Internal Trade under Prime Minister Mark Carney. She was formerly the Deputy Prime Minister and Minister of Finance under Prime Minister Justin Trudeau.

A joint statement of First Ministers published by the Prime Minister's Office on March 5 declared that, in the face of the US tariff on Canadian imports, "We must increase our economic resilience, reduce dependence on one market, and strengthen our domestic economy for the benefit of Canadian workers and businesses now and in the future. One key step is to make it easier for Canadians to do business with each other from coast to coast to coast." While Canada Post is not specifically named, key among the actions cited is a full review of exceptions under the CFTA, which is due to be completed by June.

The possible removal of Canada Post's "exclusive privilege" underscores the correctness of the World Socialist Web Site's warnings about the hypocritical posturing of the ruling class as members of "Team Canada" in the ongoing trade war. We have stressed in several articles that Canada's financial oligarchy in fact wants to pursue social policies that are virtually indistinguishable from those being imposed by the dictator in the White House. Their difference with Trump is that he refuses to recognize Canada's position as a junior partner of the US in "Fortress North America" which would allow Ottawa to pursue its own global imperialist interests alongside its long-standing ally and military-security partner. Behind the Canadian

nationalist tub-thumping, the ruling class wants to ensure that Canadian workers bear the brunt of Trump's tariffs, while their profits are protected.

The high-level discussions setting the stage for gutting Canada Post come amid the hearings of the Industrial Inquiry Commission, which is set to conclude with a final hearing on March 25. The IIC, overseen by seasoned federal arbitrator William Kaplan, is a sham set up by Labour Minister Steve MacKinnon as part of his arbitrary banning of the postal workers' month-long strike in December 2024. In sending 55,000 urban and rural Canada Post workers back to work, MacKinnon robbed them of the right to strike until May and unilaterally extended their long-expired contracts. The IIC has been empowered with a wide remit to review Canada Post's operations and collective agreements, and to make proposals for far-reaching changes to Canada Post operations.

MacKinnon banned the postal workers' strike by invoking powers based on a cooked-up reinterpretation of section 107 of the Canada Labour Code. This strike ban by executive fiat was enforced by the CUPW bureaucracy, which rode roughshod over growing sentiment among the rank and file to defy the back-to-work order by telling the workers to return to their jobs. The CUPW bureaucracy has submitted to the rigged process set up by MacKinnon and instructed workers to put their faith in a constitutional challenge to the strike ban before the Canada Industrial Relations Board (CIRB), the very body that operationalized MacKinnon's order to ban the strike!

The CUPW bureaucracy has taken a similarly submissive and complacent attitude towards the CIT's reported discussions on the monopoly over letter mail. The union's white paper declares, "While its removal from the CFTA causes some alarm, given that it is an additional protection, CUPW is somewhat relieved to know that the [Canada Post Act] will still maintain the exclusive privilege."

This is cold comfort for rank-and-file Canada Post workers who confront a big business Liberal government now headed by Prime Minister Carney, the former governor of the Bank of Canada and the Bank of England. Prior to holding those posts, when serving as the senior associate deputy Minister of Finance, Carney engineered the 2004 sale of the federal government's final stake in Petro-Canada, fully privatizing the once-public Crown corporation.

As Prime Minister, Carney has promised a "new era of fiscal responsibility" and to "spend less and invest more," which will entail the slashing of social programs and public services. It takes no leap of imagination to foresee a Carney government—not to mention a Conservative government led by the far-right Pierre Poilievre—ripping up the Canada Post Act and allowing for the sell-off of the post office in the name of free markets and "competition."

Canada Post currently operates on the basis of the sale of products and services, rather than public funds. The decline in the use of letter mail since 2006 and increasing competition for

parcel delivery from private companies have contributed to the company posting losses totalling over \$3 billion since 2018. The Liberal government agreed to provide the company with a \$1 billion bailout loan in January, after management announced it would run out of cash to continue operations by mid-year.

This decline in profits has been the focus of both management and CUPW, which have outlined plans for a "return to profitability." For management, this means the "Amazonification" of Canada Post's operations—expanding the use of casual, low-paid delivery workers and extending deliveries to weekends. Accepting that Canada Post should be run as a profit-making concern, CUPW has backed the move to weekend delivery (albeit with "good jobs"). CUPW has also proposed the extension of postal workers' duties to include banking services and senior check-ins, and opening up Canada Post property for use as electric vehicle charging stations.

The attacks on postal workers in Canada are part of broader attacks on postal workers internationally, including in the United States and Europe. Just last week, the Trump administration, through billionaire Elon Musk's crudely named Department of Government Efficiency (DOGE), reached an agreement with the US Postal Service to slash 10,000 jobs in 30 days, primarily through early retirement—though this is seen as only an initial down payment in advance of full privatization. In Germany, Deutsche Post announced plans to cut 8,000 jobs by the end of the year. In both cases, the union bureaucracies have blocked strike action and made clear their intention to enforce the bloodletting.

The threat to remove Canada Post's monopoly on letter mail and the attack on postal workers' right to strike underline the need for a new strategy to fight for what workers need—not what the union bureaucrats say is possible or what management says will achieve profitability.

In contrast to the collaboration of the CUPW bureaucracy in the management-government attack on jobs, working conditions, and indeed postal workers' entire livelihoods, the Postal Workers Rank-and-File Committee fights for Canada Post to be run as a fully funded public utility under workers' control—not as a profit-making concern. Through its affiliation to the International Workers Alliance of Rank-and-File Committees (IWA-RFC), the PWRFC calls for postal workers' struggles to be unified internationally in opposition to capitalist austerity and war, and for workers' power. All those ready to take up this fight should write in here or fill out the form below to get involved.



To contact the WSWS and the Socialist Equality Party visit:
wsws.org/contact