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Chair

Mr. Tom Lukiwski

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• (0930)

[English]

The Chair (Mr. Tom Lukiwski (Moose Jaw—Lake Centre—Lanigan, CPC)): Ladies and gentlemen, colleagues and witnesses, I think we'll get the meeting started. First, let me say it's great to be back in Moose Jaw. It's been a long three weeks, but it's always nice to be home.

Witnesses on the panel, I think you understand the process, but let me just go over a few opening comments so you completely understand how we're going to work things today.

As you undoubtedly are aware, the minister responsible for Canada Post, the Honourable Judy Foote has initiated a fairly widespread consultation process. Phase one of that process was to establish a task force, the mandate of which was to examine the financial viability and sustainability of Canada Post. They have completed their report, they have presented it to our committee, and we've had a chance to discuss that report with them. Phase two, however, is the reason we are here today. It is a cross-country tour in which we will go to every province and the Northwest Territories to speak with individuals, organizations, people representing seniors, people with mobility issues, and municipalities about their view of the future of Canada Post, and more specifically, whether they have any suggestions for the future of Canada Post, particularly when we're looking at the long-term sustainability of Canada Post. That's why you're here today.

We would like to hear your comments, your observations, and more importantly, some of your recommendations and suggestions.

Following your five-minute opening statements, we will have a round of questions from all of our committee members. We have found that most of the information that is useful for our committee comes out during the question-and-answer process in any event.

With those brief words, I think we'll get going. First up, representing the City of Moose Jaw, is Mr. Gulka-Tiechko.

Please, go ahead for five minutes, sir. The floor is yours.

Mr. Myron Gulka-Tiechko (City Clerk and Solicitor, City of Moose Jaw): Thank you, Chair.

[Translation]

Welcome to Moose Jaw.

I want to mention that I'm not bilingual.

[English]

Unfortunately, that's the extent of my French.

Thank you for this opportunity to present to the committee. My name is Myron Gulka-Tiechko. I'm the city clerk, city solicitor, with the City of Moose Jaw. With me is Michelle Sanson, who is our director of planning and development, also with the city. In usual circumstances our mayor, Her Worship Deb Higgins, would be making this presentation. As you know, municipal elections are pending on October 26, and our rules of conduct preclude elected officials from making formal appearances on behalf of the city during the election period.

On behalf of the City of Moose Jaw, we extend the welcome of our city to this committee. We hope you've had an opportunity to explore, especially our historic downtown. We are, I think, understandably proud of the efforts that have been made by our citizens and businesses to preserve our historic uniqueness. Much in the same vein, we are also proud of the generations of Moose Javians who have contributed to building our city and our province.

According to the 2011 census, 31.4% of Moose Jaw's population was aged 64 and older. Many of our older citizens continue to reside in their own homes, particularly in older neighbourhoods. These are the citizens and the neighbourhoods that were most adversely affected by the withdrawal of door-to-door mail deliveries in August 2015. This withdrawal of service has been most difficult for our seniors and others with mobility restrictions. They are dependent on the mail service for delivery of bills and other communications, which are their link to the outside world. Many in this demographic are not computer-literate and don't have the means to interact with the electronic world. Many are dependent on others to collect their mail. They therefore have more erratic and less frequent access to inbound mail and communication.

This move by Canada Post was counter to the thrust of other levels of government to do everything possible to assist seniors in particular to remain in their homes and enhance their quality of life as long as possible. The recommendation of our city is that door-to-door service should be re-established. We recognize that this will involve policy and financial decisions by Canada Post and the federal government, which may take many months to resolve, leaving in limbo any immediate resolution for our citizens.

In the meantime, our seniors in particular will enjoy a lesser degree of service than that enjoyed by their counterparts in the neighbourhoods of most other cities across the country. We pay the same postal rates but get a reduced level of service.

In addition to the central policy objection of the city, we are also concerned with the arbitrary manner in which Canada Post has essentially commandeered the use of city rights-of-way to erect 332 community mailboxes across the city without compensation. We acknowledge that over the past year we have received what we believe to be a highly inadequate offer of a one-time payment of \$16,600 to forever relinquish any claim for the cost and inconvenience of these boxes across the city. Hopefully, in the question-and-answer period, we can get into some of the specifics of that inconvenience.

The city believes that a much more appropriate form and level of compensation would be an annual lease payment equivalent to current actual lease rates. Most of the community mailbox sites occupy a space of between 50 to 100 square feet. Current appraised lease rates for bare land in Moose Jaw would suggest that a collective lease rate for these sites would range from \$3,300 to \$6,600 on an annual basis. We would suggest that an inflation escalator of CPI would also be appropriate so that the payment did not devalue with the passage of time.

Canada Post enjoys a statutory exemption from taxation. In contrast, although other crown entities also are exempt from taxation, they pay what is called grants in lieu of taxes, or GILT, to municipalities where they operate. This is an attempt to at least provide partial compensation to the municipalities in which they operate. GILT payments provide some relationship to taxes that would be paid on assessable property values.

There are also, however, other models of compensation that have evolved to provide compensation to municipalities. Another prime example is that of a franchise fee. SaskPower, for example, levies a 10% fee on all electrical bills issued in Moose Jaw and other cities across the province, which are paid to that respective city. This yields a significant payment to the city that compensates for the fact that SaskPower uses city land to hold large tracts of infrastructure.

Without belabouring the point, the city's second key proposal is that, if community mailboxes are to continue to occupy 332 tracts of municipal right-of-way, they ought, in fairness, to provide some fair level of ongoing compensation to the municipality for the use of its land.

With that, we again thank the committee for an opportunity to present our concerns with respect to the withdrawal of door-to-door service and the need for ongoing compensation to the city if mailboxes are to remain the mode of service delivery.

We, of course, would welcome any questions from the committee.

• (0935)

The Chair: Thank you very much.

Mr. Watson, you're up next, sir.

Mr. Harry Watson (President, Triple 4 Advertising Ltd.): Thank you.

My name is Harry Watson. I own and operate a grocery store advertising company called Triple 4 Advertising Ltd. It's located here in the city of Moose Jaw. I thank you for inviting me to speak today.

My company creates flyers as well as creating and printing various other signs material for independently owned grocery stores across four provinces.

The objective of my presentation is threefold: highlight the increased cost of distributing and mail via Canada Post, highlight the increased cost of postal mail versus courier service, and explain the issues encountered by having a postal code at the main post office instead of at our physical address.

Triple 4 Advertising Ltd. commenced operations in 1992. In the beginning, we circulated our flyers and sent all ad mail using Canada Post. Because of the cost, we have begun using alternate methods such as a website; a courier service; insertion into newspapers, which costs about 5¢ per copy; via transportation through our wholesale suppliers; hand delivery in small towns; and customer pickup at store locations.

In 2003, we sent out about 2,096,000 at a cost of 8.6¢ per flyer. In 2004, we sent out 7,000 less, but the cost was 8.9¢ per flyer. In 2015, the cost of a flyer was 14.28¢. This year in 2016, our cost per flyer is 17¢. That's a 97% increase in the cost of the flyers in that time. I'm in a very competitive position, I guess, because I'm in the grocery business.

In 1992, we sold a one-kilogram jar of Kraft Cheez Whiz for \$5.88, and in 2016, we still sell a 900-gram jar of Kraft Cheez Whiz for \$5.88. That's exactly 24 years later. In 1992, we sold cases of 24 355-millilitre Coca Colas for \$8.99. In 2016, we sell cases of 24 355-millilitre Coca Colas for \$6.99. That's 24 years later, but \$2.00 cheaper. In 1992, we sold one litre of Heinz ketchup for \$2.99, and in 2016, 24 years later, we still sell one litre of Heinz ketchup for \$2.99. That is what competition will do in the marketplace.

In business we work very hard to take costs out of our business to stay competitive. In the case of Canada Post, with no competition, they continue to apply all cost increases to the customer as their costs continue to increase and their volume continues to decrease. That's not a winning formula in my world.

We have found that Canada Post shipping costs are dependent on the envelope, the package size and weight, and even the thickness of the envelope. With a courier, shipping costs are dependent on weight and type of packaging. Also, with a courier service, a business can negotiate based on volume. I would like to reiterate that there are lots of competitors in the courier business, and that is why in Saskatchewan it went from 423 in 2015 to 425 in 2016. Competition is a great marketing tool.

Another issue our mailing department is facing is that the various courier services require a postal code that coincides with the street address for address-finder validation. In my case, as in other businesses in our neighbourhood and around the country, our postal mail is not delivered to our building.

• (0940)

Instead, we have postal boxes that have the postal code set for the post office street address. For certain types of shipping, as well as receiving products, this has caused us some issues. For example, when preparing bills of lading or waybills from the Purolator courier system, it does not accept a postal box for either shipping from or to an address. It must be a street address. I did attach a copy of that.

There are other problems posed by not having a postal code to our building. As you may know, a postal code is more than just for shipping and receiving. With the nature of our business, we have a great number of vendor-suppliers who travel here from across Canada for meetings.

The Chair: Mr. Watson, I'm going to have to get you to wrap it up, if I can. We're quite a bit over time.

Mr. Harry Watson: Okay. For visitors to our city who have never been here before, they use GPS. The GPS does not come to our building. It ends them up at the post office, and that is the biggest crime that we find. That's why I want to get a post office or a postal box in our part of the city.

Thank you.

The Chair: Thank you very much.

I'm not sure if it will be Ms. Perkins next or Ms. Marshall-Colenutt. Which one will be making the presentation?

Ms. Perkins, for five minutes, please. The floor is yours.

Ms. Bernice Perkins (Vice-Chair, Wakamow Aboriginal Community Organization): My name is Bernice Perkins. I'm the vice-chair of the Wakamow Aboriginal Community Organization. I welcome you to Treaty 4.

I'm here to disagree with the door-to-door service. We have a mailbox and, like the gentleman was saying, we can't get parcels delivered there. If we order materials for our organization, we have to use one of our home addresses in order to receive those goods.

I disagree with the boxes because of the access. My husband is disabled, and in the winter for him to go half a block, if it's slippery and there's snow in the way, he needs to drive. Moose Jaw is not the greatest for clearing our streets, so we're probably going to have snowbanks that make them inaccessible.

As to the security of the mailboxes, when they were first put up I had a number of different people tell me that the keys for their specific box would open other boxes. I haven't checked my key. I always forget about it, but that was a pretty big concern for me, whether someone was able to access my box. Then there is the vandalism of them. If someone could get into them, they would have access to everybody's stuff in that one mailbox, or maybe if they do all three or whatever.

Those are my concerns with the mailbox system that we have now. I much prefer door-to-door service.

Thank you.

• (0945)

The Chair: Thank you very much.

We'll now start our round of questioning. It will be a seven-minute round for questions and answers. We'll start with Mr. Whalen for seven minutes, please.

Mr. Nick Whalen (St. John's East, Lib.): Thank you very much, Mr. Chair.

Thank you all for coming today. We look forward to hearing perspectives from municipalities, businesses, and indigenous groups. It's nice to have the wide variety.

We did have a great chance last night to walk around and see some of the historic sites. What has been done with some of the restoration in your city is quite nice.

In terms of this notion about Canada Post having externalized its costs by expropriating land for the community mailboxes without compensation to the cities and towns, what has happened in similar circumstances with other providers, other government agencies, and how do these GILTs work? What would you expect in general, over time, for Canada Post to pay, if they were to have to pay?

Mr. Myron Gulka-Tiechko: I think we've projected that the equivalent lease value would be between \$3,300 and \$6,600 a year. I'm not sure what sort of particular formula would apply. Certainly, there is raw land that has been involved, and there are some real implications both for maintenance and capital costs that the city believes it should legitimately be compensated for.

The particular model of how that compensation would work, I guess we'd be interested in hearing what that could be. But the end result of what the compensation would be, whatever the delivery mechanism, is really our concern.

Mr. Nick Whalen: We've been advised by Canada Post that they're responsible for doing the snow clearing, the ice clearing around the community mailboxes. Have you found that they've done that adequately, or is the city receiving a lot of complaints about the manner in which the boxes have been cleared?

Mr. Myron Gulka-Tiechko: We have received a number of complaints.

Our initial concern was that we had no consultation in terms of where those would be located. We have some boxes that are located in no-stopping zones on busy streets, for example. That seems somewhat illogical. We do have a lot of winter storms. When we do a major plow of major streets, the snow is pushed up on the sidewalks, essentially. We foresee issues with the contractors pushing snow back onto the streets and creating safety issues, etc. There are other maintenance and capital concerns that we have. It has only been one winter. Last winter was probably the best winter of my life, so it probably wasn't a good test run for what it will be like. In a more average winter, we certainly foresee more maintenance concerns.

Mr. Nick Whalen: In terms of discussions with Canada Post and resolving the different opinions about where community mailboxes should go, do you feel it would be appropriate to have a regulator that Canada Post, cities, towns, and municipalities could go to in order to have these types of issues worked out and arbitrated?

Mr. Myron Gulka-Tiechko: We'd certainly be open to that.

In our case, a year ago we had 332 boxes put on our rights of way. It's, frankly, too late now. I guess you could individually sort out relocation of some of them, but the cost and that whole initial effort is history.

Mr. Nick Whalen: Did Moose Jaw have some neighbourhoods that already had community mailboxes?

Mr. Myron Gulka-Tiechko: Certainly there were some in our new subdivisions, I think, since probably the early nineties.

Ms. Michelle Sanson (Director of Planning and Development Services, City of Moose Jaw): Yes, in the early nineties they probably did.

Mr. Nick Whalen: What would you say? Was half your city was already on community mailboxes?

•(1045)

Ms. Michelle Sanson: No, I wouldn't say half.

Mr. Myron Gulka-Tiechko: A quarter, perhaps.

Mr. Nick Whalen: In terms of the existing community mailboxes, is the town's expectation, the city's expectation that Canada Post should pay for GILTs in respect of those subdivision already-existing community mailboxes, or just the new ones?

Ms. Michelle Sanson: I believe just the new ones. We were consulted on many of the previous ones in our newer subdivisions.

Mr. Nick Whalen: Fair enough.

Mr. Watson, on this notion of appropriate delivery to appropriate places, having addresses associated with post office boxes so that courier companies can deliver to the appropriate spot, do you think that's an appropriate role that a postal regulator could play?

Mr. Harry Watson: I think so. I couldn't tell you how, but...

I'm fully in favour of post office boxes, because I think it's an opportunity to take costs out of Canada Post's business. I'm a businessman, and that's the way I think.

Mr. Nick Whalen: I'll move on to another line. You talked about your printing and advertising, your flyer business. Are you a direct competitor, then, of Canada Post? Have they done any type of printing—

Mr. Harry Watson: Absolutely not. I am not a competitor.

•(1050)

Mr. Nick Whalen: You're a customer.

Mr. Harry Watson: We were a big customer. We moved away from Canada Post because of the cost. We're finding that courier service is more reliable, and it's very much cheaper.

Mr. Nick Whalen: Ms. Perkins, in terms of the complaints you raised regarding access to the community mailboxes, this notion of not being able to receive your goods at your address, can you elaborate a little bit on that?

My understanding is that these community mailboxes have a parcel delivery slot. You're notified of the code. If you can get to your box, you can get your parcel. You wouldn't have to drive across town to get your parcel. I, personally, don't have community mailbox service. Maybe you could elaborate on what it is and what your concerns are about parcel delivery to those community mailboxes.

Ms. Bernice Perkins: When we're ordering hides or larger items, they don't fit in those little boxes. We have to go and pick them up, or we have to have them delivered to one of our addresses.

It becomes an inconvenience, especially if I'm at work when they come. Then I have to go and get it, because they need that paper saying they have it.

Mr. Nick Whalen: Maybe this is a question for both you and Mr. Watson. Do you feel that Canada Post, by not offering a high enough level of service for the different needs that you have, is relinquishing a portion of the market, and maybe a high-value portion of the market, to provide the courier services that will do what you ask?

Ms. Bernice Perkins: Right.

Mr. Harry Watson: I totally agree with that, because it's all cost-related in business today.

Mr. Nick Whalen: If they wanted to access that high-value market, they should re-enter that business?

Mr. Harry Watson: They should.

The Chair: That should be it.

Mr. McCauley, take seven minutes, please.

Mr. Kelly McCauley (Edmonton West, CPC): Thanks for having us here today. It's wonderful being in Moose Jaw. It's great to see so many people here. We've been across the whole country, and disappointingly we rarely get more than three or four people out to these events. So to those in the back, welcome. Thanks for joining us.

Mr. Gulka-Tiechko, thanks for your comments. It's nice to sit with a city that has, I guess, converted. I want to go on a bit about the GILT money—and what a great acronym. What does SaskTel pay for their right of way per square foot? Do they pay the full retail value that you're asking Canada Post to pay, which you stated today?

Mr. Myron Gulka-Tiechko: I can't speak to the specifics. We have a number of situations in which easements are common between SaskPower, SaskTel, and SaskEnergy.

Mr. Kelly McCauley: Because the easement in Edmonton is pennies per square foot and not the full commercial retail, I'm wondering whether you're looking for something different from Canada Post. It seems you're asking for quite a bit more than what SaskTel or others would pay for easement rates.

Mr. Myron Gulka-Tiechko: Well, I certainly can't speak to SaskTel specifically, but I did mention the example of SaskPower, in which we get essentially a franchise fee for their distribution of infrastructure across the city, which is probably the major infrastructure that is involved. But again, we have common easements with other utilities, so there are lump costs in some ways.

The bottom line is that we feel there are significant maintenance and capital costs that the city is going to be facing, and we don't believe it's fair not to have some sort of equitable—

Mr. Kelly McCauley: When you say significant costs, what would that be for, the boxes?

Mr. Myron Gulka-Tiechko: In terms of maintenance, for example, it would be for snow clearance, and if there are situations—

Mr. Kelly McCauley: Canada Post pays for an outside contractor for the snow clearance.

Mr. Myron Gulka-Tiechko: Well, they clear in front of the box, but if they're throwing snow on the street, that doesn't help us, especially in busy areas, so there are issues there.

In terms of capital costs, certainly there should be access for people with reduced mobility to those locations, so if some of them don't have that access or if they're not close enough, as we replace sidewalks we're going to have to specifically design sidewalks so that they will have those features to make them accessible.

There will be real long-term costs that we don't feel we should have to absorb, for which there should be some sort of compensation designed.

Mr. Kelly McCauley: You mentioned that you'd like the city to go back to door-to-door delivery. We'd all like to have more service for less money. When the task force did polling, and very significant polling, overwhelmingly Canadians said they do not want to pay higher stamp prices, especially businesses, but they also don't want to pay higher taxes for these costs.

Would you suggest we do higher taxes to return to door-to-door, or subsidize it, or is it something that maybe the city, if a city wants it, should subsidize Canada Post for, when other areas and other cities do not have it? Right now, 73% of Canadians don't get door-to-door delivery.

Is it something the city would be willing to subsidize, or do you think taxpayers in general should subsidize?

Mr. Myron Gulka-Tiechko: I guess I should—

Mr. Kelly McCauley: It just goes back to the saying, there's no free lunch.

Mr. Myron Gulka-Tiechko: Absolutely. I should clarify that I'm here as an administration representative for the city, since our mayor was not able to be here. There will be political responses that our leadership might be able to provide, but I wouldn't be in a position to do that.

Mr. Kelly McCauley: Thanks.

Mr. Watson, thanks for being here. I love your comments about the competition keeping everyone sharp.

You mentioned couriers. These are private couriers who are not picking up from your door or dropping off to your businesses?

Mr. Harry Watson: No, our biggest problem is mostly the people who come in using GPS to get to our building. They end up at the post office downtown because of the postal code.

Couriers pick up at our building every day.

Mr. Kelly McCauley: Okay, so it's just that we need Google Maps to fix it.

Mr. Harry Watson: Yes, but it's a problem that's growing as more and more people become dependent upon their BlackBerrys.

Mr. Kelly McCauley: I agree. I couldn't find the meeting room here without a GPS. I'm that bad.

Ms. Perkins, I appreciate your comments about mobility. I have some background in seniors care. Canada Post has a service whereby once a week they'll deliver mail daily to the community mailbox, and once a week they'll gather it and deliver it to a home.

Would once-a-week service address the issues in the wintertime that your husband might be dealing with?

Ms. Bernice Perkins: I think that would probably work for him. We don't get a lot of mail.

Mr. Kelly McCauley: We do not do a good job of informing people about this. I think we need to do a lot more work with municipalities to let people know of the issue.

That would be adequate, do you think?

Ms. Bernice Perkins: I think so, yes.

Mr. Kelly McCauley: Mr. Watson, you mentioned a bunch of other couriers stepping up. What are you using their services for? You've mentioned Canada Post's increases in pricing, and you've switched to other...

Is it parcel that becomes...?

Mr. Harry Watson: We send flyers to many stores in western Canada. All their ad mail goes out.... We have weekly flyers. The cost is horrendous from Canada Post compared with using a courier. I mentioned that the courier service from Saskatchewan went from \$423 to \$425 in one year, but if I were shipping that same parcel by post, it was \$19.07 in 2015 and went to \$19.41 to \$26.90 in 2016. That's about seven dollars on one item. I guess the customer is ultimately the person who pays when we send something by courier. We have to keep our customers happy, as Canada Post has to as well.

Mr. Kelly McCauley: Thank you.

The Chair: Mr. Weir, you're up for seven minutes, please.

Mr. Erin Weir (Regina—Lewvan, NDP): Thanks very much. For more than 20 years my father taught electrician apprentices at SIAST in Moose Jaw, so I've been to this city many times, and it's great to be back.

We've heard some very compelling testimony in opposition to the decision taken under the previous Conservative government to eliminate door-to-door mail delivery, and in some ways it's a little bit strange that we're even discussing this matter, because we now have a new federal government that was elected on a promise to restore home mail delivery.

I would like to ask what your understanding was of the commitment that was made during the last election and what would be your expectation of the current federal government in terms of reinstating home mail delivery.

Mr. Myron Gulka-Tiechko: Thank you, if that is directed to the city.

Again, since our political leader isn't here I wouldn't be able to respond on her behalf. Our city council's preference would be the restoration of door-to-door service.

Mr. Erin Weir: Thank you.

Ms. Perkins, I put the same question to you.

Ms. Bernice Perkins: I forget the question; I'm sorry.

Mr. Erin Weir: Was it your understanding that the current federal government was elected promising to restore home mail delivery, and do you expect that to happen?

Ms. Bernice Perkins: I always expect things from the government.

Mr. Erin Weir: Okay. Thanks very much.

I'm wondering if perhaps the city could elaborate a little bit more about the cost of accommodating these community mailboxes that have been imposed.

Mr. Myron Gulka-Tiechko: This will take probably a few years to sort itself through, if it remains the delivery model we're left with. Both the maintenance costs and the adjustments for snow plowing in particular will have to sort themselves out in a regular winter, which

last winter wasn't. The capital costs of the replacement of those locations will also be a concern.

We also have no idea, because we weren't consulted, whether some of these mailbox locations might be over top of a service line that goes from the city sewer water main directly to a residence and whether some of those might require extra costs as a result of replacement in the normal course of events.

I think we need some years of experience to really have a clear picture of what both the maintenance and the capital costs might be.

Mr. Erin Weir: In terms of that lack of consultation from Canada Post, I know the corporation would say that it tried to consult, and that the city wasn't willing to. I wonder if you could set the record straight on that and give us more detail on what experience the city had in attempting to consult with Canada Post.

Ms. Michelle Sanson: We received two maps that said these are the locations of where they're going to be. That was pretty much the extent of what we received from Canada Post to the city. They didn't ask about any of the locations, or if the city had any concerns. It was just, "This is the map, and here's where they're going."

Mr. Erin Weir: Okay.

My colleague, Mr. McCauley asked a question about how to pay for home mail delivery, and one of the options this committee is considering is postal banking as a means of generating more revenue for Canada Post. Essentially the idea would be to offer some basic financial services at post offices. It would meet a need in the community for more affordable and accessible banking. It might also provide a new business line to make use of the network of offices that Canada Post has. I just wonder if anyone on the panel has any thoughts about the potential merits of postal banking.

Mr. Harry Watson: I'd be against it myself. I don't think that Canada Post should get into the banking business. We have a lot of good banks in this country, and they're treating the customers very fairly. Canada Post would have to improve to be in the banking business, in my opinion.

Mr. Erin Weir: Are there any other thoughts on postal banking? Would there be interest in it? Does it seem like an idea that might help Canada Post generate some money?

Ms. Brenda Marshall-Colenutt (Secretary, Wakamow Aboriginal Community Organization): The Canada Post building here has a lot of meeting spaces upstairs that I believe could be empty. There are a lot of non-profit organizations that have trouble finding and financing a meeting place or having an office. That might be a viable solution for utilizing some of the spaces you have in your building.

Mr. Erin Weir: You see a possibility for Canada Post to rent out some space within its offices here, and you think there would be some demand for that?

Ms. Brenda Marshall-Colenutt: If it's at a reasonable rate, yes.

Mr. Erin Weir: Okay, very good.

I have another question for the city regarding the idea of receiving an annual payment from Canada Post for these sites. Is that something that other municipalities have put forward or are asking for to your knowledge?

Mr. Myron Gulka-Tiechko: Frankly, we haven't surveyed other communities to determine what their responses are. We're just dealing from our own circumstances, so we believe that this is a matter of fairness and not being downloaded with expenses that weren't properly ours in the first place.

Mr. Erin Weir: If Canada Post agreed to provide those annual payments, would the city be happy with that, or would the city's first choice be the restoration of door-to-door delivery?

Mr. Myron Gulka-Tiechko: The direction from our city council is that their preference is that door-to-door delivery be maintained. As an administration, our presence here is to portray what our city council has put on record, so that's their preference. If compensation ends up to be the ultimate result, then obviously we want to be involved in any negotiations around that.

The Chair: Thank you very much.

Madam Ratansi, you have seven minutes, please.

Ms. Yasmin Ratansi (Don Valley East, Lib.): Thank you very much.

As the chair mentioned, we have been travelling coast to coast to coast. This is our last leg, and we're trying to see how Canada Post can be viable. Sometimes we are told it's the last bastion for services. There is this north and south divide. There's the economic divide. There's the rural, remote, urban, suburban, etc. We're trying to bring some cohesion, social and economic cohesion perhaps.

If Canada Post were to be viable as a business, what would you suggest it do? We need creative ideas, and if you have not thought through that one, you could always submit your input to the chair.

Mr. Gulka-Tiechko, how many of your constituents were affected by the shutting of door-to-door delivery?

Mr. Myron Gulka-Tiechko: The predominance of our older citizens live in older neighbourhoods. The newer subdivisions, which would have had mailbox delivery from the 1990s to 2000s, are typically younger urban families.

Ms. Yasmin Ratansi: Do you have a percentage of who was impacted?

Mr. Myron Gulka-Tiechko: Our total population of seniors is 31%. We would think at least three-quarters of those would be in the older neighbourhoods, and probably more.

Ms. Yasmin Ratansi: You stated that you were not consulted when these boxes were put in; you were just given a diagram and told what was going on. If you were to work on a cost-recovery basis—as a municipality the only tax base you have is property taxes, and something else—what would you suggest? How much has it cost you and what sort of a recovery are you looking for, or is it an ongoing cost?

Mr. Myron Gulka-Tiechko: I sort of addressed that one with Mr. McCauley's question.

These are things that we will have to monitor to really get a better sense of those actual costs as we go forward. It's still a work in progress.

Ms. Yasmin Ratansi: Okay, fair enough.

Mr. Watson, you're a very successful businessman, and you like competition, or you think competition is very good. Would you like Canada Post to have competition in door-to-door mail delivery?

Mr. Harry Watson: That might be a good idea.

Ms. Yasmin Ratansi: As a businessman, would you help your competitor open up a store next to you to compete with you?

Mr. Harry Watson: Well, we do.

Ms. Yasmin Ratansi: You do help them.

Mr. Harry Watson: We don't want to, but we do. It's the nature of our business.

Ms. Yasmin Ratansi: Okay. The reason I ask you this question is that sometimes Canada Post takes on initiatives and franchises, and it creates competition against itself. That business model doesn't seem to be very creative or out-of-the-box thinking unless you're trying to dismantle yourself. If you're trying to dismantle your own business, maybe you go and give money to the competition. That's my thought process.

As for some of the initiatives that the corporation has taken, they have not been very thoughtful. Moving forward, what sort of other areas could it compete in that would help? You said postal banking is out—

Mr. Harry Watson: Courier service is where they should be.

Ms. Yasmin Ratansi: Courier service? They own 92% of Purolator. Does it not work here?

Mr. Harry Watson: Not here; it's too expensive.

Ms. Yasmin Ratansi: I guess it is the remoteness. We've been travelling, and we've found how difficult it is to get from one place to another.

Ms. Perkins, do your constituents live in remote areas, or are they within an area that they can get services from the government, from the banking sector?

Ms. Bernice Perkins: No, most of our members live in Moose Jaw.

Ms. Yasmin Ratansi: Okay.

Ms. Bernice Perkins: We have a few who are out of the urban setting, but most of them are in the city.

Ms. Yasmin Ratansi: So you are not familiar with any remote area's concerns about not having a bank or access to services that the government provides? We are looking at how to leverage the assets of Canada Post. It has an excellent distribution network. It is the only corporation that does the last mile. When the asphalt ends, they are the only ones that do it.

I'm wondering whether there are any ideas you might have to give Canada Post a little direction that is not just cut, cut, but a mindset of how to grow businesses.

Do you have any ideas?

Ms. Brenda Marshall-Colenutt: That's something we can take to our members, get more on, and then submit it to the committee.

Ms. Yasmin Ratansi: Mr. Watson, I'd love to have your ideas because you have been a very successful businessman, and you have been monitoring the costs and ensuring that you are competitive.

Do you have any ideas?

Mr. Harry Watson: I've always been an independent. We work hard doing what we do. We're a non-union company. I think Canada Post has a very strong union.

Maybe if you became a non-union company, you might have a lot better chance.

Voices: Oh, oh!

Ms. Yasmin Ratansi: No, excuse me. We are here to hear ideas.

Thank you for your ideas, because there is nothing that we don't take in. We have to absorb it and look at it.

Ms. Yasmin Ratansi: Okay.

Do you have any ideas, Mr. Gulka-Tiechko or Ms. Sanson?

Mr. Myron Gulka-Tiechko: Today we're not creative.

Voices: Oh, oh!

Ms. Yasmin Ratansi: Not a problem.

Thank you.

The Chair: We'll go to our final two interventions. They will be five minutes each.

Mr. Clarke is next. If you're not fluently bilingual, you may want to put on your translation devices.

[Translation]

Mr. Clarke, you have the floor for five minutes.

Mr. Alupa Clarke (Beauport—Limoilou, CPC): Thank you, Mr. Chair.

Hello everyone. I'm very pleased to be in Moose Jaw. It's a very beautiful city in the Prairies and it has lovely architecture.

My first question is for the Moose Jaw municipal representatives and is very simple.

[English]

The Chair: I don't believe we're getting translation.

A voice: No, we're not.

The Chair: Mr. Clarke, perhaps you would start once again. We'll give you your time back.

[Translation]

Mr. Alupa Clarke: Okay.

What I said was important because I mentioned that Moose Jaw is a fantastic city and that its architecture is lovely.

[English]

A voice: [Inaudible—Editor]

Mr. Alupa Clarke: I can speak in English, Mr. Chair.

The Chair: Yes, Mr. Clarke, perhaps you wouldn't mind asking your questions *en anglais* while we try to straighten this out.

Mr. Alupa Clarke: Okay. Normally I speak in French for the sake of the country, but I'll speak in English.

Moose Jaw is a gorgeous city, so my first question goes to the municipality. It's a straightforward question. Is Canada Post a national symbol of federal unity for you and the people living here?

• (1115)

Mr. Myron Gulka-Tiechko: I think it's always been assumed to be one of the things that jells and holds the country together, so I would agree with that comment.

Mr. Alupa Clarke: Madam Marshall-Colenutt and Madam Perkins, for the aboriginal people of this region, is Canada Post a service or do you find it to be a national symbol?

Ms. Bernice Perkins: Personally, I find it a service.

Mr. Alupa Clarke: Thank you.

Going back to the municipality, you said that you were not consulted about where community mailboxes would be located. Did you receive a letter or a call telling you that there would be an implementation of this change?

Ms. Michelle Sanson: We did receive a letter and maps that told us where they were going to go.

Mr. Alupa Clarke: How long before it was actually done?

Ms. Michelle Sanson: Oh, gosh, I don't remember. It was pretty close to the time. There wasn't a lot of leeway. I think it was within a week or two of it coming.

Mr. Alupa Clarke: Okay.

What do you think about the idea of reforming the law with regard to Canada Post so that there is a concrete obligation for Canada Post to always consult with any cities when there is change? Do you think that would be a good thing to do?

Mr. Myron Gulka-Tiechko: Certainly, there would be a common understanding, I believe, at most levels of government that there should be consultation with the citizens who are affected by decisions.

Mr. Alupa Clarke: How does the city see the task force results? There were five points. The community mailbox was one of them, and a higher tariff for stamps, for example. One of the conclusions was interesting, I think. They said we should probably close down all the post offices that are now within the huge urban regions to be able to keep the ones in the rural regions.

Would you support this way forward, to close down the offices that used to be rural but because of city growth are now in the big cities?

Mr. Myron Gulka-Tiechko: In terms of the direction we received from city council, we're limited in what we can provide to the committee. We had no input from our city council in terms of responding to that particular recommendation.

Mr. Alupa Clarke: Mr. Watson, what do you think about that?

Mr. Harry Watson: It's a very different perspective, but again, it can be changed and it won't hurt if it's going to make the company more viable and give us the service we need.

Mr. Alupa Clarke: It might be that we make sure to keep the postal offices in the rural regions, which is very important.

Madam Perkins, I just want to make sure that in the blues we get it right. I was confused. Are you against door-to-door or against community mailboxes?

Ms. Bernice Perkins: I'm against community mailboxes.

Mr. Alupa Clarke: Again, Mr. Watson, how do you think Canada Post should deal with its financial difficulties?

Mr. Harry Watson: I'm not going to say what I really think here.

Voices: Oh, oh!

Mr. Harry Watson: I liked what they were doing. I thought it was a great thing putting in the postal boxes because it was cutting costs, and again, I'm a senior. But I'm not a senior to that point where I can't walk. I understand those sorts of problems are out there, but when 77% or 71% of the country has them.... They're only going into new subdivisions. I think it's coming across Canada, and that's the way we should continue to go.

Mr. Alupa Clarke: Do you think that all the propositions and the way going forward to deal with the deficit should all be found inside Canada Post or is there some outside solution? For example, for the workforce of Canada Post, do you think there should be some measures taken to reduce costs?

Mr. Harry Watson: I have to be very careful when I speak.

The Chair: A very brief answer is good, Mr. Watson.

Mr. Harry Watson: Thank you.

The Chair: That's very brief. Thank you for that.

Our final five minutes will go to Ms. Shanahan, please.

Mrs. Brenda Shanahan (Châteauguay—Lacolle, Lib.): Thank you very much, Chair.

Thank you to everyone for being here this morning.

As the last speaker, I made a lot of notes and a lot of my concerns have been answered. But I do want to just get back to one thing that you mentioned from the municipality, that you were consulted, actually, when the new developments went in, in the 1990s. What did that look like, just very briefly?

Ms. Michelle Sanson: I'm not sure when it was in the 1990s, but for the most recent ones that I've worked on in the last 10 or 11 years, they have always brought forward a proposal of whether this works, and moved forward from there. We're happy to work with them in the location of the box so that it works within the subdivision.

Mrs. Brenda Shanahan: It can work if there's proper consultation.

Mr. Myron Gulka-Tiechko: Yes, I was just going to say that. In those circumstances those are in the development of new subdivisions where there's a whole new infrastructure, new roads, new service lines running in. That's the most appropriate time to coordinate those sorts of decisions.

Ms. Michelle Sanson: Many of the residents who are moving in are aware that this is going to be the service they're going to be provided.

Mrs. Brenda Shanahan: They tend to be younger people—

Ms. Michelle Sanson: Yes, they are younger.

Mrs. Brenda Shanahan: —who are already using digital mail. It's less of an issue for them. That kind of consultation did take place. Thank you very much.

Mr. Watson, just on the door-to-door, let's be clear that a lot of what's considered door-to-door or use of community mailboxes is actually apartment buildings. In a very dense urban centre, people essentially have door-to-door even though it's going into their mailboxes. They appreciate that because there's no issue with security and so on.

I just wanted to ask you a question as a businessman. Would you increase your prices by 30% overnight? How would that affect your clientele?

Mr. Harry Watson: Again, we're a very competitive grocery business. The 2% bottom line is the top bottom line. So if you raise it 3%...?

Mrs. Brenda Shanahan: At 30%.... We saw that with Canada Post, a dramatic increase in stamp prices.

Mr. Harry Watson: That would hurt me. It would kill me.

Mrs. Brenda Shanahan: It's certainly, from a business point of view, not the wisest thing to do.

Mr. Harry Watson: No, definitely not.

Mrs. Brenda Shanahan: Thank you very much for that.

Ms. Perkins and Ms. Marshall-Colenutt, you mentioned the asset, the postal station, having additional space. It would be interesting to see community non-profit organizations in there. A community hub is something that's come up as an option for the real estate locations that Canada Post has across the country.

What would your idea be? Do you have a vision of what that could look like, either in your community or in, say, a remote community?

Ms. Brenda Marshall-Colenutt: I haven't really thought of it in that context. I'd have to really sit down and take a look at that. I know in Moose Jaw we have a lot of non-profit organizations that do not have a meeting place, a regular office, or anything, because of the rents, etc., in the city.

If Canada Post...I know they used to have empty spaces upstairs. I don't know if the office here still does. That would be viable, at a reasonable rate, for these non-profit organizations.

Mrs. Brenda Shanahan: Do you see that citizens would see Canada Post as a political place or as a neutral place?

Ms. Brenda Marshall-Colenutt: I think a lot of them would see it as a fiscal responsibility because you have a big building that's not being used. In our mind, it would be a total waste, but if you're using it to help out the community organizations, it could be a win-win.

Mrs. Brenda Shanahan: So it could help with social inclusion, with belonging....

Ms. Brenda Marshall-Colenutt: Right, it could help with belonging, with having a place to meet.

Mrs. Brenda Shanahan: Okay. Thank you very much.

I think that's it.

The Chair: Thank you.

To all of our witnesses, thank you once again for being here and for taking time out of your busy schedules. Should any of you have any additional information that you wish to submit for the benefit of this committee during our deliberations, please do so. You can contact our clerk and make those submissions directly through our clerk.

We will be tabling a report in Parliament, probably at the latter part of November, or at the latest, the early part of December. If you're going to submit additional information, I would ask that you do that within the next 10 days to two weeks at the latest.

Mr. Gulka-Tiechko, we're all politicians around this table, so please express our best wishes to Her Worship. We understand completely why she wasn't able to be here in person today with an election looming in just a few days.

Thank you, all.

We will suspend for a few moments while we wait for our next witnesses to approach the table.

• (1020) _____ (Pause) _____

• (1030)

The Chair: Colleagues, we'll reconvene, please.

I think most of our witnesses were present for the first session, so they pretty well know how things work. We'll be asking each organization to give a five-minute opening statement. I'll try to keep that as close to five minutes or less as I possibly can. That will be followed by a series of questions from all our committee members. Other than that, it's pretty straightforward.

With that, then, we'll start. First on my list is Ms. Friars.

You have five minutes or less, please.

Ms. Lori Friars (Coordinator, Moose Jaw & District Senior Citizens Association Inc.): My name is Lori Friars. I'm the coordinator of the Moose Jaw and District Seniors Association. With me is Wayne McGregor, the president of the association.

According to the 2011 census, the percentage of the population age 65 and older in Moose Jaw was 18.6%, compared with the national percentage of 14.8%. That percentage, I would assume, has only increased since 2011—and we heard from the city earlier that it is higher—because there was an additional 5% of Moose Jawians who were age 60 to 64 at that time.

Over the past few weeks, I've spoken to a number of seniors to hear their thoughts about Canada Post. Those I spoke with all voiced that they felt Canada Post was a highly valuable public service that they wanted to see continue. For many seniors, the mail is their connection to their families. Families today are not just spread across the city, but across the country and the world. Many seniors depend on the mail system to keep in contact with their family, to send and receive greetings and packages on special occasions, and to pay their bills. According to the "Canada Post in the digital age" study, three

in 10 Canadians prefer to receive paper bills to digital. This is particularly true with older Canadians. Some 47% of Canadians 60 years and older prefer paper bills. Many seniors do not have access to the Internet, or do not own nor have ever used a computer.

I asked one senior what her thoughts were on converting post offices to franchise outlets. Her response was that it was not a good idea, that it "would be giving up Canada Post's reputation." When I asked what she meant by that, she said, "You know that the post office is dependable. When you go there, you know that you and your letters and your parcels are their number one concern. When you go to a franchise outlet, the mail is not necessarily their main concern. They're concerned about stocking the shelves, running the pharmacy, selling their product, etc. Sometimes you have to even ring a bell to get them to come from their other business to look after you at the postal station. So what do they know about the mail system?"

Most seniors I spoke to talked about the community mailboxes, so that's where I'm going to focus my presentation. I believe most of the homes in Moose Jaw, if not all, have community mailbox delivery. While seniors are learning to live with these boxes, they have concerns.

For seniors with mobility issues, getting to and from the mailbox, which is sometimes a block or more away, is difficult at best in the warmer months, and nearly impossible in the winter months. Imagine trying to use a walker or some other mobility device for a block to pick up your mail through snow, ice, or even just a build-up of leaves. This is assuming that it's a flat, level sidewalk, which we all know is not the case. According to Parachute Canada's "The Cost of Injury in Canada" report from September 2015, seniors were over four times more likely to be hospitalized for injuries than people under age 65. At 76.5%, unintentional falls were the most frequent cause of injury hospitalizations in seniors. The older the senior, the higher their proportion of hospitalized injuries.

I spoke with one senior who had been homebound for a few months. When I asked why, she told me she had gone down to the mailbox and had become dizzy. She grabbed onto the mailbox. The next thing she knew she was waking up on the ground, having hit her head. That was nearly two months ago, and she still has not recovered.

Some seniors have weekly home delivery by Canada Post, and those who I spoke to said that while they appreciated the service, they felt that weekly wasn't enough. They rely on their families and neighbours and pay other people to check their mail on other days. Most seniors are on a fixed income and do not have the resources to pay someone to assist them with the mail. A lot of them weren't aware that this was even available.

The trend today is to have seniors remain in their own homes for as long as possible. Community mailboxes are one obstacle to this. When you have decreased mobility, it's difficult to get around your home. Imagine trying to walk across the street or down the block. Home mail service is one way to prevent injuries to seniors, but it's also a means of communication for some. With home delivery, you often know your letter carrier by name, and they know the people on their route. They would see if mail were piling up, and that was unusual.

Some people drive to the mailboxes, that's an option for some, but what about seniors who no longer have a driver's licence?

A couple of other things that were identified was the cost of letter and parcel postage. The cost of stamps most thought was reasonable, but delivering packages, particularly internationally, was very expensive. There were concerns about damage to packages when outsourced and who would be responsible, and concerns about emissions from all the vehicles going to the community boxes.

The Chair: Thank you very much.

Next up we have Ms. Sanderson, representing the Canadian Union of Postal Workers.

You have five minutes, please. The floor is yours.

Ms. Julee Sanderson (President, Saskatoon Local, Canadian Union of Postal Workers): Good morning.

Thank you very much for giving me this opportunity to speak to all of you.

First, I'd like to recognize the Treaty No. 4 land that we are on here today.

My name is Julee Sanderson. I'm the local president of CUPW in Saskatoon, Saskatchewan, so I'm visiting here in this beautiful city of Moose Jaw.

As a trade unionist, I spend most of my time concentrating on grievances, bargaining contract interpretations, daily discussions with my employer over working conditions, and issues, many of which relate to CMBs, community mailboxes, their location, frozen locks, access to those CMBs, snow and debris removal, and buildup of flyers, which is a major issue.

For years my union, the Canadian Union of Postal Workers, has implemented social policies that aim to protect fundamental environmental principles. CUPW is committed to being a progressive and creative force in areas of environmental stewardship and sustainable resource use. CUPW will seek to build solidarity between the union and environmental groups, with specific objectives that include demanding the federal government respect international treaties on climate change.

Everyone here today has a concern for their environment, for their working future, and for future generations. We need to ask ourselves what can we bring, what can we do to make some changes, and what sort of ideas can we bring to the table in discussions about the future of the public post office? With that in mind, CUPW worked together with some of its allies to develop what is called Delivering Community Power, a project that was done with CPAA, the Leap Manifesto, Smart Change, and ACORN Canada. All have partnered together to bring us the building blocks for a sustainable postal future that addresses economic, environmental, and social issues, all at the same time.

Our post office can become a centre of community care and economic development, all while bringing down emissions. Some consider the post office past its prime. The last decade has seen many efforts to cut, devalue, and undermine this quintessential public service. Most of these moves have been fiercely resisted by people across this country. Ninety-two per cent of people polled during the

task force review believe that door-to-door service is essential for people with mobility issues. What if our cherished national institution with its vast physical infrastructure and millions of daily human interactions could offer us something different? What if the post office could play a central role in building our next economy that is made more stable, more equal, and less polluting.

Some people think of Canada Post as just letters and stamps. In our next economy our postal service could deliver everything from food to clean energy and create thousands of green jobs in the process. Canada Post is this country's largest transportation and shipping network, with over 15,000 vehicles, and we, as Canadians, own it. With the largest public fleet in the country, federal infrastructure funding could add a nationwide network for charging electric vehicles, which would act as a springboard toward a shift to low-carbon vehicles. Electric charging stations could be added to every post office, which would encourage public use and build a solid infrastructure for electric vehicles.

There are almost twice as many post offices as there are Tim Hortons and McDonald's combined, with over 6,300 offices countrywide. How can we use this powerful network to drive the transition to a zero-carbon Canada? We could put solar panels on our post offices with retrofits, to save energy. We could add charging stations to power our postal fleet and your electric car. Post offices could also provide banking services, without the big banks' unfair fees, and finance green energy infrastructure and businesses. Last year alone big banks in Canada raked in profits of over \$35 billion across this country, all while cutting jobs and raising their fees for day-to-day services. Millions of Canadians do not have bank accounts at all. Access to banking is limited in indigenous communities, where only 54 of 615 first nations communities are served by local bank branches. All the while over two million people in Canada use payday lenders every year. Those payday lenders prey on the underbanked, the poor, and those who can least afford to be charged interest rates of over 400%.

Every year, workers in Canada transfer billions of dollars to family members overseas, but the cost of sending them money can be as high as 20% on smaller amounts. These rates hurt the people who depend on them the most. Postal banking could provide basic financial services for everyone. From Confederation until 1968 post office savings were offered until the big banks opposed the post office and opposed those services.

We could have a fleet of electric postal vehicles built by unionized workers here in Canada. In Germany, many municipalities now produce more power from renewable sources than they consume, creating over 400,000 new jobs in the process. The postal service could deliver affordable food to remote communities in the north and support digital innovation across the country. Instead of relying on the northern food program, which gouges the people in those remote communities, the post office could easily turn back to its practice of shipping food along with the mail it ships anyway. With expanded door-to-door services, postal workers could coordinate with other care services and check in with people who sign up, thereby helping us to live in our homes for longer as we age.

We are ready to leap to a greener economy in caring for the earth and for each other, and a revitalized postal service can deliver that. From coast to coast to coast, support for this vision is growing. We are the stewards of this earth.

Thank you.

The Chair: Thank you very much. I encourage our panellists to please try and keep it to five minutes or less, so that we can allow for questions. Finally, we have Ms. Krahenbil, for five minutes, please.

Ms. Shelly Krahenbil (President, Saskatchewan Branch, Canadian Postmasters and Assistants Association): Thank you for the opportunity.

My name is Shelly Krahenbil. I'm the president of the Canadian Postmasters and Assistants Association here in Saskatchewan. Nationally, CPAA represents postmasters and assistants in 3,229 rural post offices, with approximately 8,700 members across Canada and over 1,300 here in Saskatchewan.

According to Canada Post's own reports, rural and corporate post offices are the most cost-effective method of mail delivery. If this is the most cost-effective method of delivery, I question why Canada Post is recommending that 800 of the most profitable corporate offices be replaced with franchises. Is this the beginning of the end of corporate offices and the path to privatization?

We are part of the largest distribution network in Canada, a fact that Canada Post proudly points out to its customers. In spite of these facts, Canada Post has been reducing rural postal service and closing down its delivery network since the moratorium, even before it announced the five-point action plan.

In many cases in rural Saskatchewan the postmaster in these small communities is actually subsidizing Canada Post through supply of the premises and their wage structure. In some situations the postmaster is paid less than minimum wage for a portion of their hours in a day. With this in mind, reduction of hours in these offices makes a position unattractive, resulting in resignations. The vacant positions are then difficult to staff and the offices close, therefore reducing postal service.

According to a study commissioned by CPAA and conducted by Anderson Consulting, over 55% of franchises created by Canada Post that replaced corporate offices closed, making it necessary for the customers to travel longer and longer distances. We have communities where the commute to the post office to collect a parcel is greater than 75 kilometres. This presents a hardship, especially to our seniors, but also the community as a whole.

The franchise post office does not, in our opinion, give Canadians the same service as the corporate post office. In rural Canada the franchise employees' first loyalty would be to the franchise's host business. Canada Post provides training to only one employee and the rest is trickle-down training. Franchisees often ignore new products and services, hours of operation, and other commitments because the business is more complex than they bargained for. The franchise model uses rural and suburban mail carriers and community mailboxes to achieve delivery, which costs much more than the centralized rural post office.

When Canada Post closes rural post offices, it contributes to the demise of the business district of the town. With the rural post office the residents have to come to town, and typically will spend money in other businesses in town. When forced to go to a nearby community to do their postal business, there is more incentive to shop in that community, not their own.

We strongly feel the study produced by the review committee dismisses several money-making initiatives that would improve Canada Post's financial position without further eroding postal service to rural Canadians. Canada Post prepared its own study, which called the postal banking initiative a win-win situation. There are over 1,200 communities in Canada that have corporate post offices but no bank. By using our current network we could provide these services to the community, once again enabling a vibrant rural community.

Using our current network to expand government services such as those offered in Service Canada outlets, at little cost to the government, would improve viability. We could use our current network to explore green initiatives such as recharging stations for electric vehicles, and Internet services in rural Canada, where it is often lacking.

We respectfully submit that there are ways for Canada Post to achieve its financial goals without the current trend of eroding service to rural Canadians. Please widen the discussion to take into account rural Canada and its potential demise. Thank you.

The Chair: Thank you very much, all of you.

Our first intervention will be seven minutes, and it will be Mr. Whalen.

Mr. Nick Whalen: Thanks to all of you for coming today. It's great to hear all the different perspectives, certainly from groups representing seniors and unions. As someone who's coming from a rural background, I would say that our committee hasn't had much time as I'd hoped to visit rural Canada, so your perspective is particularly valued.

We were elected on a promise to grow the economy by protecting middle-class jobs and also on a commitment to help seniors enjoy a dignified retirement by, among other things, staying in their homes longer. When we talk about a transformation of Canada Post, we want to keep those ideas in mind.

Certainly, when it comes to saving the postal service we provide, we promised to do two things. One was to put a moratorium in place on the current implementation of the five-point plan, and two, to do this consultation, which we've done, and we've learned a lot.

One of the things that's come up is the difference between what's expected of the postal service from rural Canadians versus what's expected by urban Canadians.

Ms. Krahenbil, do you think that maybe there should be a different management structure or a different approach between the types of services and the level of service provided in rural areas versus urban areas?

Ms. Shelly Krahenbil: No, I don't. As Canadians, we deserve equal service availability regardless of where we live.

Mr. Nick Whalen: Okay. In urban Canada, we still have some door-to-door delivery that's actually door to door, and we have community mailboxes, which clearly isn't door to door. We have delivery to the ground floors of apartment buildings, which many people have told us they consider just as good as door-to-door delivery.

We have rural routes, where people have mailboxes at the end of their long driveways, but many people consider that as good as door-to-door delivery; it's on their own property. Then we have general delivery in terms of many of the people you represent. They don't have door-to-door service at all. It's very clear that they go to the post office to get their mail.

Are you suggesting that we should restore rural delivery to a door-to-door service in rural Canada?

Ms. Shelly Krahenbil: No. I believe that if we maintain things the way they are, that's acceptable. We haven't had rural route delivery across rural Canada for many, many years. I don't see an issue with that. We are very content to drive to our communities, whether it be 10 kilometres or... As a farmer myself—

Mr. Nick Whalen: The status quo is okay.

Ms. Shelly Krahenbil: Absolutely.

Mr. Nick Whalen: You're not calling for rural delivery to be the same as urban.

Ms. Shelly Krahenbil: No.

Mr. Nick Whalen: In urban areas, I must say, the testimony we've heard is that people really aren't as interested in having postal banking. When we talk to people in rural areas, they talk about the lack of these services. Don't you think there could be a different model in at least the types of services that are offered?

I have a Service Canada office in my town, but I know that a lot of people don't. Why are you against having a different type of service offering in rural areas, whereby rural post offices offer more than might be offered in urban and suburban, where they already have private enterprise offerings?

Ms. Shelly Krahenbil: As far as the postal banking goes, yes, it would be very welcome in rural communities that do not have a banking facility available. In the urban centres, we have to consider that we do have the inner-city people who do not have a bank account and do go to the payday lenders of the world. I believe it's just as viable in our urban centres to have postal banking as it would be in the rural areas.

Mr. Nick Whalen: Just to broaden the question, Mr. McGregor and Ms. Friars, I asked the question of Ms. Krahenbil about whether or not she considered the different types of services to be door to door or not. We talk about door-to-door service, but in old age homes or seniors assisted living facilities where there's a single point, do you consider that as good as door-to-door service, or do you consider that more akin to the community mailbox?

Ms. Lori Friars: I would consider that as good as door to door.

Mr. Nick Whalen: Fair enough.

When we're talking about door to door, in your minds we're also talking about delivery to the ground floor.

Ms. Lori Friars: Yes.

Mr. Nick Whalen: We had previous testimony today that 71% of people have a community mailbox type of delivery. When I'm talking to you, I think it sounds more like 30% of people have a community mailbox delivery, and some 60% have something that you consider as good as door to door. Also, in the rural context, people in rural Canada seem to be satisfied with their postal service even though they have to drive to get it.

Voices: Yes.

Mr. Nick Whalen: Okay. Fair enough.

I just want to try to understand, because when we read the Canada Post report they seem to be discuss these things in a way that's not the same as the way people appreciate it. In terms of this type of communication style, do you think it's been helping the Canada Post brand? When Canada Post denigrates the level of service it's providing or talks about its financial instability, do you think that hurts the Canada Post brand?

Ms. Sanderson.

Ms. Julee Sanderson: I appreciate the question. I think that how Canada Post has represented itself is very.... In our experience, what we've seen as the representation of Canada Post is very much done by people who have been appointed by a previous Conservative government, and it is definitely a Conservative agenda that we've seen in the past. I think under the current dynamic of Canada Post that what we're seeing and the information that Canada Post is putting out there to the public is very much designed to create a problem that doesn't exist. I believe it doesn't exist.

Mr. Nick Whalen: Well, thank you, Ms. Sanderson. I think when we look at the financials, even if they're not as bad as they say, they are still pretty bad because there is about a \$1.4-billion gap in contributions to the pensions in the past year. I think we talked about the pension plan. You're still looking at about a \$8-billion gap from what's required. So I think there is more that needs to be done, and the committee wants to make sure that pensions are solvent.

Ms. Friars and Mr. McGregor, you talked about home delivery for seniors in communities that are served by community mailboxes. I'm not sure if you are aware of it, but there is a program that allows people with disabilities to get access on a once-a-week basis through an application process. Do you have any thoughts on that? Should it be twice a week? Is it not good enough? Do you have any concerns about this specialized service for the elderly and disabled that Canada Post provides to make sure they get their mail to their door?

Ms. Lori Friars: I guess, yes, the people who I spoke to do not feel that once a week is enough. They would like to see the same as what every person receives, which is a day-to-day service.

The Chair: Thank you very much.

We will now go to our second intervention. It will be Mr. Clarke. If you are not bilingual, I would suggest you put on your interpretation headsets and turn to channel two.

[Translation]

Mr. Clarke, you have the floor for seven minutes.

Mr. Alupa Clarke: Thank you, Mr. Chair.

Ms. Sanderson, in recent days, this committee has travelled to several provinces and the Northwest Territories. Most colleagues from your labour union seemed to say that the deficit forecasts were not accurate. If I understand correctly, you also believe the forecasts are not accurate.

[English]

Ms. Julee Sanderson: I would agree with that statement, definitely. I heard Mr. Whalen mention something about the solvency of our pension. I think when we're talking about the pension, the reporting requirement for Canada Post pensions is that we report based on a solvency deficit. Of course, there's a deficit there, but I don't think that's an accurate representation of a going-forward pension and what we actually know is there. In terms of solvency for those people who don't understand it—and I take it most of you do—a going-forward pension is the reality of our pension fund at the time, and it's healthy, and it has a surplus. A solvency is how we're required to report, as a federal employees, that pension.

[Translation]

Mr. Alupa Clarke: Sorry to interrupt you, but I have a number of questions to ask you.

I was referring to the deficit expected according to Canada Post. The deficit would be \$750 million by 2026. I was referring to that deficit. I assume that, like your colleagues in the rest of Canada, you don't think this forecast is accurate.

How did the task force reach the same conclusion as Canada Post? Canada Post may have vested interests, but how do you think the task force was able to obtain the same result?

[English]

Ms. Julee Sanderson: Well, I've read through the many pages of the task force review, and I've looked at all of that, and I suppose that the numbers that have been provided to the task force would have been confirmed as accurate. When we're looking at the finances of Canada Post, I know that in the past studies were done where Canada Post released information and said, "Hey listen, if we don't do something right now, we're going to be in a situation where we're losing tons of money," and the scare tactics that were put out there to the public saying, "You know what? Your taxes are going to be increased because you're going to have to pay for Canada Post."

That was not a reality. It has not been a reality. For 18 of the last 20 years, Canada Post has posted profits. Last year alone there was \$99 million of profit from Canada Post. One of the years they didn't post a profit, and I'd like to mention that Canada Post lost a major settlement with one of the bargaining units within Canada Post because they weren't paying men and women the same amount of money for work they were performing, which was the exact same type of work.

[Translation]

Mr. Alupa Clarke: Thank you.

I understand that the problem between you and the management arises from the fact that the basic premises are not the same. You don't believe in the same analyses and statistics.

There was talk of a deficit of \$750 million by 2026. Canada Post's 2015 annual report says that, under the current collective agreement, the employees hired after March 1, 2015, will receive lower wages, will be entitled to fewer annual sick days and will have job security only after 10 years of service.

I can understand why you're firmly opposed to a wage reduction, and that makes sense. Nobody wants to see their wage reduced. In your presentation, you said that, in the future, everyone will need to make efforts. Would it be important to accept fewer annual sick days since all Canadians are currently making efforts? Is your union ready to accept certain measures in addition to the wage reductions?

[English]

Ms. Julee Sanderson: That's an interesting question. Thank you for asking.

In terms of our bargaining and what's been happening, there are two tentative agreements that are on the table right now and have not been ratified by the CUPW membership. The voting has to take place sometime shortly. Whether or not the members are satisfied with the results of those tentative agreements is yet to be seen.

In terms of decreased wages—I know you mentioned in particular a decrease in annual leave—would we be willing to take rollbacks? We have been taking rollbacks for years.

I am not making a tremendous amount of money and I've worked at the post office for 18 years. In those 18 years my wages have increased a whole \$4.23. I know that my bills and expenses have certainly increased beyond that. If one was going to look at a percentage.... I think that postal workers on the whole understand that what we need to be looking at are initiatives to improve this viable public service that has been paying dividends back into the public purse for years.

[Translation]

Mr. Alupa Clarke: Okay.

I see your point, Ms. Sanderson. As I told you, I can understand that a wage reduction is something sad and unfortunate. However, I think the reduction of annual sick days is a step forward given that most Canadians don't have this kind of privilege. I still see your point.

My next question is for Ms. Friars.

Canada Post may deliver mail to seniors once a week. If they have trouble going to the community mailbox, they'll receive the service once a week. Do you think it's a good measure? Are seniors familiar enough with this measure?

[English]

Ms. Lori Friars: No, I don't think that's a good measure. I think that they should receive daily delivery, the same way as everyone else. As for people being aware of that program, I don't think that a lot of people are aware of its existence or how to access it. When they are, they don't necessarily get what they request. They'll get something but not necessarily what they've gone for.

The Chair: Thank you very much.

Mr. Weir, you have seven minutes, please.

Mr. Erin Weir: My colleague, Mr. Whalen, started this round of questioning by suggesting that the government had only promised a moratorium on conversions to community mailboxes until this consultation happened. However, another Liberal MP, Mr. Casey, acknowledged to this committee that in fact the Liberals had promised to maintain and restore door-to-door mail delivery. Help us out. I'm wondering if the panellists could tell us what they heard from the Liberals during the last election campaign and what they expect the government to do in terms of home mail delivery.

The Chair: If I may interject just for a moment, I do this very sparingly and only in terms of accuracy.

Mr. Casey did appear before this committee, but when I asked him specifically at the end of the interventions if he said that the promise by his own government was to “restore home delivery” or to “save home delivery,” he said “save.” No one knows what the interpretation is, but he did not at any time say to “restore home delivery.”

Mr. Erin Weir: Okay.

Ms. Julee Sanderson: Are you directing your question to me?

Mr. Erin Weir: It was to the whole panel, or whoever is interested and can respond—

Ms. Julee Sanderson: I am interested, and thank you for the question.

I take a fairly great interest in politics, and what's going on. I attended all the meetings that were held in Saskatoon where I live, regarding those who were running and the positions they were taking. I was quite clear in asking them what exactly their positions were, and I understood that most definitely the NDP were in favour of restoring door-to-door delivery, as am I.

I understood, probably halfway through the campaign, that some Liberal candidates came forward and made a very sincere implication, I felt, that they were in favour of restoring door-to-door delivery in addition to the moratorium on the closure.

I want to make this note. We had a flyer in Saskatoon for a Conservative candidate who was running there. That Conservative candidate had our photos, the “save door-to-door” signs on the front of their flyer that they distributed to every door in Saskatoon. They were using our motto, “save door-to-door” on their flyers, yet the Conservative government was opposed to such a thing, and was pushing to implement CMBs across the country.

Mr. Erin Weir: Thank you. That was very illuminating.

Yesterday in Yellowknife we heard some very compelling testimony that the quality of service at franchises was not as good as at corporate offices. I think you've made the same point here today, Ms. Krahenbil.

I'm wondering if anyone else on the panel has any thoughts on the quality of service at franchises versus Canada Post outlets?

Ms. Lori Friars: Their number one concern at a franchise is not the mail, the packages, and the customer.

Ms. Julee Sanderson: I know in my experience, certainly, in Saskatoon we have a lot of franchise outlets. I have done some testing of the franchise outlets myself where I mailed a package from the corporate retail outlet in Saskatoon with the same measurements, the same weight, the same consistency, and that same package was mailed from a retail outlet, as well as a corporate outlet, and the retail outlet charged us more money to deliver that package.

I thought, okay, maybe I only did this once, let's see if this is going to repeat itself. So we did it four separate times at four different retail locations and at every retail location, we were charged more than we were charged at the corporate outlet, and they had made errors in their packaging and sizing.

Mr. Erin Weir: Ms. Krahenbil, you also suggested that Internet services as a line of business might be offered through Canada Post offices. I feel here in Saskatchewan we have excellent rural Internet thanks to SaskTel, a crown corporation, although our provincial government is now threatening to privatize it, so who knows.

How would Canada Post offer Internet services? What would that look like? How would that work?

Ms. Shelly Krahenbil: What's going to be viable for them would have to be looked at by Canada Post, but I envision.... We go to a hotel. They have business centres. We could have a computer room set up if people wished to use it if they didn't have their own services at home.

If I may make a comment on your question about the franchises, I do not go to franchises because of my being a postmaster in a rural community and I support our corporate offices, but there are occasions when we, as CPAs, are in the cities and we have to do some mailing.

My secretary-treasurer brought to my attention that she went to a franchise at one point. It was close to Christmas, and they did not have the storage space for all the parcels. We, as corporate employees, are trusted. We're bonded. We go through high-security screening. When she was in this franchise, some parcels were in the public area. Anyone could have walked away with them. That's another point about the franchises.

Mr. Erin Weir: Thanks for that.

Ms. Friars, I feel your presentation was somewhat constrained by time. I wonder if there were any further points you wish to make about the importance of home delivery and the difficulty with community mailboxes.

The Chair: Ms. Friars will be constrained to about 30 seconds. I apologize for that. Please go ahead.

Ms. Lori Friars: Most of the things I had to say were what people had told me themselves, like the lady who's blind. She specifically requested that she have a box in a specific spot where she could feel to find it, and didn't get that. Now she has to train herself to have her arm at a certain level to hopefully find the keyhole.

If anything is different on the sidewalk that day, like snow or leaves or if she has a different pair of shoes on, she can't find where to put her key because she's blind.

That's why it's so important to have home delivery. She's quite capable of functioning in her own home.

The Chair: Thank you very much.

Madam Ratansi, you have seven minutes, please.

Ms. Yasmin Ratansi: Thank you very much for such an interesting presentation.

As my colleague mentioned, we want to ensure that we have vibrant communities, that people don't move away from rural areas, so we need to create economic opportunities and growth. I thank you for your presentations.

I understood from the previous presenters that 31% of your population is seniors and out of that, three-quarters do not have door-to-door delivery. Did they ever have door-to-delivery?

Ms. Lori Friars: Yes.

Ms. Yasmin Ratansi: They did. Were they consulted? I guess the city told us they were not consulted.

● (1210)

Ms. Lori Friars: No.

Ms. Yasmin Ratansi: No groups were consulted, so they had no idea. It came as a surprise to them. There was no town hall, nothing by Canada Post. Have you some ideas? No. Nothing.

Mr. Wayne McGregor (President, Moose Jaw & District Senior Citizens Association Inc.): No.

Ms. Yasmin Ratansi: Okay.

Ms. Sanderson, I was quite intrigued by what you said, that you went to four retail outlets, and they all had different pricing. Were these franchise stores?

Ms. Julee Sanderson: Each one of them was a Shoppers Drug Mart outlet.

Ms. Yasmin Ratansi: Is that not fraud?

Ms. Julee Sanderson: I would say yes.

Ms. Yasmin Ratansi: Did you report it?

Ms. Julee Sanderson: Yes, we did.

Ms. Yasmin Ratansi: Was any action taken?

Ms. Julee Sanderson: Canada Post to my knowledge has done nothing with that information thus far.

Ms. Yasmin Ratansi: Okay. Here we are trying to look at making Canada Post sustainable. We know that mail has dropped, etc., but ad mail has increased. How does Canada Post price its ad mail?

You heard the previous business person talk about Canada Post not being competitive and it's costing him a lot. How does it remain competitive? Who prices it? Did he come to your outlet or did he go to a franchise? I don't know. I didn't ask him that.

Ms. Julee Sanderson: I think the previous speaker was talking about flyers. I was a little confused by what he was trying to present, whether he wanted to continue to have that service or not. I have friends who have distributed flyers within their own communities, and Canada Post is charging them about 23¢ to 27¢ per flyer. On average they're paying letter carriers to deliver or distribute them at 2.3¢ per flyer.

If business people are looking at Canada Post to distribute flyers, and Canada Post has a large number of community mailboxes, if I were a business person I would be somewhat concerned about the fact that people aren't checking their community mailboxes on a regular basis, and we definitely see issues with vandalism with those boxes. We see issues with debris around those boxes, but we also see issues where businesses are putting out flyers that have a marked date of a sale, or whatever the case may be.

Ms. Yasmin Ratansi: Canada Post is being blamed for an initiative that the workers were not responsible for.

Interestingly enough, you've been asked if your wages are in a race to the bottom. We don't want a race to the bottom because if we want to enhance the economic viability of communities, we want to ensure there is some creativity, thinking outside the box, integrated thinking that will create economic hubs in the communities you live in.

How often in your 18 years have you gone on strike?

Ms. Julee Sanderson: That's a good question, thank you. In the 18 years that I've worked at the post office, we had rotating strikes once. We have been locked out by the corporation one time, and although the public often thinks that we go on strike all the time, and they confuse whether or not a lockout is a strike—and I try to explain that to people all the time—just twice recently the corporation threatened to lock us out in June. We had taken a strike vote, and voted largely in favour of a strike if we were going to continue to see a reduction in services and in our benefits and pensions, etc. We never did strike. What we did is we said that we were going to refuse to work overtime, which many carriers are forced to do on a daily basis in many centres.

Ms. Yasmin Ratansi: When Canada Post sends out this notice to businesses saying they're potentially going to go on strike, are they shooting themselves in the foot, or are they keeping businesses aware? Are they doing their due diligence, or are they shooting themselves?

Ms. Julee Sanderson: What we saw was Canada Post at the time was notifying businesses to let them know that there was a potential for a strike when there was more of a potential for a lockout, and we saw businesses shifting and finding alternatives. Canada Post was also in a position where they were encouraging large retail networks like eBay to shift their business over to Purolator. We saw that. I believe definitely Canada Post was shooting themselves in the foot, and most recently, CUPW settled with Canada Post, and Canada Post was forced to acknowledge what their actions did.

Ms. Yasmin Ratansi: Do you think that you will be able to bring forth your creative ideas and work with current management? You'll have to give me a quick answer because I need to speak to Ms. Krahenbil.

Ms. Julee Sanderson: I think that anybody who is involved with Canada Post, whether on the work floor or in management, has a responsibility to look at better alternatives and enlightened alternatives for the public post office.

Ms. Yasmin Ratansi: Thank you.

Ms. Krahenbil, you were talking about 1,200 corporate offices that might be used as banking or whatever. Do they have broadband? Where are they? Are they in remote areas?

Ms. Shelly Krahenbil: They would be mostly in remote areas, and I'm unfortunately unfamiliar if they have broadband or not, but I would think some may.

Ms. Yasmin Ratansi: That's our big problem because if you want postal banking, whatever it is, if it's cashing a cheque or whatever... India is doing that. They're giving everybody a cellphone and saying, "Here is your cellphone. It's cheap. Use that infrastructure to bank."

Ms. Shelly Krahenbil: I'm sorry. I've misunderstood your question. Actually in the majority of our rural centres, there would be because they have the retail point of sale. They would have, yes.

Ms. Yasmin Ratansi: Thank you.

The Chair: Thank you very much.

We'll go to our two final interventions. They will be five minutes each.

Mr. McCauley, you're up.

Mr. Kelly McCauley: Ladies, thanks for joining us today.

Ms. Friars, thanks for your advocacy in the work for seniors. It's much appreciated. I know we've discussed this, and you've been asked several times about the once a week, and you've insisted that these folks deserve five days a week. Do you think there's a meeting point in the middle? We've heard this from various seniors groups across the country, and we've received some great ideas like doing it twice a week, or twice a week but in the summer months go back to once a week. Do you see any middle-of-the-road solutions, recognizing that going back to five days a week may not be doable? Do you see an acceptable compromise?

Mr. Wayne McGregor: I see the going back to limited delivery during the week as related to, as was mentioned by the Canada Post representative, a drop in wages and in staff. That being said, how many times in the last 100 years have the corporate heads, or CEOs, for instance, taking the same drop in—

Mr. Kelly McCauley: Sorry, maybe I misunderstood. I'm not asking about pay wage. I'm asking about enhancing service for the seniors who are not able to get to the mailbox on a daily basis.

Mr. Wayne McGregor: I guess enhancement would be keeping it at daily.

Mr. Kelly McCauley: So you see no compromise.

Mr. Wayne McGregor: No, I don't, because there has to be compromise on the other side also.

Mr. Kelly McCauley: Are you saying the same?

Ms. Lori Friars: Yes.

Mr. Kelly McCauley: Okay. Fair enough.

Ladies, I just want to get back to the bit about postal banking and payday lenders. We had someone speak who used to be with the industry. He was testifying that people using payday loans are not street people. They're people with jobs and with bank accounts who just cannot access the cash.

How would you see postal banking working? Would you offer a similar service, but only to people without bank accounts? We hear a lot of myth creating that the payday loans people are vultures seeking money from a certain demographic, but it's their demographic that they're working with, and it's people with jobs who need the cash immediately. They also have a 20% crash rate on the cheques that are being cashed and being defaulted on.

How do you see Canada Post having a system set up to go after 20% of people who default on cheques through postal banking?

Ms. Julee Sanderson: Thank you for the question.

Interestingly enough, I have a background in banking. I worked for Scotiabank for 10 years. At the very same time, I worked at a place called Money Mart in Saskatoon. I don't think it's a common misconception that the people who are attending those places are indeed people who tend to be less fortunate. I appreciate that those payday lenders were implying otherwise, but that was not my experience, and like I said, I worked there for 10 years.

When it comes to postal banking, and if the concern is whether the public would take on a responsibility for it [*Technical difficulty—Editor*].

Mr. Kelly McCauley: [*Technical difficulty—Editor*] What happens the first time Canada Post has to go and repossess grandma's car?

Ms. Julee Sanderson: I don't see that happening. People aren't cashing cheques worth that much.

Mr. Kelly McCauley: Your book that you referred to talks about full banking service.

Ms. Julee Sanderson: It doesn't reference full banking service.

What it talks about is providing opportunities for people to have a place to put their money, such as a savings account. It gives an opportunity for people to have a place to put their money to access small loans in the event that they were interested in participating in some initiatives that would improve—

Mr. Kelly McCauley: Do you think you'll get enough profits out of that to offset the future...? There's no question that it's all—

Ms. Julee Sanderson: I guess we can all be the judge. We know that five banks made \$35 billion last year in profit. I think if Canada Post were able to provide some of those services through postal banking, then most definitely there would be profits involved, and it would hold some of those big banks' fees down somewhat.

Mr. Kelly McCauley: Okay.

Ms. Friars, I want to get back to you.

You mentioned issues about seniors and also disabled folks getting to the boxes. You mentioned the one lady that you are aware of who had a fainting spell.

Do you have any statistics? We ask this across the country when we hear about this. Do you have any statistics of any falls or any accidents at any of the mailboxes at all?

Ms. Lori Friars: No, I don't. It's anecdotal.

Mr. Kelly McCauley: It's anecdotal.

Ms. Lori Friars: Yes, it's anecdotal.

Mr. Kelly McCauley: Have you heard of any others?

•(1225)

Ms. Lori Friars: No.

Mr. Kelly McCauley: Okay. Fair enough.

Ladies, I just want to get back to you. We're probably very short of time.

Across the country it's very different between rural and a big city with the needs for Canada Post. You spoke about Edmonton. That's

where I live, and there are 25 Shoppers Drug Mart branches within five minutes of my house. If you ask someone in Edmonton about Canada Post, they say it's at the Shoppers Drug Mart. In the rural areas, where it's not the centre of the city, it's a completely different need.

We have 500 or 700 Canada Post corporate offices in large cities. Would you agree that maybe these should be wound down and turned over to franchised ones, and the money saved be used to subsidize sustaining rural post office boxes?

Ms. Julee Sanderson: In Saskatoon—I'll use that as an example—there's one corporate retail outlet in a city of over 300,000 people. That corporate retail outlet was right downtown. It had a beautiful office and provided tons of services to Canadians. There was not a franchise office anywhere around downtown. All of downtown has a high percentage of seniors, the elderly, and people with mobility issues living there. Those people—

Mr. Kelly McCauley: Would you suggest that one should just be switched over and the money saved to use to help subsidize the rural post office boxes?

Ms. Julee Sanderson: Switched over to...I don't see the rationale. I don't understand how switching it over to a franchise office is going to save anybody money, because I don't see that. The corporate retail outlet in Saskatoon is costing insurmountable amounts of money when our retail outlet in Saskatoon is providing philatelic and other services, selling stamps. What we're here to talk about is services to Canadians.

Mr. Kelly McCauley: So you're saying they're urban—

The Chair: Thank you very much. We'll leave it at that.

Ms. Julee Sanderson: I could go on.

The Chair: I know. Time is precious, but the time is fleeting.

Madam Shanahan may give you that opportunity.

Madam Shanahan, five minutes please.

Mrs. Brenda Shanahan: Yes, I am intrigued, and I'm a former banker as well. I'm intrigued by the history of postal banking with Canada Post. I'm intrigued by the parcel business. We did have a chance to visit the Surrey sorting centre, and was amazed what people are sending through Canada Post, tires and all kinds of things internationally and locally. There's lots of business there.

I'm always intrigued by what people need and how nimble the corporate entity is in meeting those needs, especially when we're talking about a crown corporation. Please go on and share some more thoughts with us, Ms. Sanderson.

Ms. Julee Sanderson: Canada Post is most definitely in a position. We have people that are trained in how to do this work. We have a vast infrastructure and ability to maintain and continue to provide those services.

In terms of parcels and small packets, we've seen tremendous increases in the volume of small packets and parcels. One of the issues we have with community mailboxes is that letter carriers are now carrying satchels that weigh up to 35 pounds, and they have flyers in them or as Canada Post likes to call them, what do they call them now?

Mrs. Brenda Shanahan: Ad mail.

Ms. Julee Sanderson: It's ad mail, neighbourhood mail. Thank you very much.

Carriers are carrying those satchels, and they're quite heavy. They're given parcels and packets on top of that. These people are skilled in what they're doing. I can't see Canada Post ever being in a situation where getting rid of those services would benefit the public or—

Mrs. Brenda Shanahan: In fact, we heard the testimony earlier this week that there is something to be said about those boots on the ground, that last bastion of service and presence of the federal government.

Do you see other services that could be offered by letter carriers or postal workers in general?

Ms. Julee Sanderson: For sure. When I first started as a letter carrier back in 1997, we had letter carrier alerts. Letter carriers out on the street would be delivering to, say, an elderly couple that lived in a home, and sometimes we'd see their mail pile up. We would talk to them every single day, but they would never mention when they were going out of town, and you would see their mail pile up.

We had letter carrier alerts. We would come in and say to our supervisor, "Hey, Annie, so and so has not picked up the mail. The mail is piling up in her box." The supervisor would then contact the city police department or the fire department and go there.

I have myself personally experienced where somebody's grandmother spent three days in a bathtub full of freezing water. Fortunately, she had access to a hot tap, but she was in a bathtub full of freezing water with a broken hip and unable to get out. The letter carrier notified the fire department, and she was helped.

Mrs. Brenda Shanahan: Excellent. Thank you very much.

In general, for anyone on the panel, another common theme is whether its door-to-door delivery, the community mailbox, or travelling to get your mail, it seems like it's not one-size-fits-all. There are different solutions for different folks.

What would you say would be the key factor for citizens receiving mail or for employees in ensuring that it's the best possible fit with the demand and the service?

Maybe start with Mr. McGregor or Ms. Friars.

Mr. Wayne McGregor: As a senior, I don't know whether it was noticeable or not, but there are a few of us around here that hold that position.

My biggest concern is that the advertising has told us, through the government, that the best way to look after seniors is to keep them in their homes as long as you can. That to me tells the whole story. If we're going to keep the seniors in their homes, we must have accessibility to the mail for as many reasons as Lori and Canada Post gave us. There are too many.

I have concerns. I could go through many of them. For instance, the postal boxes are being situated right on a junction, a T in the highway. You turn around in the middle of the street, the back of the street, kids are going to the playground, it just makes no sense. The placement of the boxes was brought up before. It's just safety in general.

Mrs. Brenda Shanahan: Okay, thank you very much.

The Chair: I will cut it off at this point.

I want to thank all the panellists for being here, particularly Ms. Krahenbil and Ms. Sanderson. Thank you for taking the opportunity to present this afternoon. I'm glad we were able to get you to the table.

If there is additional information that you think would be of benefit to our committee as we conduct our deliberations, then I encourage you to make those submissions directly to our clerk. You can get the coordinates from Ms. Massicotte later, before you leave, and I would ask that if you're going to make additional submissions, then do that within the next 10 days or so, since we hope to be tabling our final report to Parliament by around the end of November.

Once again, thank you for all your testimony. It's been very well received.

The meeting is adjourned.

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