

2009 ANNUAL REPORT

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CASELOAD OVERVIEW: INTAKE AND INVESTIGATIONS



INTAKE VOLUME REQUESTS FOR ASSISTANCE

2009: 6209	➔	23%
2008: 8041		DECREASE YOY
2007: 6921		(Year-over-Year)

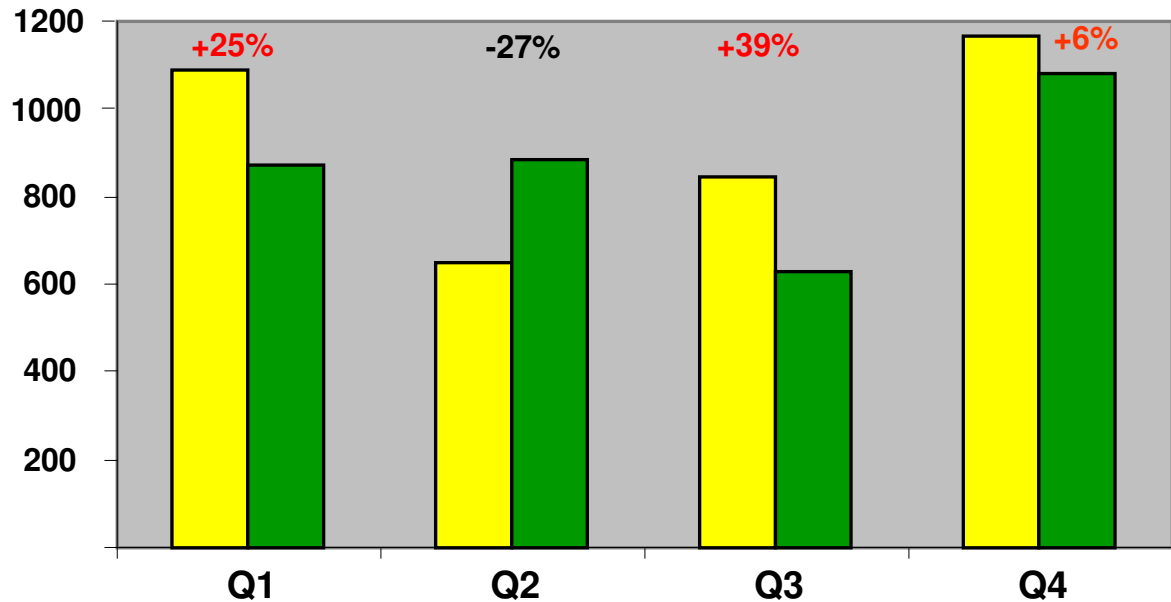
Volume ratio per point of call (1/10,000)

2009: 3.9	➔	29%
2008: 5.5		DECREASE YOY

**Fewer requests for assistance received in 2009... BUT
higher ratio of cases investigated:**

**60% requests for assistance = investigation in 2009
41% requests for assistance = investigation in 2008**

2009: 3708 INVESTIGATIONS ➔ **6% INCREASE**
2008: 3494 INVESTIGATIONS



2051 recommended resolutions issued to Canada Post:

- 64% additional measures taken by Canada Post
- 36% supported Canada Post's handling of the complaint
- 9 policy changes

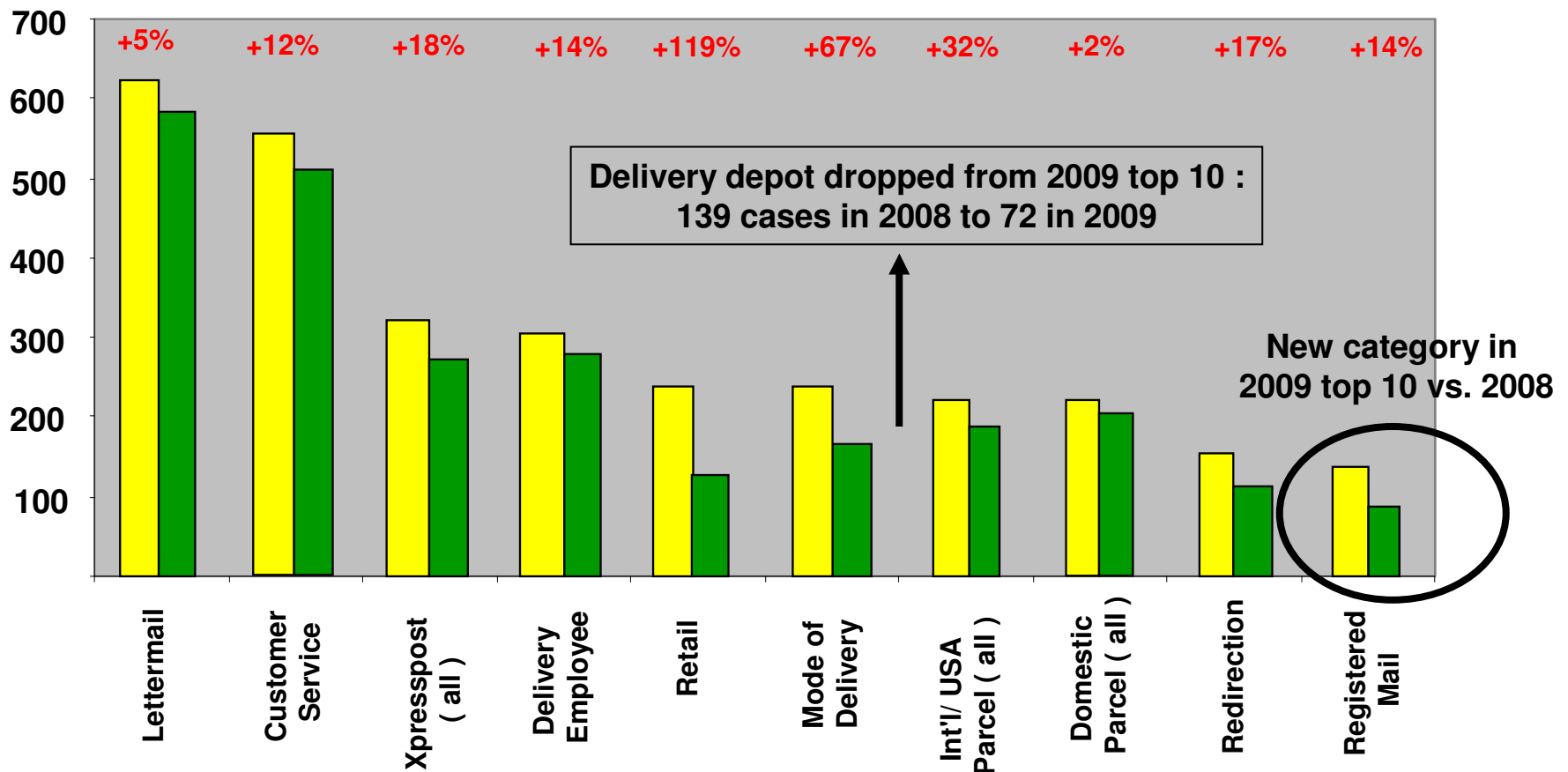
TOP 10 COMPLAINTS INVESTIGATED YEAR OVER YEAR CHANGE



■ 2009
■ 2008

**Top 10 Complaints = 3136 cases investigated
= 85% of caseload**

2008 TOP 10: 2635 INVESTIGATIONS 19% INCREASE YOY

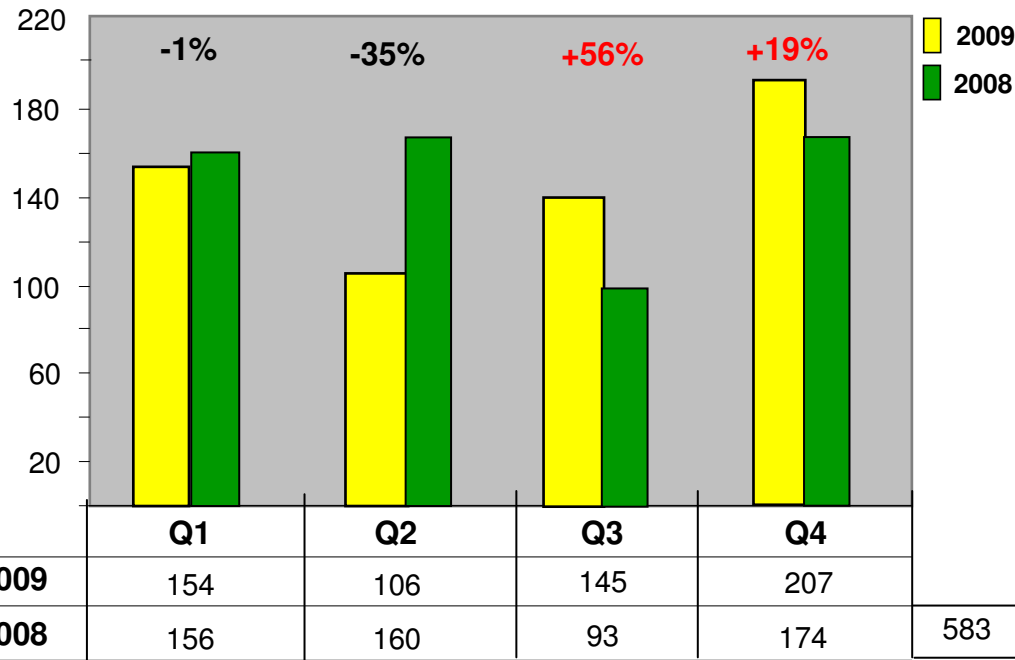


2009 – TOP 10 NATIONAL

1. LETTERMAIL



Total cases investigated: 3708
Lettermail: 612 or 17% of all complaints investigated



5% increase YOY

- Misdelivery accounts for 39% of all Lettermail complaints.
- In 2008, misdelivery represented 46% of Lettermail complaints.

Outcome of misdelivery investigations:

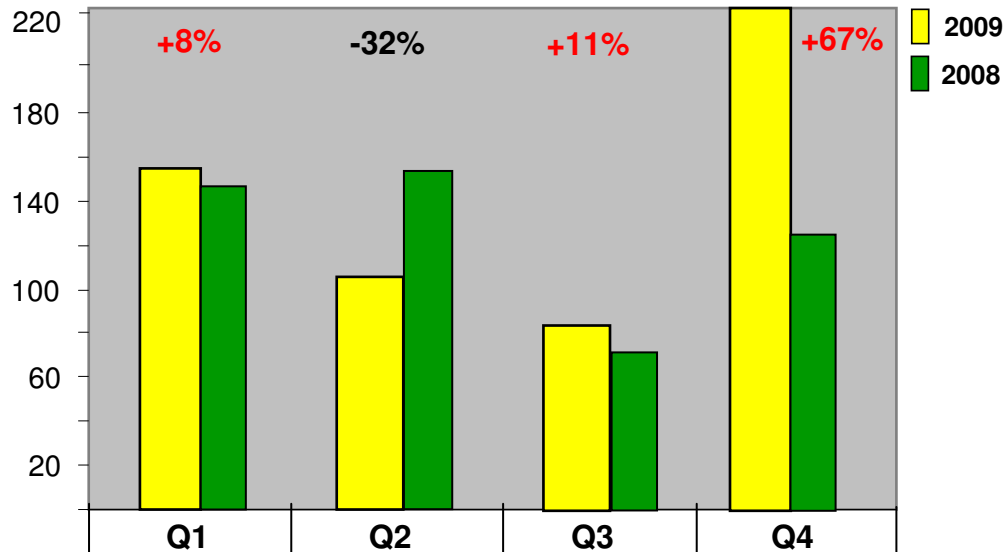
- 96% resulted in additional measures taken by Canada Post (CPC).

2009 – TOP 10 NATIONAL 2. CUSTOMER SERVICE



Total cases investigated: 3708

Customer Service: 569 or 15% of all complaints investigated



12% increase YOY

2009	155	106	82	226	
2008	147	157	70	135	509

- Unreasonable decision by a Customer Service agent accounts for 50% of all Customer Service complaints that are investigated.
- In 2008, unreasonable decision represented 51% of Customer Service complaints

Outcome of investigations on unreasonable decision:

- 48% resulted in additional measures taken by CPC.

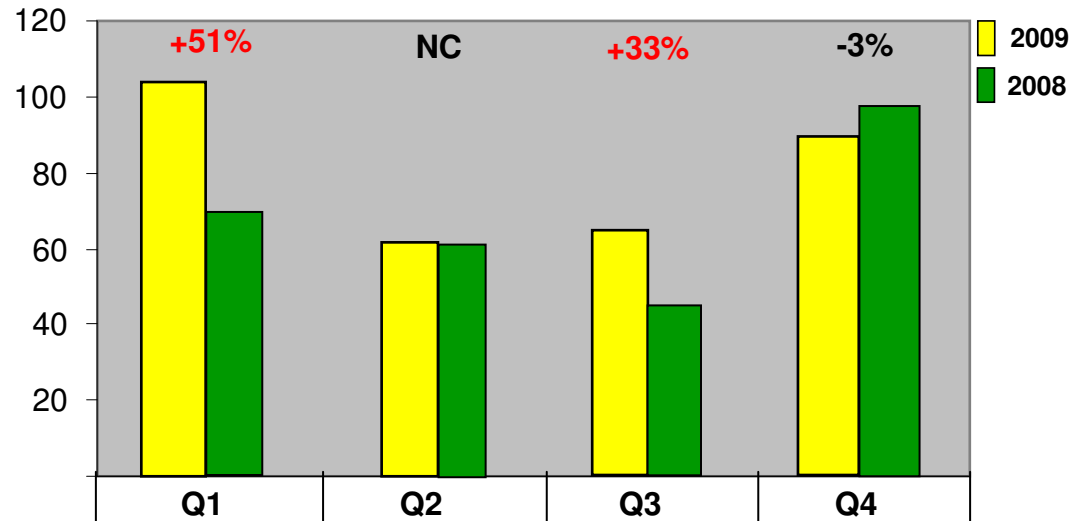
2009 – TOP 10 NATIONAL

3. XPRESSPOST



Total cases investigated: 3708

Xpresspost: 321 or 9% of all complaints investigated



18% increase YOY

2009	104	62	64	91	
2008	69	61	48	94	272

- Loss of item accounts for 43% of all Xpresspost complaints.
- In 2008, loss of item represented 41% of all Xpresspost complaints.

Outcome of investigations on lost Xpresspost:

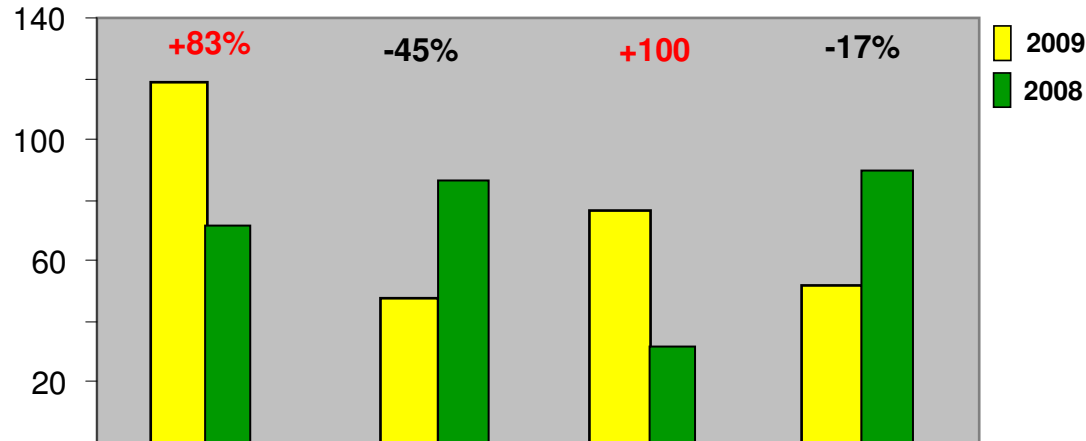
- 63% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL 4. DELIVERY EMPLOYEE



Total cases investigated: 3708

Delivery employee: 318 or 9% of all complaints investigated



14% increase YOY

	Q1	Q2	Q3	Q4	
2009	119	48	76	75	
2008	65	87	38	90	280

- Poor service provided by delivery agent (Letter Carrier, Motorized Letter Carrier, Mail Service Courier, Rural and Suburban Mail Carrier) accounts for 42% of all complaints in this category.
- In 2008, poor service represented 53% of all complaints in this category.
- No delivery / no delivery attempt account for 34% of these complaints.

Outcome of investigations on poor service:

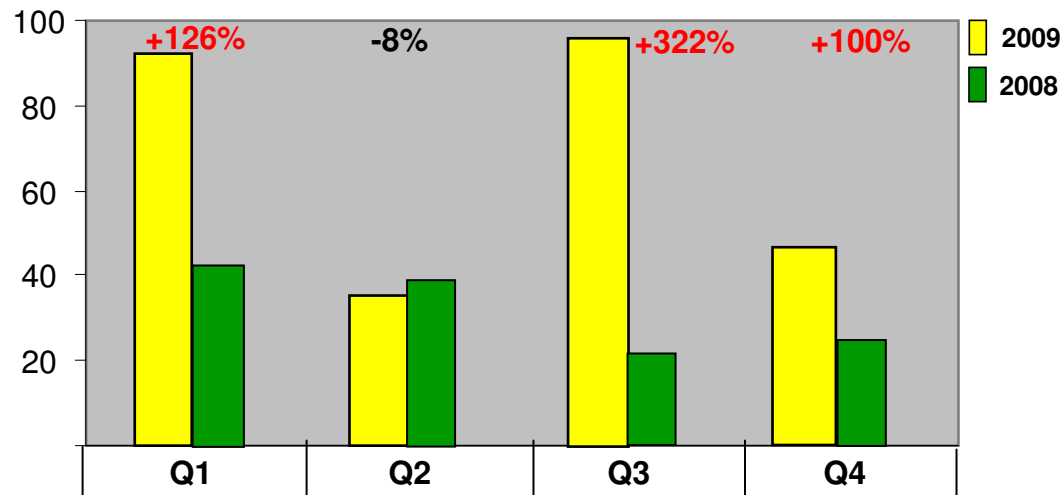
- 90% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL

5. RETAIL



Total cases investigated: 3708
Retail: 276 or 7% of all complaints investigated



119% increase YOY

2009	95	32	97	52	
2008	42	35	23	26	126

- Poor service provided by counter staff accounts for 57% of all complaints in this category.
- In 2008, poor service represented 72% of all complaints in this category.
- The closure of retail offices accounts for 32% of all complaints in this category.

Outcome of investigations on retail poor service:

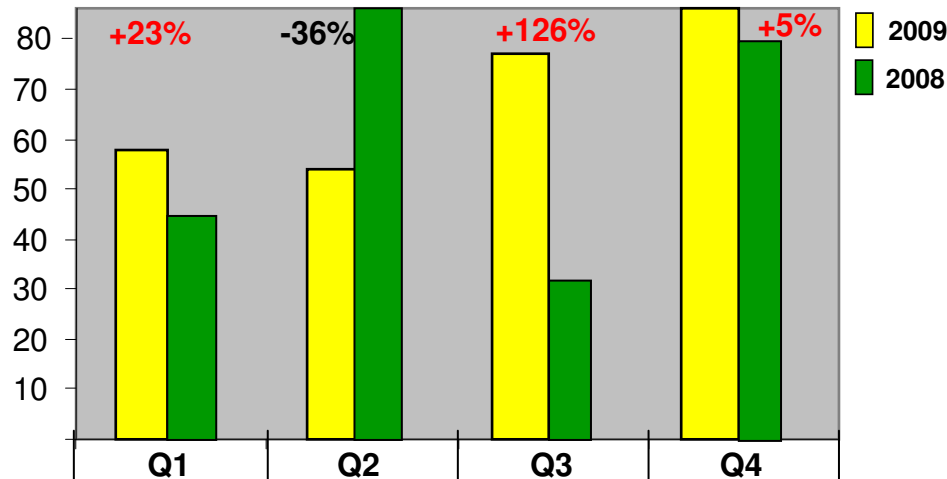
- 88% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL 6. MODE OF DELIVERY



Total cases investigated: 3708

Mode Delivery: 275 or 7% of all complaints investigated



11% increase YOY

	Q1	Q2	Q3	Q4	
2009	58	54	77	86	
2008	47	85	34	82	248

- Location of the delivery receptacle accounts for 23% of all complaints in this category.
- In 2008, location represented 25% of all complaints in this category.
- Safety-related complaints (Rural Mailbox / Community Mailbox) account for 14% of all complaints in this category.

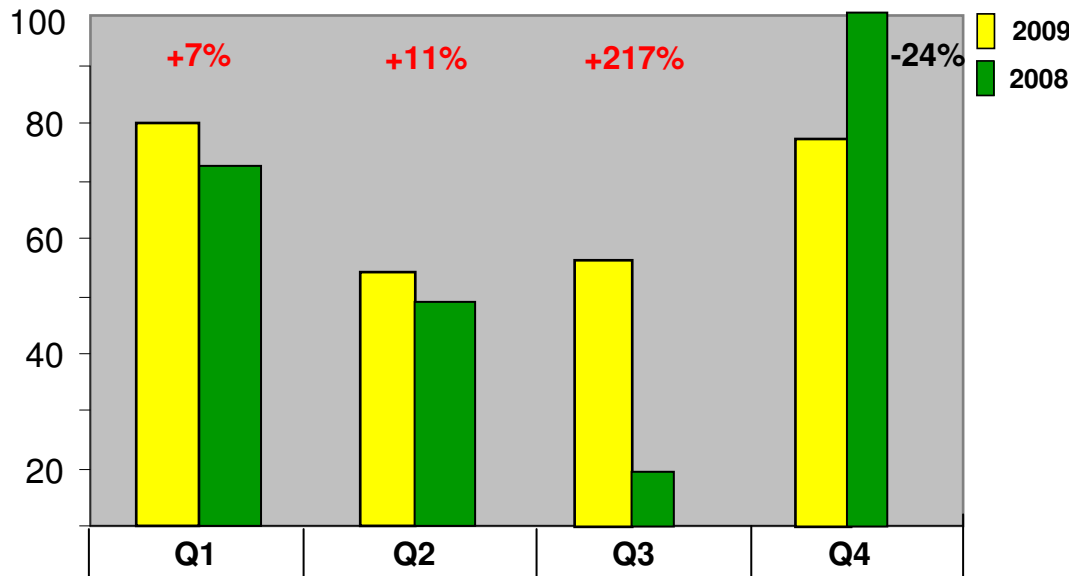
Outcome of investigations on location of delivery transfer point:

- 56% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL 7. INTERNATIONAL / USA PARCEL (ALL)



Total cases investigated: 3708
Int'l Parcel: 266 or 7% of all complaints investigated



10% increase YOY

Outbound product: 62%
of complaints investigated

2009	80	52	57	77	
2008	75	47	18	102	242

- Loss of item accounts for 45% of all international / USA parcel complaints.
- In 2008, loss of item represented 46% of all international / USA parcel complaints.

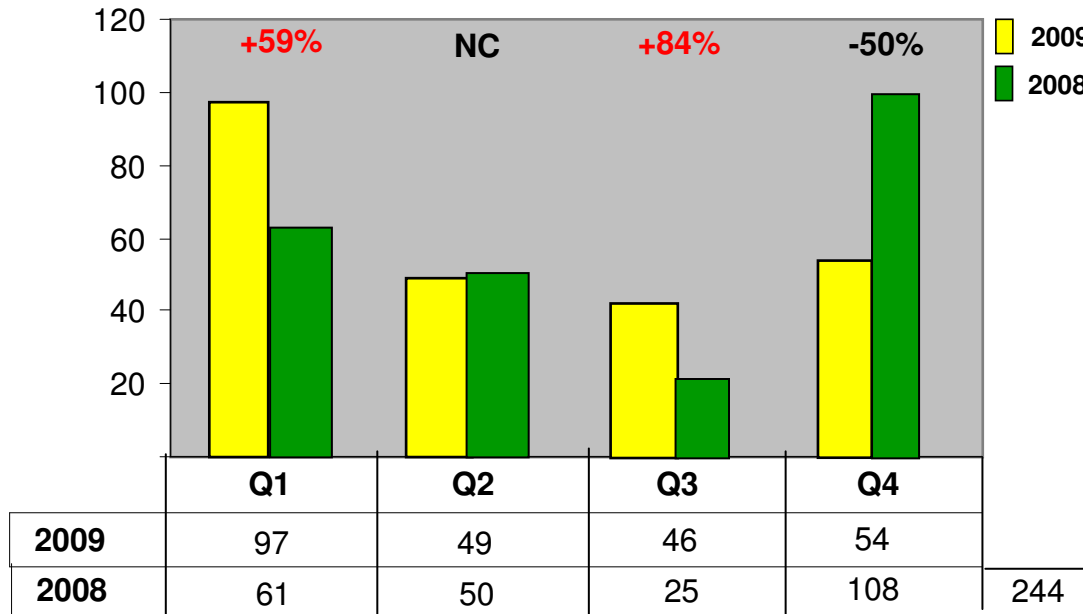
Outcome of investigations on lost international / USA parcels:

- 87% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL 8. DOMESTIC PARCEL (ALL)



Total cases investigated: 3708
Domestic Parcel: 246 or 7% of all complaints investigated



1% increase YOY

- Loss of item accounts for 46% of all domestic parcel complaints (expedited / regular).
- In 2008, loss of item represented 51% of all domestic parcel complaints.

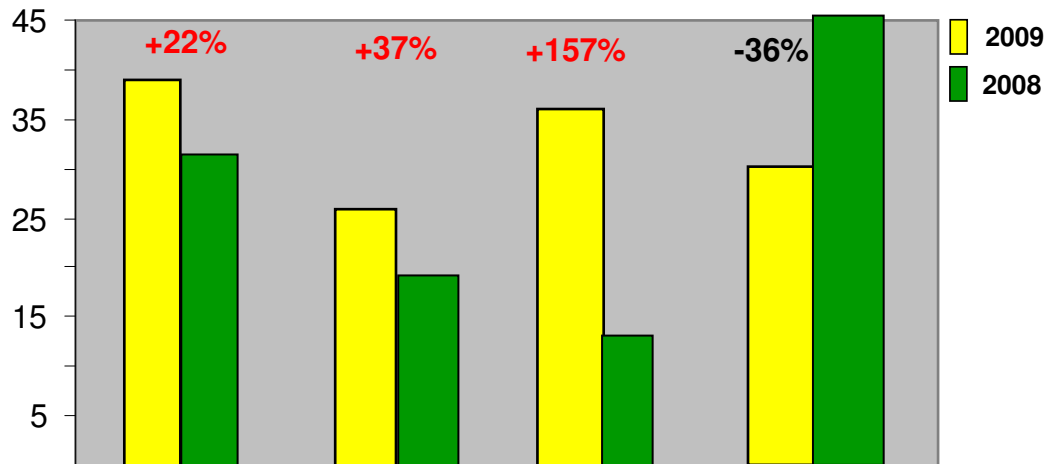
Outcome of investigations on lost domestic parcels:

- 74% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL 9. REDIRECTION



Total cases investigated: 3708
Redirection: 131 or 4% of all complaints investigated



17% increase YOY

	Q1	Q2	Q3	Q4	
2009	39	26	36	30	
2008	32	19	14	47	112

- Poor service accounts for 87% of all redirection service complaints.
- In 2008, poor service represented 85% of all complaints in this category.

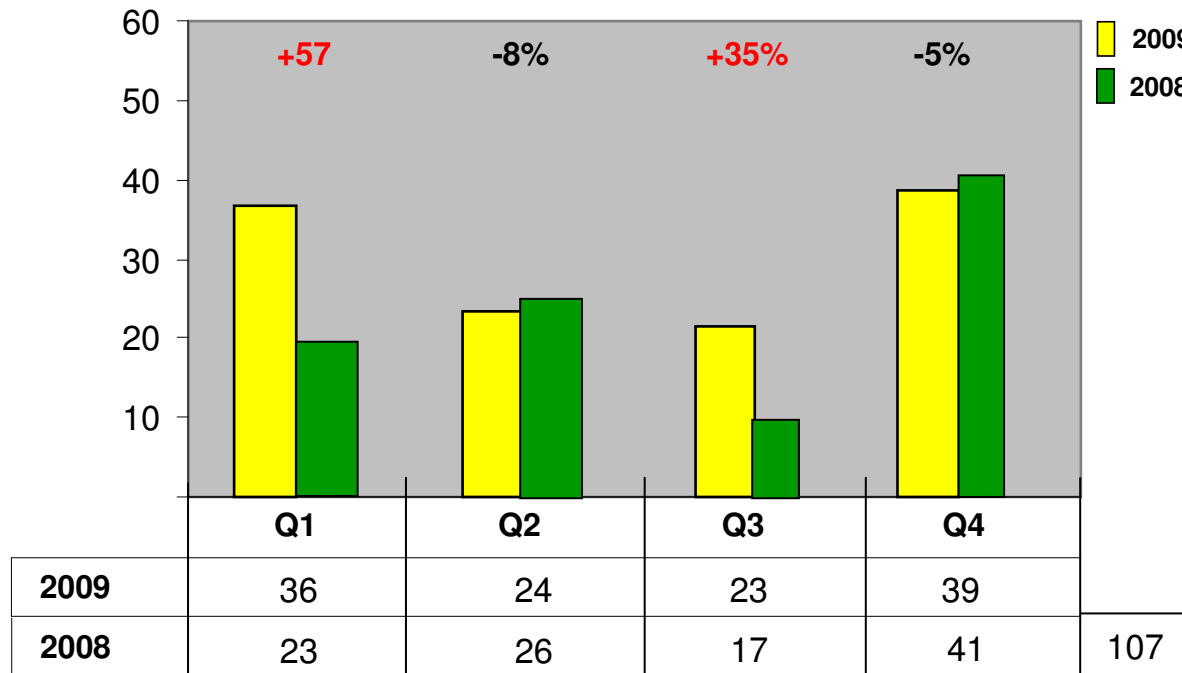
Outcome of investigations on redirection poor service:

- 90% resulted in additional measures taken by CPC.

2009 – TOP 10 NATIONAL 10. REGISTERED MAIL



Total cases investigated: 3708
Registered mail: 122 or 3% of all complaints investigated



14% increase YOY

- Loss of item accounts for 53% of all registered mail complaints.
- In 2008, loss of item represented 47% of all registered mail complaints.

Outcome of investigations on lost registered mail:

- 66% resulted in additional measures taken by CPC.

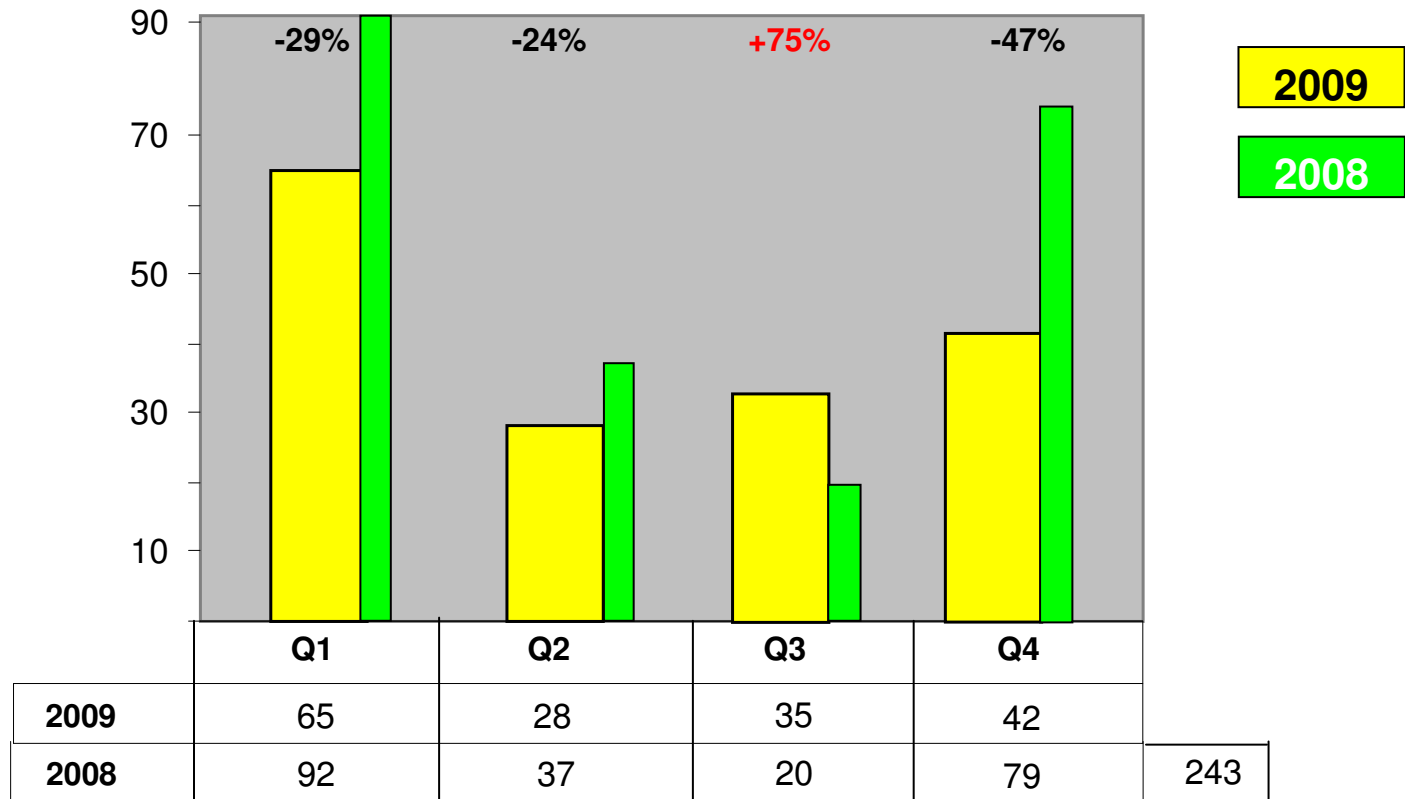
REGIONAL DISTRIBUTION – COMPLAINTS INVESTIGATED

1. ATLANTIC REGION



Total cases investigated: 3708
Atlantic: 170 or 5% of all complaints investigated

30% decrease YOY



2009 outcomes:
% cases with additional measures taken by CPC



REGIONAL DISTRIBUTION – COMPLAINTS INVESTIGATED

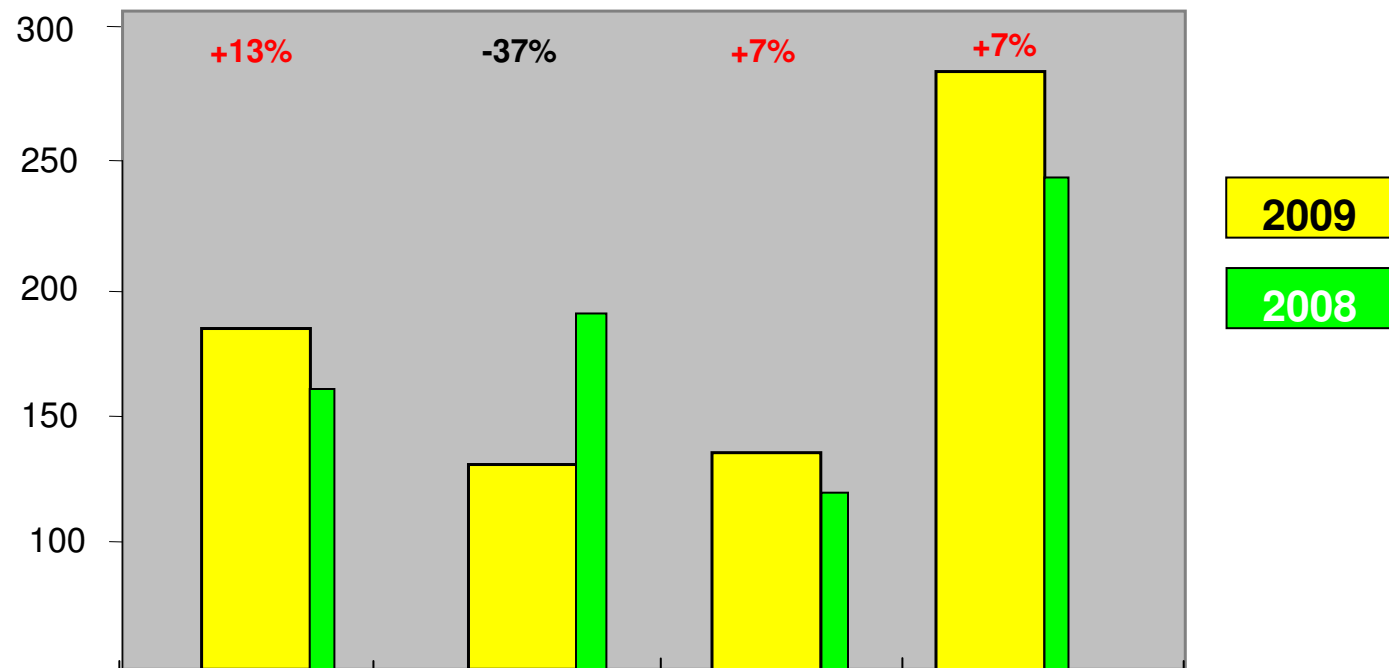
2. QUÉBEC REGION



Total cases investigated: 3708

Québec: 708 or 19% of all complaints investigated

3% decrease YOY



2009	181	120	129	278	
2008	160	190	121	261	732

**2009 outcomes:
% cases with additional
measures taken by CPC**

72%	82%	72%	79%
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REGIONAL DISTRIBUTION – COMPLAINTS INVESTIGATED

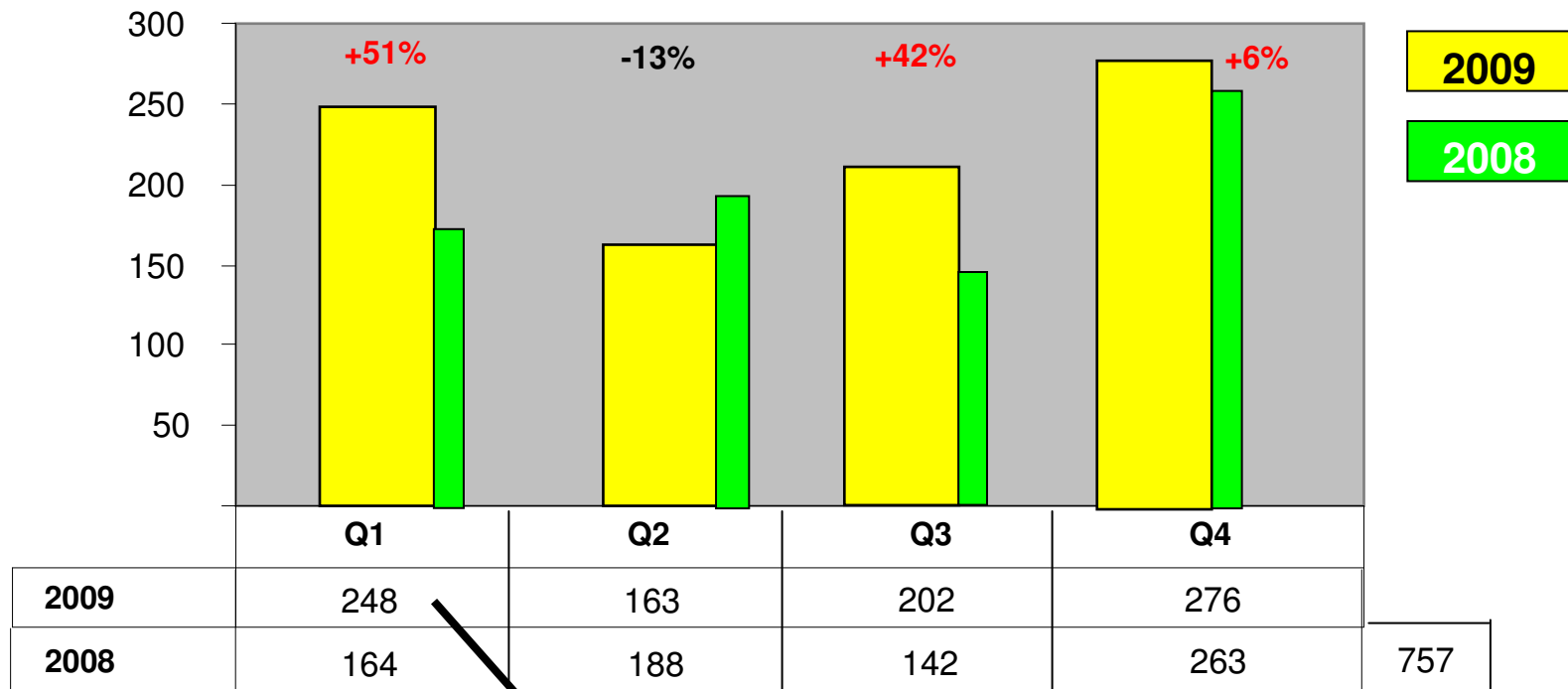
3. HURON RIDEAU



Total cases investigated: 3708

Huron Rideau: 889 or 24% of all complaints investigated

17% increase YOY



38 complaints for 1 RPO closure in Kingston

**2009 outcomes:
% cases with additional
measures taken by CPC**

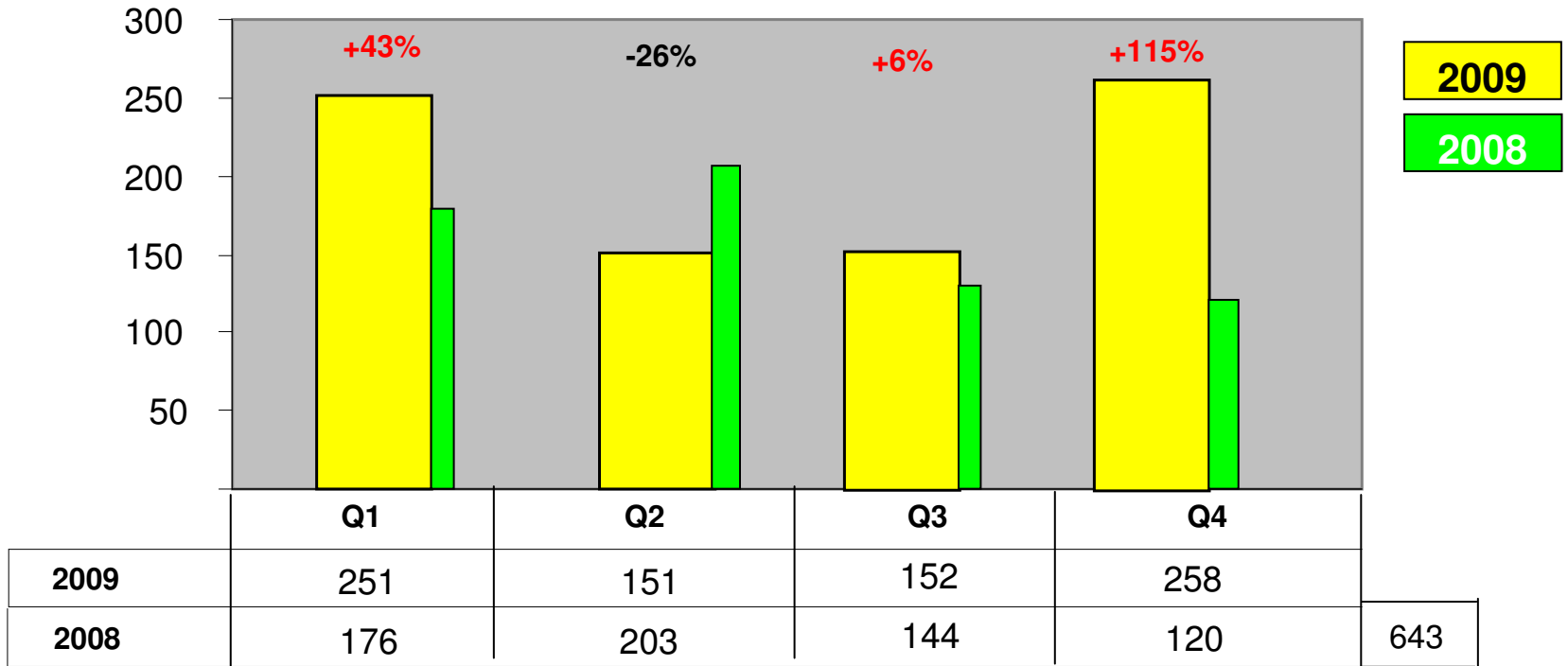


REGIONAL DISTRIBUTION – COMPLAINTS INVESTIGATED
4. GTA



Total cases investigated: 3708
GTA: 812 or 22% of all complaints investigated

26% increase YOY



2009 outcomes:
% cases with additional measures taken by CPC

84%

87%

80%

82%

REGIONAL DISTRIBUTION – COMPLAINTS INVESTIGATED

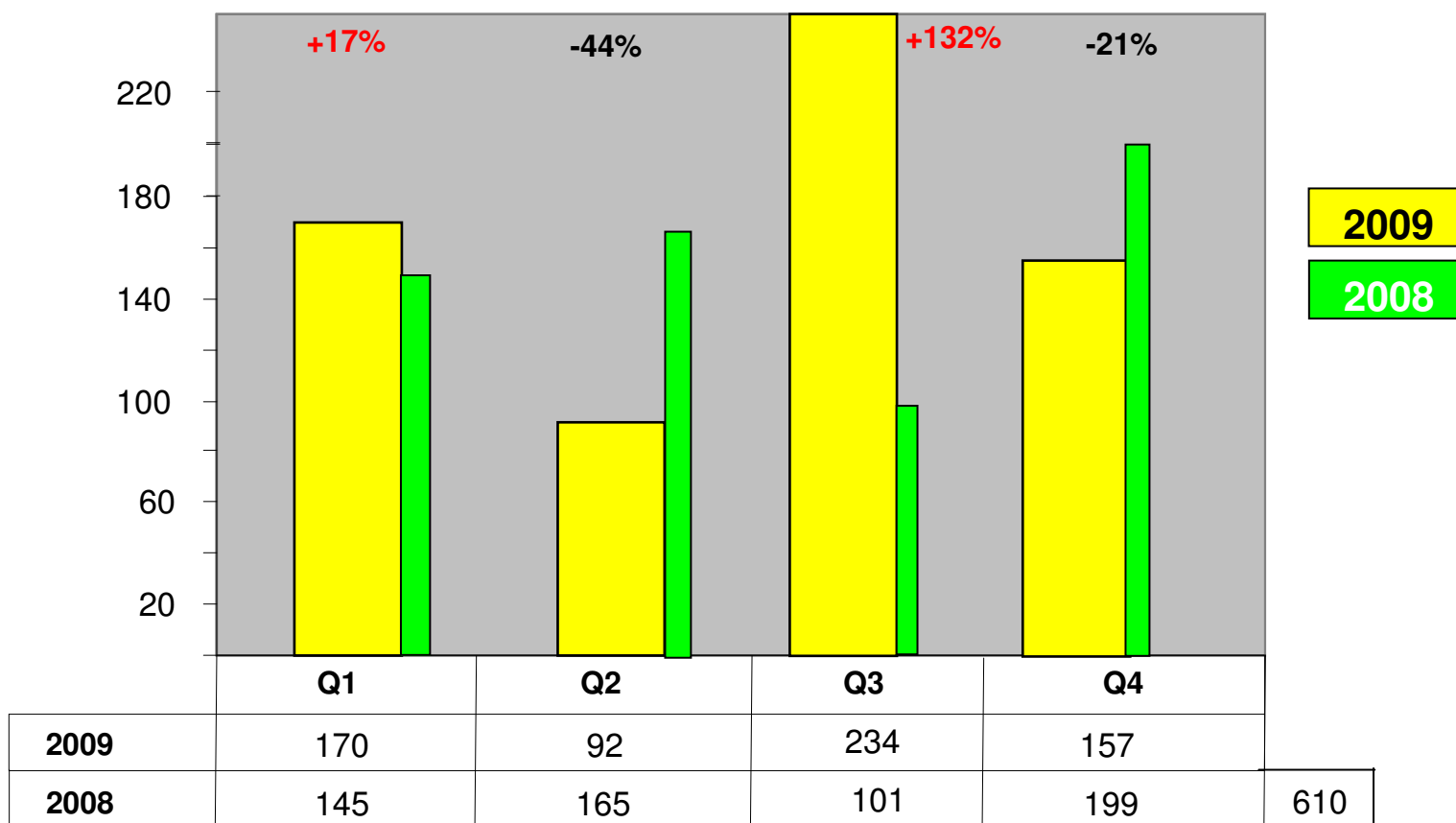
5. PRAIRIE



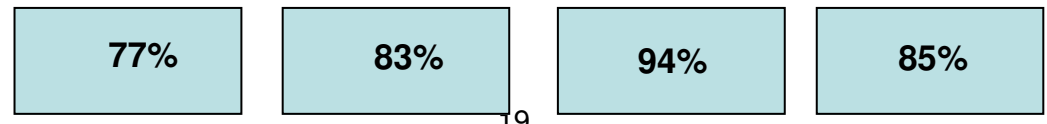
Total cases investigated: 3708

Prairie: 653 or 18% of all complaints investigated

7% increase YOY



**2009 outcomes:
% cases with additional
measures taken by CPC**



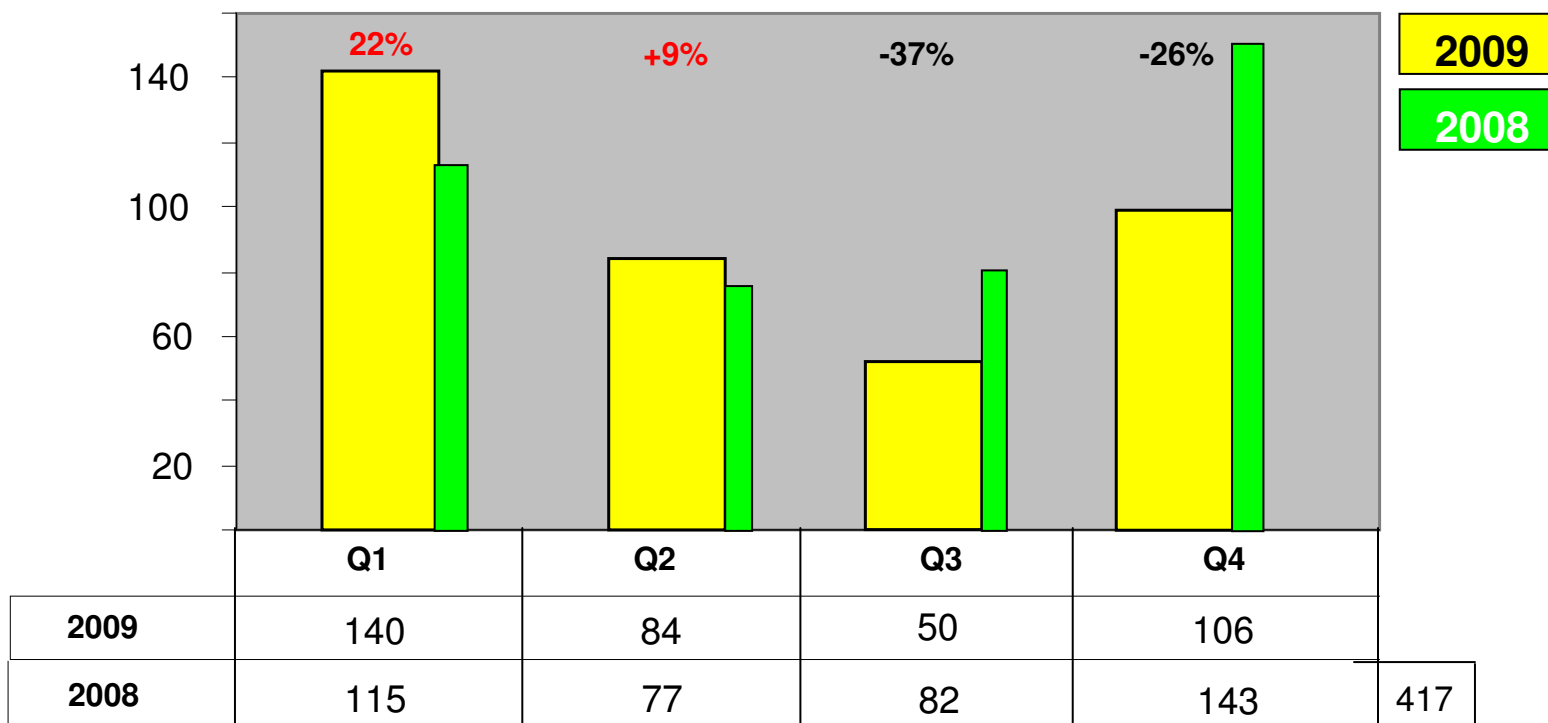
REGIONAL DISTRIBUTION – COMPLAINTS INVESTIGATED

6. PACIFIC



Total cases investigated: 3708
Pacific: 380 or 10% of all complaints investigated

9% decrease YOY



2009 outcomes:
% cases with additional measures taken by CPC

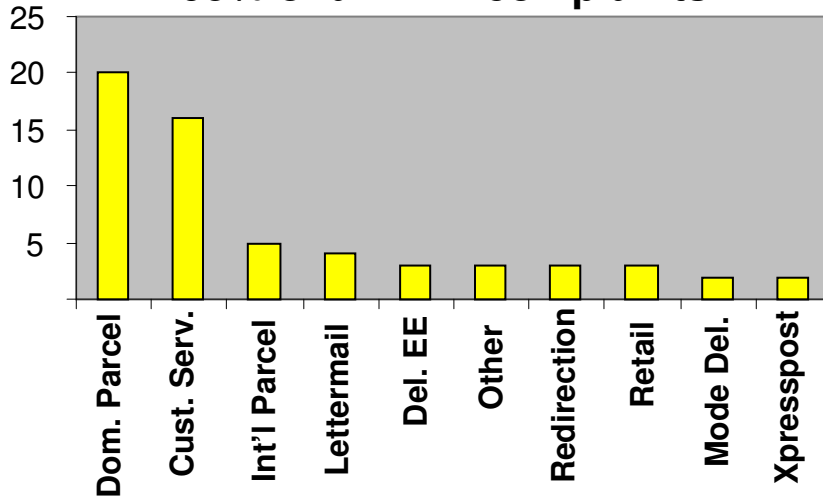


TOP 10 COMPLAINTS BY REGION / BY QUARTER

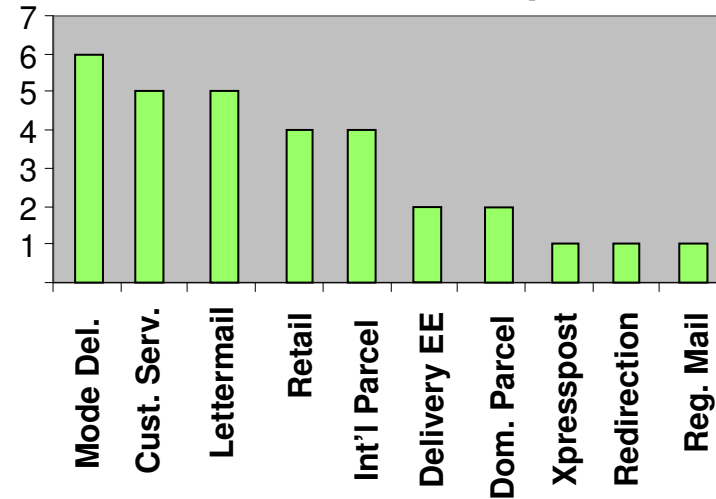
ATLANTIC REGION



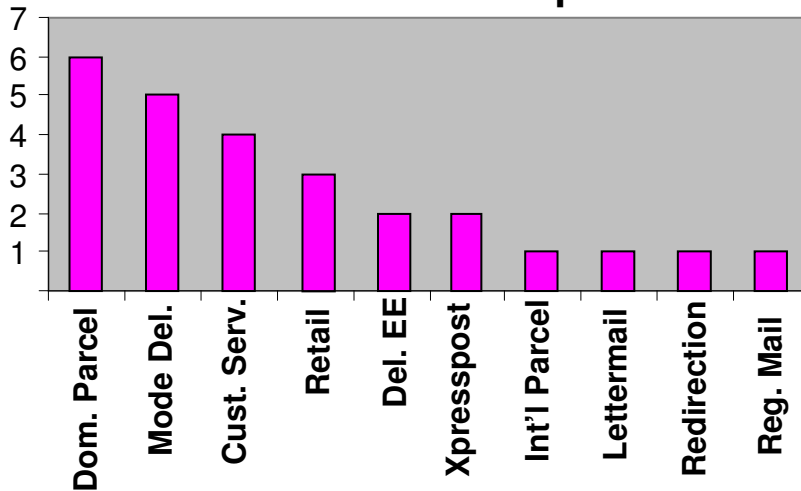
Q1 TOP 10: 61 INVESTIGATIONS
95% of all ATL complaints



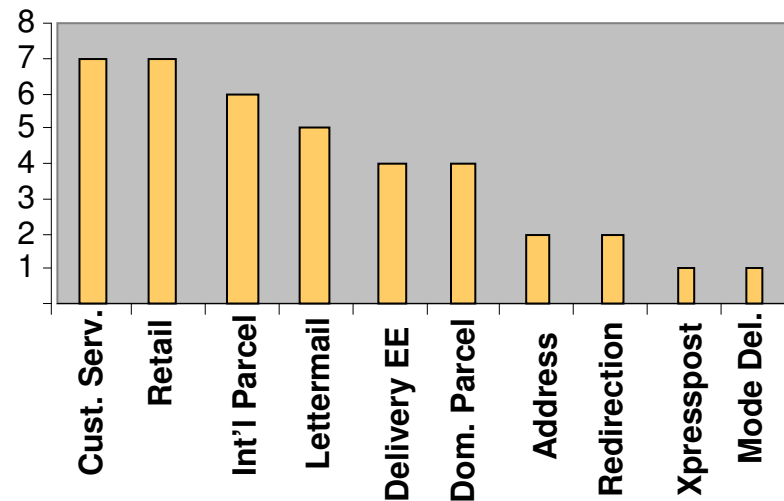
Q3 TOP 10: 31 INVESTIGATIONS
89% of all ATL complaints



Q2 TOP 10: 26 INVESTIGATIONS
93% of all ATL complaints



Q4 TOP 10: 39 INVESTIGATIONS
93% of all ATL complaints

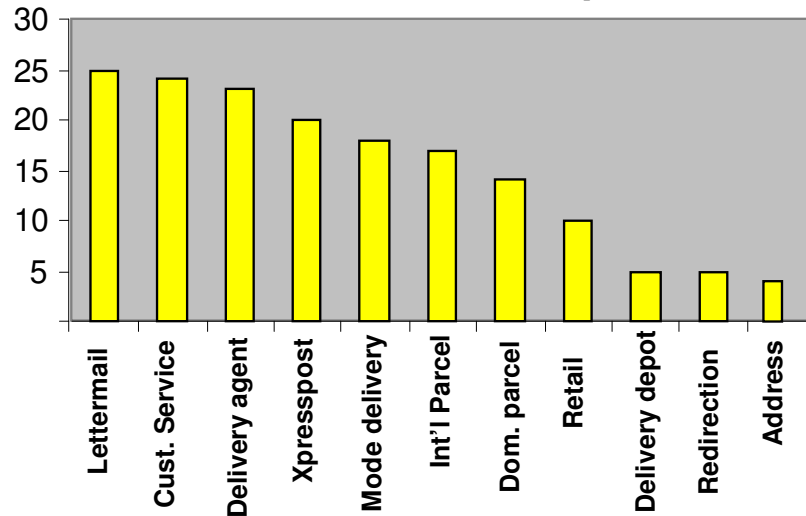


TOP 10 COMPLAINTS BY REGION / BY QUARTER

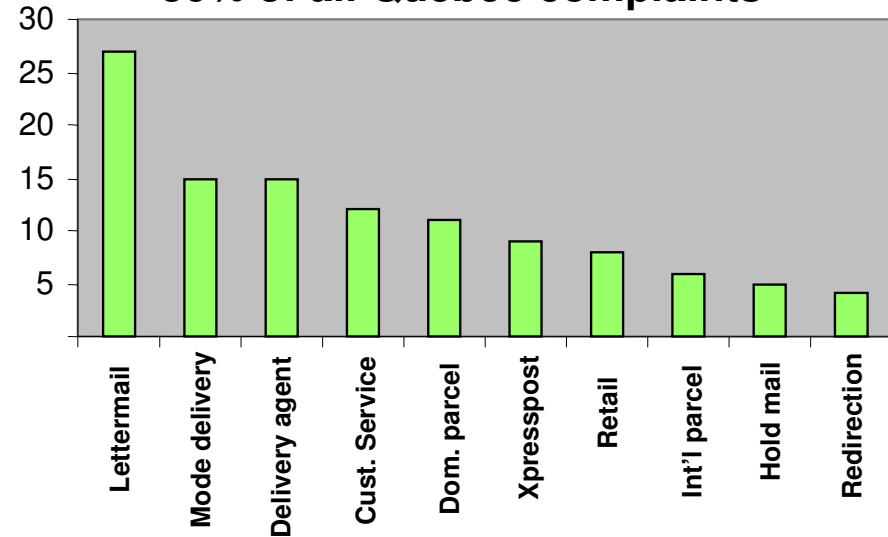
QUÉBEC REGION



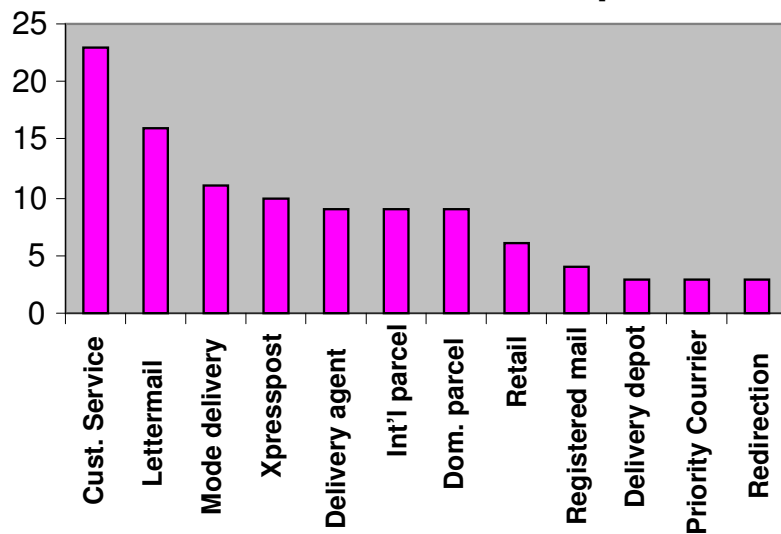
Q1 TOP 10: 165 INVESTIGATIONS
91% of all Québec complaints



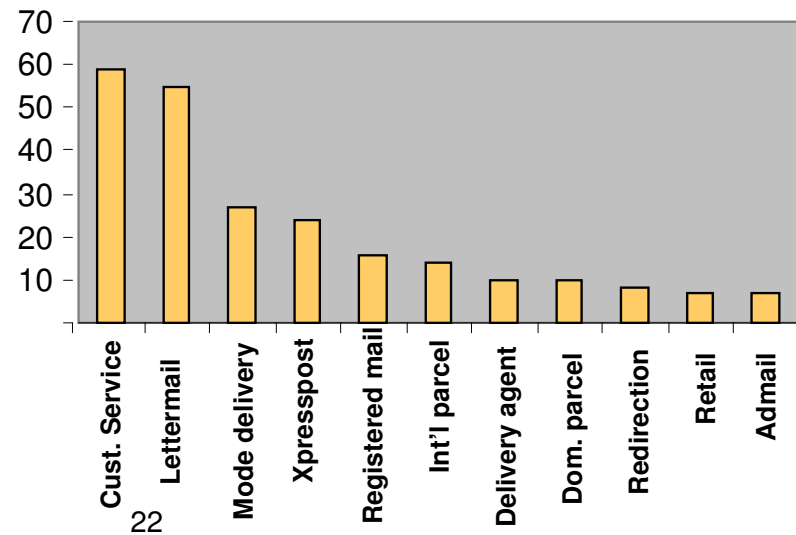
Q3 TOP 10: 111 INVESTIGATIONS
86% of all Québec complaints



Q2 TOP 10: 106 INVESTIGATIONS
88% of all Québec complaints



Q4 TOP 10: 237 INVESTIGATIONS
85% of all Québec complaints

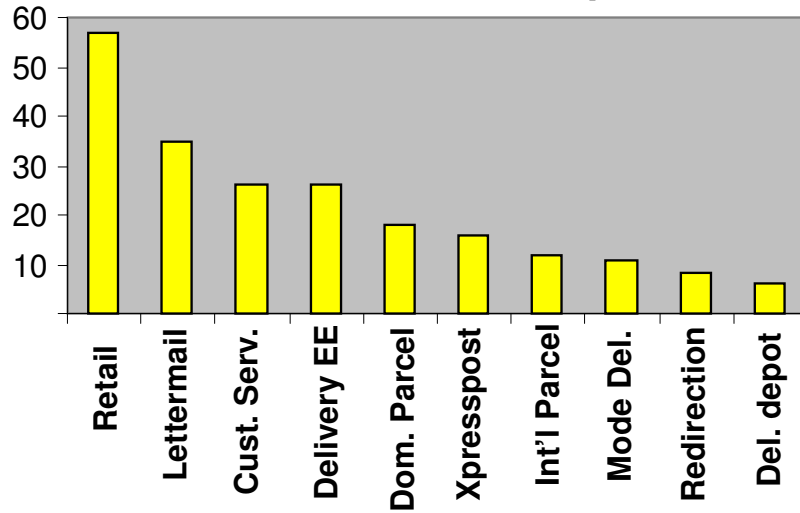


TOP 10 COMPLAINTS BY REGION / BY QUARTER

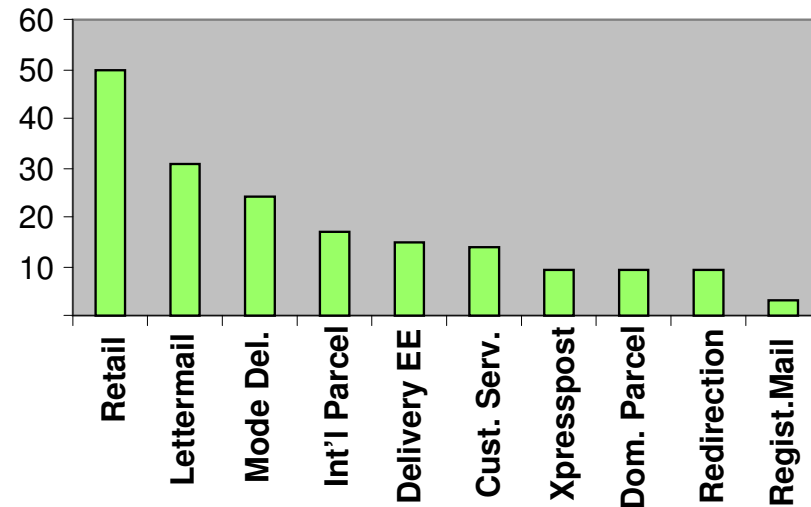
HURON RIDEAU REGION



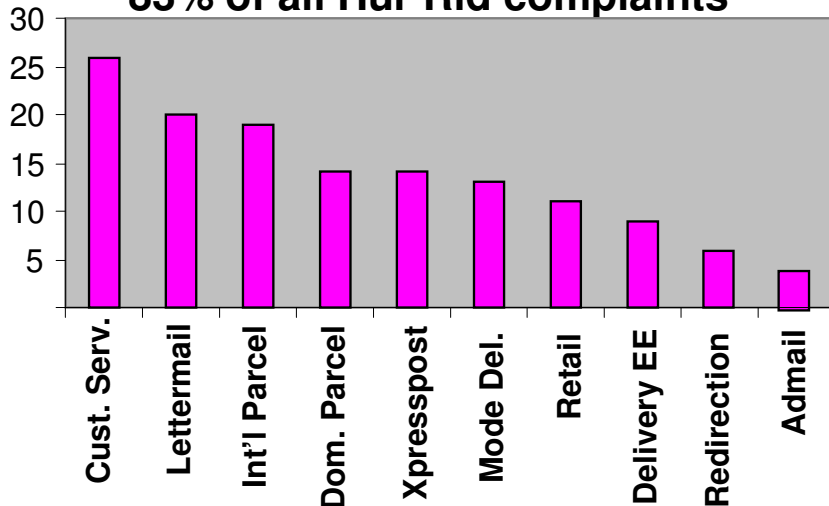
Q1 TOP 10: 215 INVESTIGATIONS
87% of all Hur Rid complaints



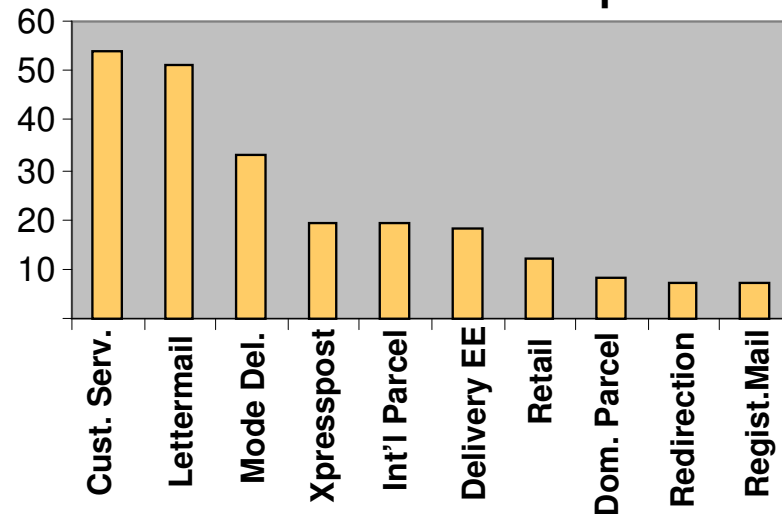
Q3 TOP 10: 181 INVESTIGATIONS
90% of all Hur Rid complaints



Q2 TOP 10: 136 INVESTIGATIONS
83% of all Hur Rid complaints



Q4 TOP 10: 228 INVESTIGATIONS
83% of all Hur Rid complaints

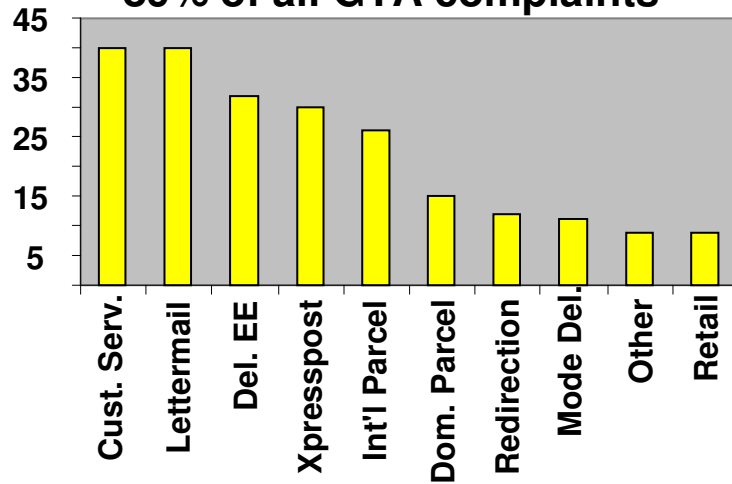


TOP 10 COMPLAINTS BY REGION / BY QUARTER

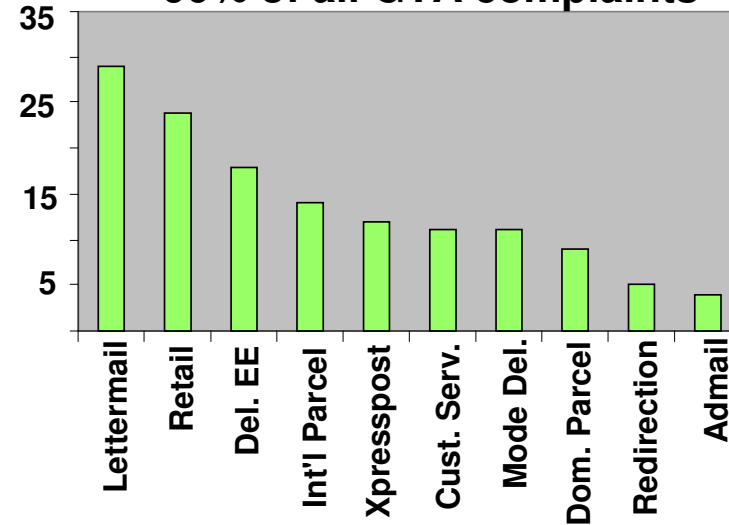
GTA REGION



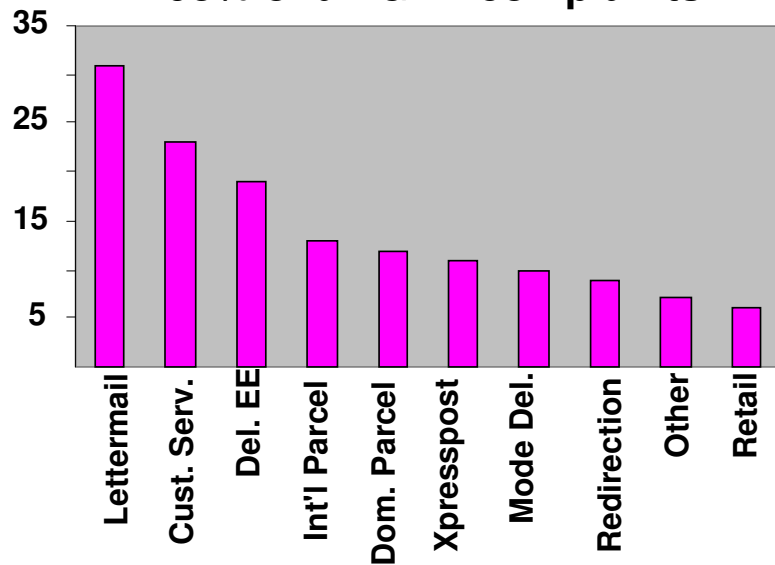
Q1 TOP 10: 224 INVESTIGATIONS
89% of all GTA complaints



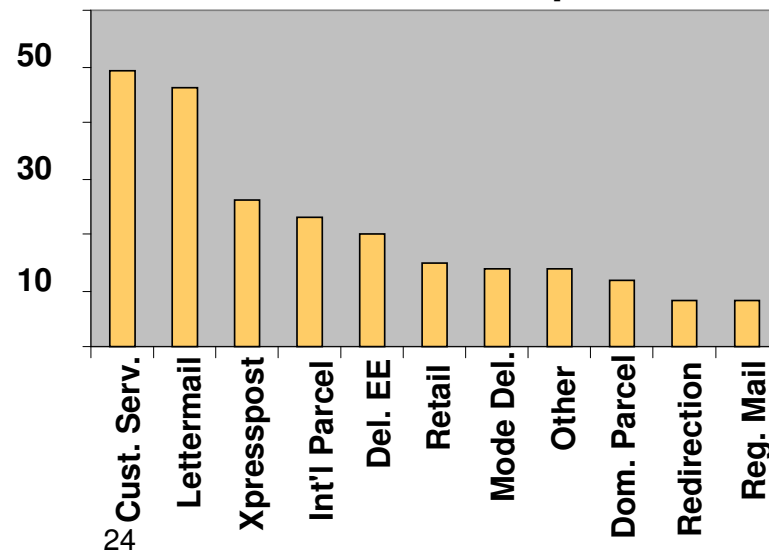
Q3 TOP 10: 137 INVESTIGATIONS
90% of all GTA complaints



Q2 TOP 10: 141 INVESTIGATIONS
93% of all GTA complaints



Q4 TOP 10: 235 INVESTIGATIONS
91% of all GTA complaints

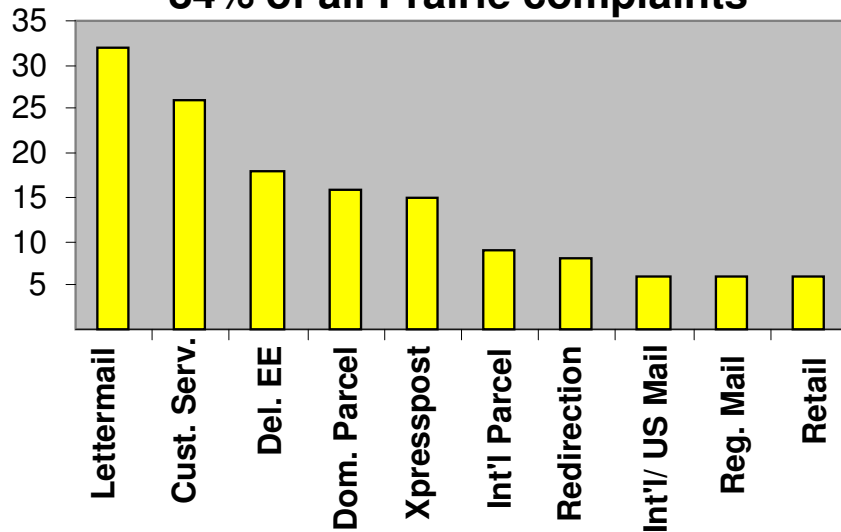


TOP 10 COMPLAINTS BY REGION / BY QUARTER

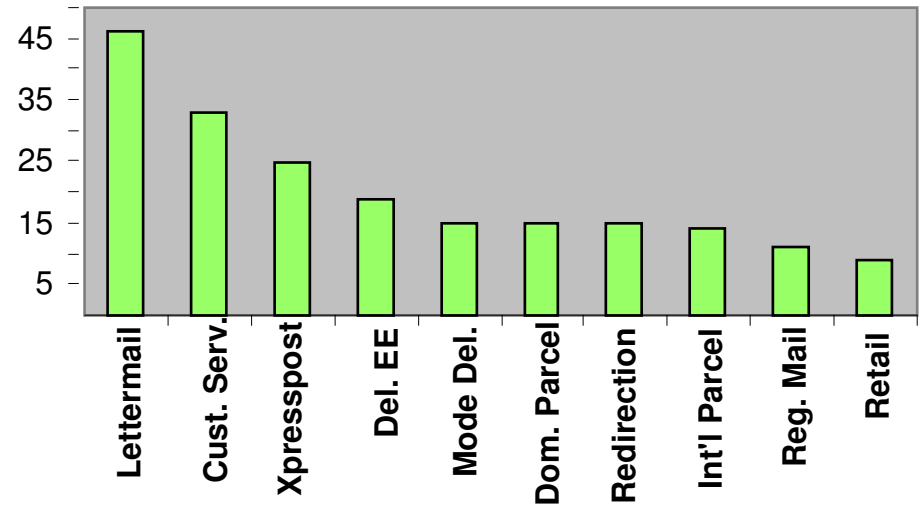
PRAIRIE REGION



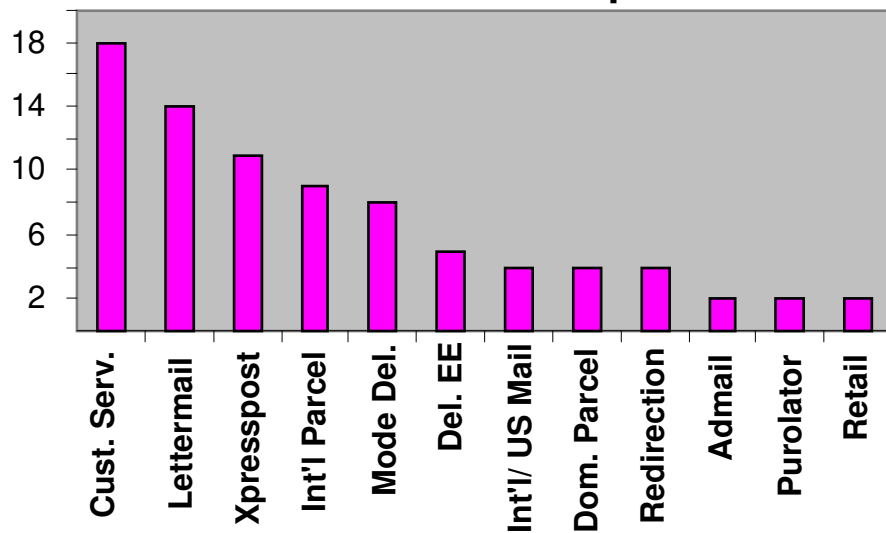
Q1 TOP 10: 142 INVESTIGATIONS
84% of all Prairie complaints



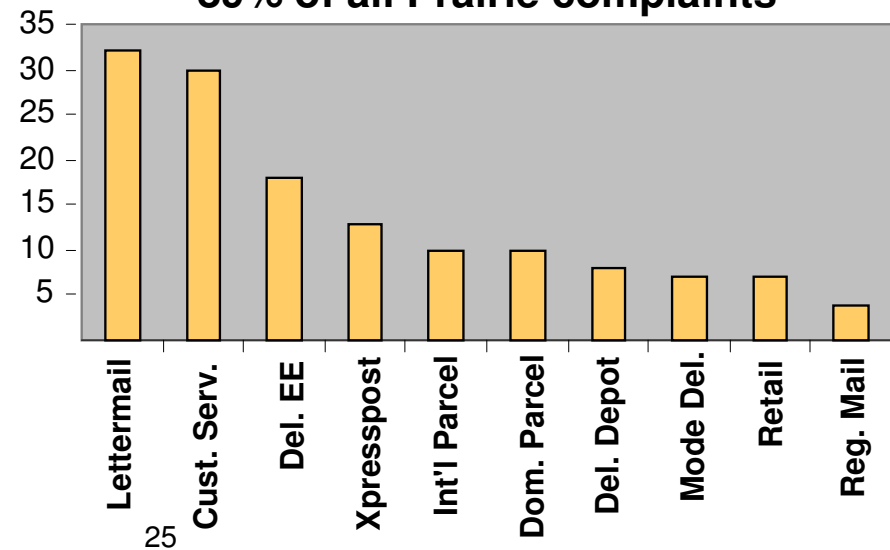
Q3 TOP 10: 202 INVESTIGATIONS
86% of all Prairie complaints



Q2 TOP 10: 83 INVESTIGATIONS
90% of all Prairie complaints



Q4 TOP 10: 139 INVESTIGATIONS
89% of all Prairie complaints

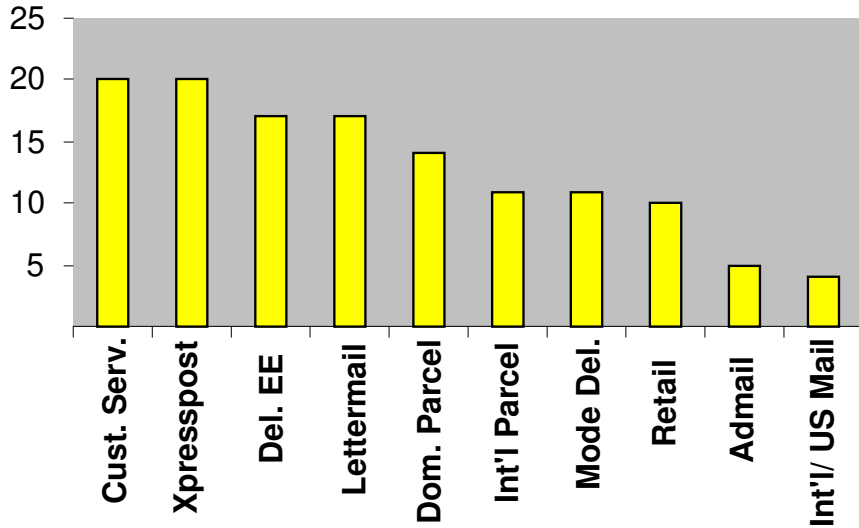


TOP 10 COMPLAINTS BY REGION / BY QUARTER

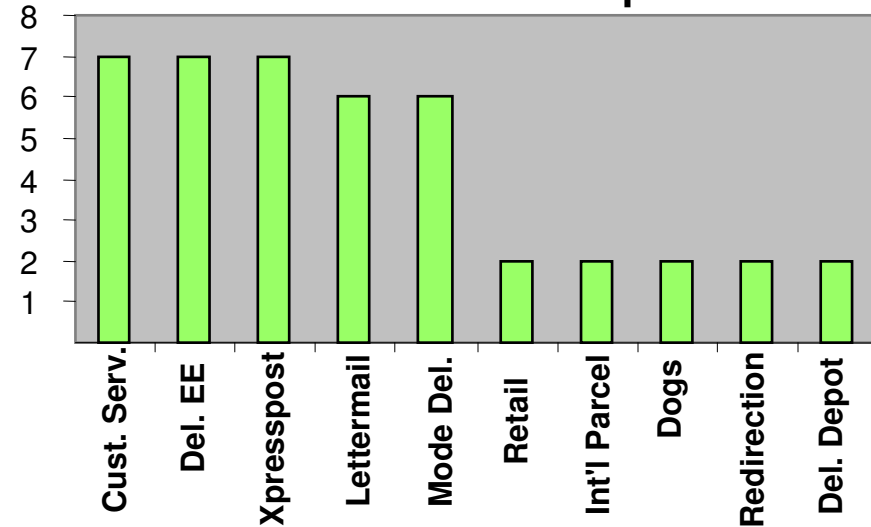
PACIFIC REGION



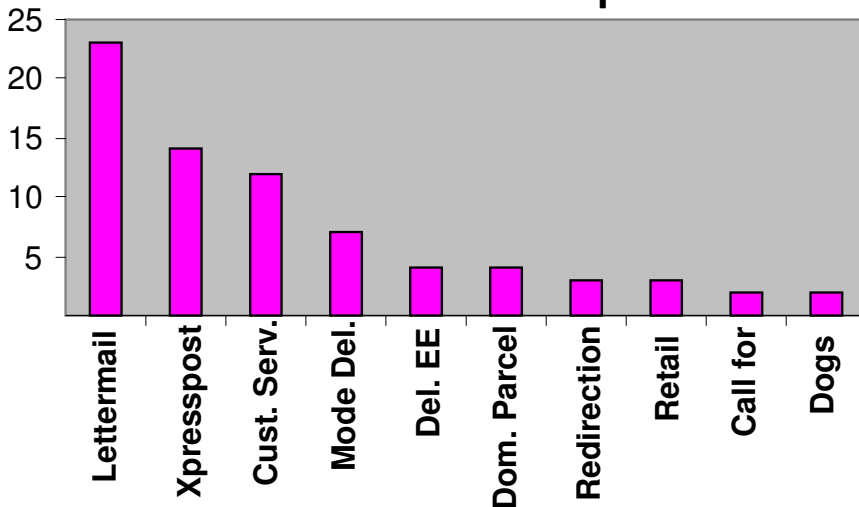
Q1 TOP 10: 129 INVESTIGATIONS
92% of all Pacific complaints



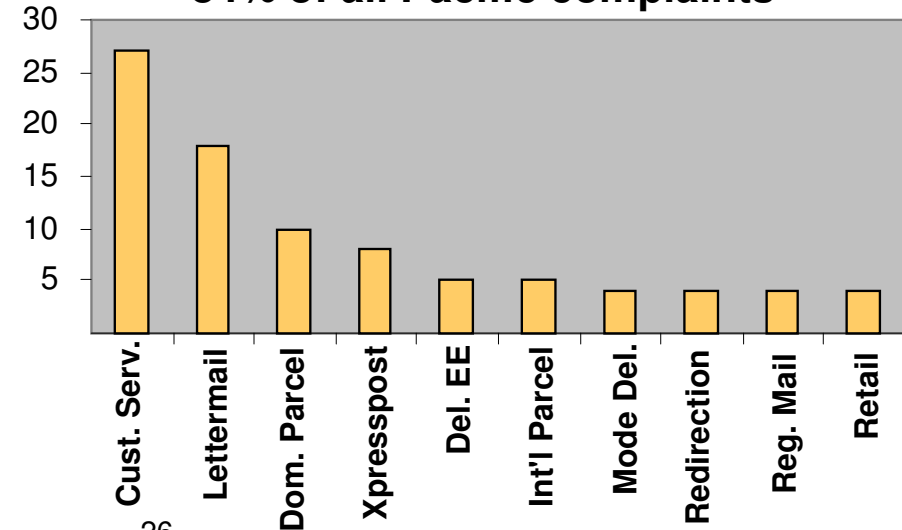
Q3 TOP 10: 43 INVESTIGATIONS
86% of all Pacific complaints



Q2 TOP 10: 74 INVESTIGATIONS
88% of all Pacific complaints



Q4 TOP 10: 89 INVESTIGATIONS
84% of all Pacific complaints



CUSTOMER INSIGHT:

A process to define VALUE from the customer's experience



- Telephone survey of our customers by a market research firm after the outcome of our investigation is communicated to the customers;
- Sample size of survey in 2009: 277 respondents – 13.5% of investigations that resulted in a formal recommendation to Canada Post;
- Three customer touch points measured on a scale of 1 (poor) to 10 (excellent) supplemented by actual customer verbatims:



8.4

- Being courteous and professional;
- Clearly understanding customer's needs;
- Showing a sincere interest in purpose of call;
- Being able to answer all questions; and
- Listening carefully to the customer's explanations.



9.0

- Taking the time to understand the details of the complaint;
- Caring and showing a sincere interest ;
- Clearly explaining the next steps in process; and
- Making customer feel comfortable talking about the issues.



7.3

- Ease of submitting a complaint;
- Timeliness of final response;
- Clearly explaining the reasons for the outcome;
- Being thorough in investigation;
- Providing an objective investigation;
- Treating customers with respect; and
- Being open, honest and straightforward in all dealings with customer.

LIKELIHOOD TO RECOMMEND: 7.5

OFFICE PERFORMANCE HIGHLIGHTS



CUSTOMER TOUCH POINTS:



Access: Security breach of online complaint process in September
Expanded hours of operation for telephone contact



Communications: Proactive customer contact implemented on launch of all investigations
Simplification: Investigation report and telephone resolution



Timeliness of final response: 4% improvement YOY in cycle time

- 82% case outcomes finalized < 30 days (77% in 2008)
- 8% case outcomes finalized > 40 days (13% in 2008)