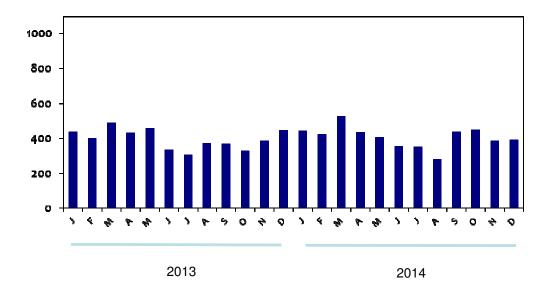
Appeals to the Ombudsman in 2014



Overview of Appeals filed in 2014

- The ombudsman is the final appeal authority for customers unable to obtain a satisfactory resolution directly with Canada Post. The ombudsman also reports specifically on appeals pertaining to the *Canadian Postal Service Charter*.
- Appeals to the ombudsman increased by 3% in 2014 for a total of 4,885 appeals. This resulted in 2,708 investigations, an increase of 11% from last year, and 58% of the appeals investigated resulted in corrective action by Canada Post (i.e. monitoring, improved quality, training and/or compensation). The remaining 42% of the cases were denied because Canada Post correctly applied its policies and procedures.





Highlights of the Top Appeals

Loss or Theft

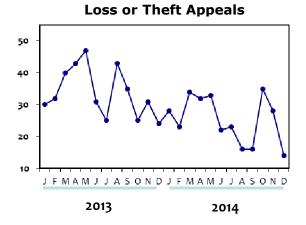
The top complaint investigated involved loss or theft of goods or documents while in the course of post. Our findings in such cases revealed the lack of scanning after the item was inducted into the mail stream including successful delivery scans. Our findings also revealed that successful delivery scans were captured where GPS (when available) put the delivery employee at a different address.

- Documents including personal identity papers, jewellery and electronics represented the majority of the loss.
- Customers are not always aware of the option to purchase insurance coverage of up to \$5,000 to replace their documents in the event of loss or damage, and retail postal clerks do not always offer insurance coverage at the time of mailing.

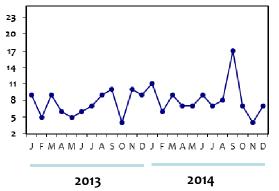
 Additionally, customers are not always aware that the limitation of liability for items containing jewellery is \$500, and this is not always understood by retail staff.

Loss or theft after delivery

This loss generally occurs when the parcel compartment key is placed in the wrong mail compartment and the recipient who erroneously received the key does not return the item to the mail stream, or items left at the address (either in the mailbox or near the front door) are stolen.



Loss or Theft after Delivery Appeals



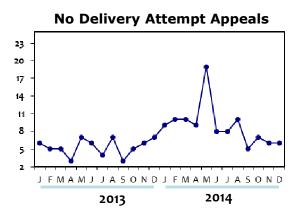
Highlights of the Top Appeals

No delivery attempt

Customers advised that they were home, yet they received a delivery notice card. While delivery procedures varied depending upon the location of the delivery (major urban centre versus non major urban centre), in September 2014, Canada Post introduced a number of changes to its delivery procedures in non major urban centres, and since implementation the office has seen a reduction in the number of complaints.

<u>Misdelivery</u>

Misdelivery of mail items, particularly *Lettermail™*, is a concern to customers given the increased concerns about identity theft. Experience has shown that areas with communities where street numbers and names are similar (i.e. Millcrest Way, Millcrest Drive, Millrise Crescent, etc.), or areas where streets are numbered (i.e.306-123 12345 Street NW) continue to pose challenges to delivery accuracy. This is compounded when a relief employee is on the route.





Canadian Postal Service Charter Appeals 2014

A total of 1,315 appeals were filed in 2014 regarding Canadian Postal Service Charter issues representing an increase of 5% from the previous year.

Frequent Delivery: Canada Post will deliver letters, parcels and publications five days a week (except for statutory holidays) to every Canadian address, except in remote areas where less frequent service may be necessary due to limited access to the community.

- 93 complaints investigated from consumers and businesses regarding lack of daily delivery due to unstaffed routes.
- 98% increase in complaints investigated over 2013.

Reliable Delivery: Canada Post will deliver letter mail: within a community within two business days; within a province within three business days; and between provinces within four business days.

- •123 complaints investigated; 80 of which required corrective action by Canada Post.
- 27% increase in complaints investigated over 2013 on on-time delivery performance.



Canadian Postal Service Charter Appeals 2014

Secure Delivery: Canada Post will take into consideration the security and privacy of the mail in every aspect of mail collection, transmission and delivery.

- 705 complaints investigated with 62% requiring corrective action by Canada Post:
 - 492 complaints for loss/theft (incl. missing contents, damage);
 - 194 complaints of delivery to the wrong address;
 - 19 complaints of parcels left unattended in plain view.
- 7% reduction in complaints investigated over 2013.

Convenient Access: Canada Post will provide an extensive network for accessing postal services that includes retail postal outlets, stamp shops and street letterboxes, as well as access to information and customer service through the Canada Post's website and call centres.

- 394 complaints received, a 11% increase over 2013:
 - 353 complaints regarding difficulty in accessing Customer Service (most were referred back to Canada Post for follow-up);
 - 18 complaints regarding access to retail and call-for sites;
 - 15 complaints regarding the location of postal outlets;
 - 8 complaints regarding the location of street letterboxes.

