

Tracy Verbeke

From: Lyle Goldberg [lgoldberg@unsm.ca]
Sent: Monday, January 17, 2011 9:58 AM
To: Billy Joe MacLean; Cathie Osborne ; Clarence Prince ; David Corkum; Fred Whalen; Jim Smith; Jimmy MacAlpine ; John Leefe ; Kevin Saccary; Rick Farmer; Ross Hamid; Russell Walker; Sandra Statton; Sharron Byers
Cc: Herbert DeLorey ; Carl Chisholm; Debbie Kampen; Alan Benninger; tverbeke@unsm.ca
Subject: FW: Response to Lyle Goldberg

To UNSM Board members:

Please see response below from Canada Post CEO Steward Bacon.

Regards,

Lyle Goldberg
Policy Analyst
Union of Nova Scotia Municipalities
ph: 902-423-8673
fx: 902-425-5592
email: lgoldberg@unsm.ca

From: BACON, Stewart [<mailto:stewart.bacon@canadapost.postescanada.ca>]
Sent: Thursday, January 13, 2011 10:11 AM
To: 'lgoldberg@unsm.ca'
Subject: Response to Lyle Goldberg

Dear Mr. Goldberg:

I am replying to your email regarding the changes to our Contact Centres, including the National Philatelic Centre in Antigonish. Your email to the Honourable Chuck Strahl, Minister responsible for Canada Post, was also forwarded to me.

At Canada Post, our business results have made it necessary for us to assess our operations to maintain service while reducing costs. Lettermail volumes per address have declined in each of the past four years - since well before the economic downturn. To ensure we remain a financially self-sustaining company into the future, we must continue to reduce costs and look at ways to increase efficiencies in every corner of our business.

We are committed to providing a high standard of service to our customers, and we must continue to exceed their expectations as we transform our company for success in the future. Our decision to move to an outsourced service provider for the Contact Centres was a carefully considered business decision, taking into consideration many factors. Our costs to serve customers through the Contact Centres are much higher than industry averages. Our customers want faster access to Customer Service representatives. By contracting out the Contact Centres we will be able to take advantage of industry best practices and significantly lower costs to provide the service. This will allow us to both improve the speed of response and reduce our service costs. We will work closely with the service provider to ensure optimum service. Furthermore, although the contract has not yet been awarded to a service provider, our plan is to continue supporting the Canadian economy by having customers' calls answered in Canada by Canadian workers.

We realize these changes are difficult. Regular employees have job security and will not lose their jobs, and we have ensured term contract positions will remain in place until the second quarter of 2011. We

have provided a year's notice to give employees as much time as possible to manage the change. While the contact centres in Edmonton and Ottawa will close in 2011, certain others will remain open. This includes Antigonish, where it will be staffed by the regular employees who have job security. We will reduce our workforce through attrition and when employees move to other positions. As there will be more than 33,000 individuals who will either retire or resign from Canada Post between now and 2019, there will be career opportunities in many areas of the company.

Thank you for writing. I appreciate the opportunity to address this situation and to assure you that we remain committed to providing a high level of service to our customers in Antigonish and elsewhere.

Yours sincerely,

Stewart Bacon
President and Chief Executive Officer, Canada Post

c.c. Board of Directors

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