



April 16, 2025

The Honourable Steven MacKinnon
Minister of Jobs and Families
Member of the Board of Internal Economy
House of Commons
Ottawa, ON K1A 0A6

The Honourable Ali Ehsassi Minister of Government Transformation, Public Services and Procurement House of Commons Ottawa, ON K1A 0A6

Re: Averting a Catastrophic Canada Post Labour Disruption

Dear Ministers MacKinnon and Ehsassi:

We are contacting you on behalf of the National Association of Mail Users/Association nationale des grand usagers postaux (NAMMU/ANGUP) regarding the looming deadlines in the Canada Post Labour Dispute. Mr. Kaplan's report is due May 15, 2025, and the Canadian Union of Postal Workers (CUPW) is in a legal strike position on May 22, 2025. With the election scheduled for April 28, it is critical for the new government to act quickly to avoid another disastrous disruption, whether a complete stoppage, rotating strikes, or the threat of a strike.

NAMMU/ANGUP is the Canadian industry association of users of the mail stream, including mailers, printers, mail service providers, software and data companies, equipment, and paper and envelope suppliers. This group is made up predominantly of small and mid-sized businesses across the country. Our Association and its members represent the commercial organizations that provide Canada Post with more than 80% of its mail revenues. The Canadian mail industry represents approximately 5% of Canada's GDP and over 750,000 Canadian jobs.

NAMMU/ANGUP wrote to Minister MacKinnon in December, urging that he intervene to end the strike. As outlined in that letter, the mailing industry is dependent on an operating Canada Post to distribute its products. During the strike, there was little to no revenue. Some companies were forced to lay off employees, while others stretched their cash flow to keep their doors open, straining their financial resources. Also, projects had been started with expenses incurred. These could not be completed, costing senders and the mail industry for this waste. Canada Post's financial position continued to deteriorate, requiring a \$1 billion loan from the Federal Government.





NAMMU/ANGUP is not alone in sounding the alarm. The Retail Council of Canada (RCC) calculated that, by early December, losses in the retail sector were surpassing the billion-dollar mark. By mid-December, the Canadian Federation of Independent Businesses (CFIB) calculated the losses at \$1.6 billion and warned of small businesses permanently leaving Canada Post as a result. Canadian businesses lost \$100 million per day, and this was without facing a US trade war.

NAMMU Letter to Minister MacKinnon 12/12/2024
RCC Press Release 12/03/2024
CFIB Press Release 12/13/2024

When the Industrial Inquiry Commission (IIC) began its work, it collected submissions from stakeholders and interested parties. NAMMU/ANGUP made a submission to the IIC, available here:

NAMMU/ANGUP Submission to the IIC 02/14/2025

NAMMU/ANGUP's submission outlines the reforms Canada Post requires and the catastrophic impacts that another labour disruption <u>or the risk of one</u> would create. This includes bankruptcies and permanent losses from businesses abandoning mail. During the strike in the fall, the impact on small businesses, e-commerce, and the economy was well-documented. The financial toll on the mailing industry as well as the industries that depend upon it would be even worse this time. Further exacerbating the damage is the trade war currently underway with the United States. **The mailing industry**, **Canada Post**, **small businesses**, **e-commerce companies**, **and the Canadian economy simply cannot afford the impact of another disruption**.

Although decisions will impact the entire Canadian economy, only Canada Post and its unions were invited to present at the hearings. The Inquiry scheduled negotiation sessions that ended with the parties walking away from the table with no progress. The March session was canceled. Our assumption is that Mr. Kaplan, too, believes that the parties would not be able to make progress and certainly not reach an agreement. Thus, after a year of negotiations, conciliation, a strike, and an inquiry, nothing has changed and uncertainty and the potential for catastrophic labour action remains.





Given the current economic situation and the certain impact on multiple Canadian industries, an agreement must be put in place through binding arbitration or other instruments that may be available to the Government. Another round of negotiations will not be fruitful, and a strike will be devastating. Furthermore, once an agreement is implemented, a reform of Canada Post must begin to ensure that this Canadian institution remains to support Canadian business through the economic transition that faces our country.

The Canadian economy is grappling with challenges that originate beyond its borders and influence. However, the operations of Canada Post and its unions fall under the Government's purview. We urge you to take decisive action to prevent self-imposed damage to the Canadian economy by averting further labour disruptions at Canada Post.

On behalf of the NAMMU/ANGUP Board:

Patrick Bartlett

Executive Director

Patrick Bartlett

Kristi Kanitz

Chair, Board of Directors

Board of Directors - NAMMU/ANGUP

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