

JULY 2, 2016

Canada Post extremely disappointed with CUPW's response to its offers

Dear Canada Post customer,

I am writing to update you on our negotiations and advise you that there can be no legal work disruption before the expiry of a 72-hour notice, and one has yet to be filed.

On Saturday, June 25, 2016, we tabled offers in our separate negotiations with the Canadian Union of Postal Workers (CUPW-Urban and CUPW-RSMC), which represent our delivery agents and plant employees. Our offers were designed to help bring a quick resolution to the negotiations and end the uncertainty that is negatively impacting our customers and our employees. Our offers included modest and manageable wage increases for all employees and no changes to the pension for all employees in the plan.

As you can read in our [public statement](#), we are extremely disappointed with the response from CUPW. Late Friday evening, CUPW tabled offers that would add at least \$1 billion in new costs over the term of a new collective agreement while rejecting the Corporation's approach to address the long-term issues with the employee pension plan.

Rather than saddle customers with more than \$1 billion in new costs, Canada Post continues to remain at the table to negotiate an agreement that is reasonable and affordable. In the event of a full disruption, Canada Post will not operate, deliver or accept new items. We will keep you updated on our progress.

Thank you for your business and your continued patience.

Sincerely,



Serge Pitre
Vice-president, Sales
Canada Post Corporation