

AUGUST 16, 2016

Dear Partner,

Negotiations between Canada Post and the Canadian Union of Postal Workers (CUPW) continue and unfortunately we are no closer to a resolution. Over the next ten days, we do expect to see some activity from the union as they attempt to address the expiration of their strike mandate.

The union's 60-day strike mandate, based on a vote by their membership earlier this year, is set to expire on August 25, 2016. This timeline is set in the *Canada Labour Code*. Rather than secure the renewed support of their members through a vote, the union is looking at other ways to extend their strike mandate.

Based on options available to CUPW, we can expect a 72-hour strike notice to be issued by the union between now and August 25. This does not necessarily mean that there will be full-scale work disruption associated with the notice, as in a recent bulletin the union reiterated that they do not want to go on strike.

I regret that I cannot provide you with more certainty and greater assurance at this time. My team and I will continue to provide regular and timely updates so that you can make the right decisions for your business.

We remain committed to our goal of reaching agreements that are fair to our employees – and that also allow us to provide the affordable pricing and service on which our customers depend.

Sincerely,



Serge Pitre
Vice-president, Sales
Canada Post Corporation