

Services to First Nations, Métis and Inuit communities and services to Northern residents

Services on reserves

First Nations don't receive the same services from Canada Post: Reserves have no postal codes, delivery methods (like door-to-door or roadside mailboxes) do not always apply and General Delivery is common. Many have a Contract Postal Service operated by the Band Council instead of Canada Post. Methods and conditions vary according to locally made decisions and policies.

CUPW's information on services to First Nations communities is incomplete. CUPW has no presence on many reserves and no capacity to research the services and needs. In the 2008 Strategic Review of Canada Post we recommended an audit of postal services to Indigenous communities to improve quality and access to services. Many Band Councils passed resolutions to oppose the postal cuts in December 2013.

We recommend that the Standing Committee consult with First Nations to assess the quality and access to services in order to more fully consult the entire population when the public consultation follows. Specifically, representatives from the organizations and communities should be consulted on the role of Canada Post in economic development on Reserves. Existing postal infrastructure is an excellent potential point of contact for the new nation-to-nation relationship between Canada and First Nations, if it is properly explored.

We also recommend that the Standing Committee ask Canada Post for a full audit of services offered on Reserves, and identify barriers that Canada Post and the Government of Canada could address to improve access.

Services to First Nations, Inuit and Métis off reserve

Due to economic marginalization, First Nations, Métis and Inuit populations in cities are over-represented as users of payday lenders. Cities are well-served by post office locations, but these are often being replaced by franchise outlets with a reduced range of services most used by medium and small businesses. Full-service postal outlets could fill the gaps in access to financial services to marginalized populations.

Outside cities, First Nations, Métis and Inuit populations face post office closures, reduced service hours and are more vulnerable to postage increases where broadband is not accessible.

Canada Post claims many rural Post Offices are not self-sustaining to justify cuts to Northern post office hours. Making the post offices less accessible undermines their business performance while ignoring the needs of the community. Northern and remote communities rely on one-price-goes-anywhere service for lettermail. Price increases threaten access to services for Indigenous communities that disproportionately rely on this service.

We recommend that the needs of urban First Nations, Métis and Inuit communities be specifically considered toward postal banking,

We recommend that Standing Committee consider ways to use Canada Post's presence in rural communities to provide affordable, reliable and high speed broadband Internet to underserved areas.

We recommend that an audit of services to First Nations, Métis and Inuit residents include a distinct line of inquiry off reserve and in cities.

First Nations, Métis, and Inuit hiring

In comparison to 4.5% of the total national population in 2011, Canada Post's Social Responsibility Report states only 2.3% of its workforce represents First Nations, Métis, and Inuit peoples. Though this number has grown from 3.8% in the 2006 Census, Canada Post's number has not increased.

CUPW has advocated hiring more First Nations, Métis and Inuit workers. Canada Post responded by asking that the union suspend its seniority rules. However, seniority is not a factor in new hires, and employment equity principles should be applied. The best opportunity to hire more Indigenous workers is new work contracted-in to the union from work that was previously contracted out.

We recommend that employment equity practices be rigorously applied to all new work coming into the bargaining unit.

We also recommend that the Standing Committee require and review details on outcomes of Canada Post's 2015-2017 Employment Equity Plan, mentioned in Canada Post Corporation's 2015 Annual Report.

Food Mail and the North

Without public policy intervention, traditional diets of locally-sourced food have become more difficult and expensive to access in the North. Fresh perishable food items are usually much more expensive than less-nutritious items, thus reducing access to healthy food options.

Canada Post Corporation was shipping food to the North below cost since the 1960s. Starting in 1986, the Northern Air Stage Subsidy was managed by the Treasury Board. It was later known as The Food Mail program under DIAND (now Indigenous and Northern Affairs) from 1991 to 2010 – when it was replaced with Nutrition North, a program with similar stated objectives but quite different methods.

The program's purpose was to make healthy food options available to remote communities through a transportation subsidy. Eligible food items would be shipped to Northern communities. Canada Post billed retailers at the subsidized rate, and the Food Mail Program offset the remainder of the cost. Some non-food items were also supported (personal hygiene items, some hunting supplies, etc.). Postal workers were engaged in inspecting the food for eligibility, as well as freshness and quality. Lists of eligible food items were developed in collaboration with Health Canada. Food Mail program staff went to northern communities to verify prices, and to consult with residents.

When the Nutrition North program was implemented to replace Food Mail, the transportation subsidy was directed to retailers instead of Canada Post. Nutrition North was intended to be a contained cost to the government. However, its cost has proven higher than the Food Mail program cost, exceeding its \$60-million cap, and rising every year

The Canadian Union of Postal Workers recommends reinstating the Food Mail program with independent oversight to ensure the subsidy is being passed on to the consumer for eligible goods while protecting consumers from fuel price fluctuations and ensuring all communities pay the same net shipping rate. Food shipments could have chartered service and include inspection of food, thus increasing food security.

We recommend that the Standing Committee examine this issue by requesting a presentation from Michael Fitzgerald and Fred Hill. Mr. Hill is as a former Indian and Northern Affairs official responsible for the FMP throughout its 20-year span. Mr. Fitzgerald is a former Indian and Northern Affairs official who worked on the FMP while it was reviewed from 2007-2010.

Parcel service in the North

When the air stage subsidy was in effect for food, it was also applied to parcels in some regions. It was removed during the 1980s, resulting in dramatic cost increases on basic items.

Northern residents rely on mail order and online shopping to supplement access to few, often monopolistic, local retail options for basic necessities. Recent reports indicate that parcel rates to the North are prohibitive.

We recommend that the Standing Committee investigate regulation of parcel rates to the North to improve access to basic necessities.

Financial services in the North

The service gap between financial services and customers in the North – including Northern-based businesses – is extreme. For example, residents of Telegraph Creek, B.C. could access postal banking services in their own community instead of driving 500 km to the nearest bank. Northern communities are enthusiastic about postal banking which represents an opportunity to serve the public while serving Canada Post's mandate to remain financially self-sustaining.

Summary of recommendations

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