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FOR IMMEDIATE RELEASE

CUPW's Latest Offer Is Out of Touch With Challenges Facing Canada Post

(Ottawa) - The union is prepared to shut down Canada's postal system even though the company has proposed a deal that gives employees better pay and benefits than they currently enjoy. The latest counter offer from the union does nothing to address the significant challenges facing the company.

Canada Post's offer provides:

- Annual wage increases leading to a top rate of \$26 per hour for both new and existing employees;
- A defined benefit pension plan for both new and existing employees despite a \$3.2-billion solvency deficit;
- Up to seven weeks vacation;
- Job security for both new and existing employees.

With in excess of 17% Lettermail volume decline since 2006, Canada Post's challenges are well understood.

To address these challenges we have proposed a competitive and comprehensive pay and benefits package for employees hired in the future. The offer put forward for new employees will still make Canada Post an attractive place to work.

If there is a work disruption mail and parcels will not be delivered. However, contingency plans are in place to ensure the safety of any items that remain in the mail stream during a work disruption. There are also plans to ensure Canada Post returns to normal operations as quickly as possible following any work disruption.

Customers of Canada Post can find updated information about the company's labour situation online at www.infopost.ca/customer. The French version of the website can be found at www.infoposte.ca/client.

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