

# **Adapting Canadian Work and Workplaces to Respond to Climate Change (ACW): Canada in International Perspective**

**A Partnership Project of the Social Sciences and Humanities Research  
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## **Canada Post and Environmental Leadership**

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## Canada Post and Environmental Leadership

### Context

The Task Force for the Canada Post Review was struck to “ensure that Canada Post Corporation provides quality service at a reasonable price.” Its discussion paper was tasked with “outlining viable options for the future of Canada Post Corporation.”

The nationwide survey of business and individual satisfaction with the postal service’s effectiveness was startling for its enthusiasm:

“Public opinion research reveals that 68% of businesses of all sizes and the vast majority of Canadians (94%) in all regions in urban, rural and remote communities believe that **mail is highly important** and that **Canada will always need postal services that are owned and operated as a public service** (88% of Canadians and 83% of businesses). Canadians (91%) and businesses (83%) are also **highly satisfied with Canada Post’s services.**”<sup>1</sup>

As a vote of confidence, it is stellar. However, in the Task Force’s hands Canada Post becomes a patient on life-support. The discussion paper reports that Canada Post is unlikely to be able to replace lost revenues sufficiently to remain afloat even in the middle distance, and its proposals about how CPC might recoup some of the lost revenues, are simply inadequate. The options proposed do not reach beyond the tried and the known, cuts in services, jobs and pensions, with some outreach to new revenue sources<sup>2</sup>. With the Task Force acknowledging that its remedies for revenue

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<sup>1</sup> Canada Post Review discussion paper.

<sup>2</sup> Admittedly, there is debate about the projections of deficit. While the Task Force commissioned an external analysis which projected a \$63 million deficit in 2016, to be noted is that in Canada Post’s

shortfall will fall short, the continued existence of Canada Post is not assured.

But is this all that is possible? “For much of Canada’s history, postal services were key, indispensable in first building and then binding the nation together.”<sup>3</sup>

It is clear that if Canada Post is to survive, Canada Post’s capacity to recraft its responsibilities and skills for the 21<sup>st</sup> century will have to be demonstrated.

With this in mind, let’s turn the question around<sup>4</sup>. To the question of: Is there a future for Canada Post? Let’s ask instead:

- Given that Canada Post remains a nation-builder for the country, How can Canada Post take up leadership in both the environmental and digital transitions that are transforming economy and society in Canada, as they are in other developed countries?
- As a nation-builder and leader of Canada’s Crown Corporations, how can Canada Post contribute to the federal government’s climate action programme?

When we broaden the question—How can Canada Post take digital and environmental leadership in this transitional time?—the door opens to a broader vocation for Canada Post as a leader in environmental innovation, as well as opening to next-generation training for Canada Post workers.

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Second Quarter Report for 2016, the Corporation announced a surplus of \$45 million before taxes, for the first half of 2016.

<sup>3</sup> Task Force discussion paper.

<sup>4</sup> When the Canada Post Corporation was established as a crown corporation in the early 1980s, it was directed to “conduct its operations on a self-sustaining financial basis.” The mandate was also clear on this: “(I)ts primary mandate is...public service”. We may note a built-in competition between public service and profitability, from the formation of the CPC.

“Canada Post’s carbon footprint reaches across the land. It is the federal government’s largest and most extensive network.... Bold action by Canada Post can set an example for individuals, communities, and businesses throughout the country. It is essential that joint efforts continue to reduce its environmental impact. By leading a transformation that can apply to every household, and streamlining operations to mitigate climate change, Canada Post has a privileged position to become an agent of environmental innovation.”<sup>5</sup>

## **The Environmental Era and Postal Service: Adapt and Survive**

“We do not have the luxury of time; we’ve got to move on this file immediately. We must build adaptation into the system now because if we don’t the economic consequences and social disruption it’s going to bring to the country will be very substantial”.

These are the words of Blair Feltmate, head of the *Intact Centre on Climate Adaptation* at the University of Waterloo, quoted in the October 31, 2016 *Globe and Mail*. He is referring to the impact of extreme weather and flooding on businesses and services and communities across Canada. For Canada Post, his message has a double meaning.

First, postal work is about to get much more difficult.

Second, if Canada Post is to keep its role as nation-builder, it must take up new services, skills and techniques for the environmental crisis of the 21<sup>st</sup> century. Canada Post has to broaden out: Adapt to survive.

Canada Post is not alone in discovering that its core mission, or product, or service that it has been producing for decades or centuries, is no longer adequate by itself for organizational survival. To survive, it needs to adapt: broaden the services it offers, add

new products, learn next-decade skills, foster new work organization of the type that encourages new ideas rather than sees them as threatening.

## Strategic Creativity

The world of work is today an anxious place and a powerful polluter—a recent study by the International Labor Organisation on prosperous countries in the EU found that 80% of the greenhouse gasses produced by human activity, are created by work itself. A polluter, yes. But the work world can also be an exceptionally effective site for reducing greenhouse gasses, by adapting work. Increasingly, both private and public enterprise seek an ‘environmentally clean’ reputation. In countries other than ours, research into greening postal work is much advanced. Below is a list of some innovative work that would be of value to Canada Post.

### Borrowing from other countries: Vehicles

- At the end of 2015, **France's postal service, La Poste**, had one of the largest electrical vehicle fleets in the world, with 5,573 cars and utility vehicles, 22,272 electric-assisted bicycles and 1,000 delivery trucks. And it also trains drivers in environmentally responsible driving.
- **Norway Post** focuses on long haul transportation and urban emissions: 241 trucks now use hydrogenated vegetable oil as their fuel. In 21 cities mail is delivered by an electric fleet of delivery vehicles.
- **US Postal Service**: Started using electrical vehicles at the end of the 19<sup>th</sup> century. Currently 20% of its fleet uses some kind of alternate fuel.
- **Canada Post** maintains a fleet of 13,000 vehicles, the largest fleet in Canada. ‘Greening’ the Canada Post vehicle fleet could borrow strategies from France, Norway and the US.

## Borrowing from other countries: Expanding the services offered

- **France:** Offering green loans at 0% interest to customers doing energy retrofits
- **France:** Using the delivery network for new services: Issuing letter carriers with smart phones and an app which allows La Poste to offer new services, like checking in on seniors (available country-wide), reporting damages to property, meter reading, safety monitoring, etc. .
- **France:** Offering some government services in over 100 small town post offices.
- **Note:** France's La Poste approaches modernizing its network as an all-in commitment to innovation. Its mandate is broad, and it has recently broadened in response to declining letter mail. **Would the Committee want to connect with La Poste to hear how rapidly and broadly La Poste is expanding its mandate?**

## Maximizing use of the advantages we already have: Canada Post

- **Parcel markets** are expanding exponentially. There is a shortage of infrastructure to handle the growth, so national postal services are well situated with strategic advantages to grow with the parcel market. Canada Post's real estate, home delivery, local post offices for parcel pickup are all **competitive advantages. Canada Post should not be selling off the current postal infrastructure.**
- **Competitive advantage:** Using the delivery network for multiple purposes is good business and cleaner for the environment too.
- **Post offices as community hubs:** Certainly good for the community, and not just in remote regions. Also environmentally cleaner.
- It is difficult to evaluate the environmental impact of the **on-demand delivery services**, but the nature of the business is that it is hard to regulate.

## Canada Post as a leader in greening postal work

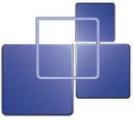
- **Retrofit all company-owned postal facilities**, for energy conservation, heat loss, clean air, organization of work and other sustainable practices, and obtain federal infrastructure funding to do so.
- **Transition the 13,000 vehicle fleet** to greener fuel, driving, delivery of services.
- **Construct an Innovation Agenda**, drawing from Canada Post employees—the informal experts of the Corporation-- suggestions of ways to reduce greenhouse gasses throughout Canada Post's chain of production.
- **Expanded training and multi-skilling:** If Canada Post is to expand the services it delivers, it will need to provide training to its employees for the range of knowledge bases and skills associated with Canada Post's expanded services.

## Public-to-Public Partnerships

- Government departments and quasi-autonomous public sector organizations often operate in isolated fashion. Canada Post is far from the only Crown Corporation which is examining its entrenched core business and wondering how to adapt *what* they do, and *how* they do it, to respond to the seriously new challenges that climate change and digitization are posing for the whole of Canadian society.
- In taking up environmental leadership, Canada Post would be well-placed to break through the silos on an issue of such overwhelming importance, and foster the bringing-together of public sector knowledge.

## Green Plan for Canada Post

**Green Plan** -- a formal agreement to measure and commit to reduce the greenhouse gases produced by the production, distribution and disposal of services, resources or goods, over an agreed-upon period of time.



- **The Green Plan** can be part of union-management bargaining for a collective agreement. In non-union settings, it can take other forms of formal agreement. **For public sector organizations**, including quasi-autonomous organizations, a green plan may be mandated by the government.
- **For Canada Post**, the Green Plan begins with **conducting an audit (eco-audit)** of all Canada Post facilities, to set a baseline against which GHG reduction will be measured over the length of the agreement. **Reporting will be transparent.**
- For the purpose of carrying out a Green Plan, **the entire chain of production, distribution and disposal of Canada Post is to be considered.**
- **An environment committee** with fair representation will be established to develop and implement the GHG reduction plan.
- With wide dissemination and information-sharing, **Green Plans should serve as a resource and model for union and non-union enterprises, services, industries, and sectors, in developing their own adapt-to-mitigate plans.**
- **Employers and unions** which undertake a Green Plan should be publicly recognized for their leadership.

