Sham Canada Post Industrial Inquiry Commission opens in Ottawa

Niles Niemuth 31 January 2025

Are you a postal worker, or employed in the delivery or logistics sector? We urge you to contact the Postal Workers Rank-and-File Committee at canadapostworkersrfc@gmail.com or by filling out the form at the end of this article.

The Industrial Inquiry Commission tasked by the Liberal government with recommending how the operations of Canada Post should be restructured opened in Ottawa this week with two successive hearings on January 27 and 28. Further hearings are expected in February and March with a final report to be issued by Minister of Labour Steve MacKinnon by May 15, one week before a government-imposed strike ban on 55,000 postal workers expires.

Postal workers should have no illusions that the commission headed by seasoned federal arbitrator William Kaplan will produce anything but a blueprint for the evisceration of their jobs and working conditions. In fact, the Industrial Inquiry Commission is rigged in favour of the employer and government, who are conspiring with the Canadian Union of Postal Workers (CUPW) bureaucracy against postal workers to rubber stamp the restructuring that Canada Post management says is necessary to return to profitability.

The origins of the commission make clear that it is an instrument for the ruling-class onslaught on jobs and working conditions. It was established as a key component of the Trudeau Liberal government's strikebreaking initiative in December, which brought the walkout by 55,000 postal sorting-plant workers, and urban and rural letter carriers to an end after four weeks, and unilaterally extended their expired contracts until May 22. While rank-and-file postal workers are prohibited from taking any collective action for the duration of the commission, the conspirators can plot their attacks and release their final report, which will be presented as a *fait accompli* from an "expert third party."

Invoking patently illegal, newly-cooked up powers under Section 107 of the Canada Labour Code, MacKinnon directed the unelected Canada Industrial Relations Board (CIRB) to issue an order outlawing the strike. At the same time, MacKinnon established the Industrial Inquiry Commission and provided it with a wide remit to recommend changes to the collective agreement between Canada Post and CUPW as well as its business operations in general.

Throughout the contract talks, which began last year and were dragged out over 100 sessions, Canada Post has pleaded poverty to justify its aggressive cost-cutting agenda. Supported by the corporate media, it pointed to \$3 billion in losses since 2018 and the shift from letter mail to parcels as the reason it cannot meet workers' demands for significant wage increases and job security. The Liberal government provided Canada Post with a \$1 billion loan last week after management declared that it would run out of cash to keep its

operations running by the middle of this year. The loan will be used to pay off bondholders and undoubtedly came with the understanding that Canada Post will gut jobs and working conditions to massively reduce its labour costs.

The CUPW apparatus completely capitulated to the back-to-work order, squashing growing demands from the rank and file to defy the union and NDP-backed Liberal government's illegitimate strikebreaking order. The ban, the fourth of its kind in six months, was carried out without even the democratic fig-leaf of parliamentary legislation.

Canada Post and the minority Liberal government would never have gotten away with this massive provocation without the connivance of CUPW, which corraled its members back on the job. The union bureaucracy has also embraced the Industrial Inquiry Commission, presenting it as a means for workers to have their voices heard by management and the government. CUPW President Jan Simpson told workers in a letter last month that the Industrial Inquiry Commission would present "critical discussions about the future of Canada Post and the issues that matter to all of us."

However, far from being an open process which allows the voices of workers to be heard, it is being restricted to public testimony from representatives of Canada Post management and the CUPW bureaucracy. Rank-and-file workers have been told that they can watch hearings on a Zoom stream restricted to 1,000 viewers—less than 2 percent of the affected workforce—and should submit written input via email before a February 14 deadline.

In the first day's testimony, both sides made clear that they were committed to making Canada Post profitable, with CUPW backing the expansion of night and weekend delivery—with the caveat that this should not come at the expense of "good jobs." The union also outlined a slate of non-postal initiatives that it claims could increase revenues and help make the post office a viable profit-making concern. These include installing electric chargers on post office property and establishing a check-in program for seniors.

Meanwhile, Canada Post CEO Doug Ettinger complained about "our outdated structure and workplace rules that are holding us back in today's uber competitive delivery market." Management has been seeking to dramatically expand its use of low-paid part time and temporary workers, an "Amazonification" of its operations that has rightly been adamantly opposed by current workers.

"We're at a critical juncture with Canada Post right now," Ettinger reiterated. "We need to redevelop our operating model. It's an old-fashioned, outdated operating model that in today's hyper-competitive e-commerce market holds us back."

Rindala El-Hage, Canada Post's chief financial officer, reported that

the company, which relies on the sale of postage stamps and other postal services to fund its operations, expects to lose \$900 million in 2025 and cumulatively \$6.9 billion over the next five years. Such projections are meant to set the stage for the slashing of labour costs through an all-out attack on workers' jobs and wages, and further cuts to postal services, packaged as the only means of "saving" Canada Post.

While Simpson complained in her remarks that the process established by MacKinnon was "skewed" in favour of management and that Canada Post was withholding information, she still embraced the commission. "Despite our misgivings about this process, CUPW values any opportunity to discuss the public post office and the contributions of our members," Simpson lamely declared.

At every step, the CUPW apparatus has worked to keep workers trapped within the state-regulated collective bargaining straitjacket, which is designed to grossly favour management over the workers, while dispensing certain privileges to the union bureaucracy.

Among those who testified on the first day on behalf of CUPW was labour attorney Paul Cavalluzzo. He noted that the union was seeking to challenge the government/CIRB back-to-work order, which simultaneously established the commission, as a violation of the Charter of Rights and Freedoms' guarantee of freedom of association, a right that includes the right to collective bargaining and the right to strike. Nonetheless, Cavalluzzo declared that both parties must "live under whatever rules are contemplated."

Little more than a week earlier, on January 17, CUPW announced that renewed contract talks had broken down over Canada Post's insistence the union abandon its court challenge to the constitutionality of using Section 107 to illegalize worker job action.

One postal worker who listened to the corporation's opening remarks told the WSWS, "It sounds like they're holding a eulogy," referring to management's somber, deliberate tone. Another worker noted, "The corporation is making it sound like they are dead broke, and the lights could go out at any time: a 'We care deeply about our employees but must make significant and unpopular changes to their work,' kind of vibe."

Carleton University business management professor Ian Lee, a former Canada Post executive, outlined a scenario to CBC News earlier this month for the sell off of major components of the post office, which is sure to be on the minds of commissioner Kaplan and company management. He explained that the post office could be stripped back to a skeleton of its current operations, with a rump, taxpayer subsidized operation focused on deliveries to rural and remote regions. Meanwhile, urban postal operations would be handed off to for-profit couriers, and delivery routes ended in favour of post boxes inside grocery and pharmacy chains. In a *Globe and Mail* article last year, Lee indicated that over 20,000 full-time jobs could be eliminated in favour of temporary and permanent part-time workers.

Workers cannot afford to wait for the Commission to present its inevitable proposal to dismantle Canada Post before taking action. They must act now to seize control of their struggle from the CUPW bureaucracy. Postal workers are not merely involved in a contract fight but confront the class-war policy of the entire ruling class, which wants to decimate Canada Post and all public services so as to redirect resources to rearming the military, waging war, and enriching the super-rich. Canada Post workers must therefore appeal for a common struggle with broader sections of the working class for decent-paying, secure jobs for all and fully funded public and social services.

The means to organize and coordinate such a fight are provided by

the Postal Workers Rank-and-File Committee (PWRFC). Rank-and-file committees offer a forum for workers on the shop floor to fight for their demands, based on what workers actually need, not what management says is affordable. Similar rank-and-file committees have been established by postal and delivery workers in the United States, Britain, Germany, and Australia. They are affiliated to the International Workers Alliance of Rank-and-File Committees, which provides the organizational and political leadership for the global counteroffensive by the working class that is necessary to beat back the demands of the bosses, and place society's vast resources at the disposal of the social needs of workers, not the super-rich oligarchy.

The PWRFC outlined a program in November which called for:

- 1. A 30 percent pay rise to make up for years of concessions and for workers' control over the deployment of new technologies.
- 2. Broaden our struggle to other sections of workers across Canada in order to defy a back-to-work law or any other anti-democratic state-imposed strike ban.
- 3. Launch a political struggle that rejects Canada Post being run as a profit-making enterprise, and makes our contract fight the spearhead of a worker-led counteroffensive in defence of fully funded public services and workers' rights, and against austerity and war.

All workers at Canada Post who want to fight against the government-management onslaught must break out of the probusiness "collective bargaining" system which is imposed on them by the CUPW apparatus. This can be done by joining the PWRFC and building committees at their depots and work locations across Canada. The struggle at Canada Post must become the spearhead of a counteroffensive by the working class in defense of fully funded public services and workers' rights, and against austerity and war. All those at Canada Post who are interested in this perspective should fill out the form below to discuss taking up the struggle.



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