

Second round of Industrial Inquiry Commission hearings confirms gang-up against Canada Post workers

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Postal workers around the world are under assault! We encourage all postal workers to contact the Postal Workers Rank-and-File Committee to join and help build an international movement of postal workers and the working class as a whole against austerity and attacks on workers' rights. Fill out the form at the end of this article or email canadapostworkersrffc@gmail.com.

The second round of Industrial Inquiry Commission hearings into the operations of Canada Post were held in Ottawa on February 19 and 20. The testimony provided by Canada Post management and representatives of the Canadian Union of Postal Workers (CUPW) made clear the character of the IIC as a conspiracy against the approximately 55,000 postal workers who were forced back to work and robbed of their right to strike by the Trudeau Liberal government in December.

Urban and rural postal workers manned picket lines for more than four weeks in the lead up to the Christmas holiday season, making clear their determination to beat back management's drive to totally restructure the company along the lines of Amazon and other private delivery services. However, management remained intransigent, knowing that the government would intervene to end the strike and help enforce management's demands. The Trudeau Liberals had already done just that three times earlier in the year, including against dockworkers on both coasts and railroaders.

Labour Minister Steven MacKinnon did not disappoint the bosses. He invoked a blatantly unconstitutional interpretation of Section 107 of the Canada Labour Code (CLC) to direct the Canada Industrial Relations Board to impose a "time out" on the strike. The order robbed workers of their right to strike for five months, and extended long-expired contracts until May of this year. CUPW and the entire union bureaucracy, including the Canada Labour Congress, bowed to this draconian strike ban without raising a finger, helping force the postal workers back to work under conditions in which the Trudeau government was tottering, following the resignation of Finance Minister Chrystia Freeland.

As part of the strike ban, MacKinnon invoked Section 108 of the CLC to establish the IIC. Its head, seasoned federal arbitrator William Kaplan, received a wide remit to review Canada Post's operations and financial situation, and to recommend changes to the collective agreements and the collective bargaining process itself.

Despite strong indications that the rank and file was prepared to defy the government strike breaking, the CUPW bureaucracy acquiesced, directing workers to return to work and submit to the process cooked up by the Labour minister. CUPW President Jan Simpson even

assured workers the IIC would present "critical discussions about the future of Canada Post and the issues that matter to all of us."

In reality, it was clear from MacKinnon's initial order that the IIC would be rigged against the workers. While Canada Post management was given a free hand to plot behind the scenes its sweeping attacks to "Amazonify" the postal service, the workers would be bound hand-and-foot by the strike ban, meaning they could take no collective action against the ruling-class onslaught until it was fully worked out.

An affidavit submitted by McGill professor emeritus Robert Hebdon to the CIRB and IIC on behalf of CUPW makes clear that the entire process has been rigged in favour of management by the Liberal government. Hebdon concludes:

The IIC is an inadequate substitute for the right to strike for several reasons. First, Kaplan's mandate does not include the resolution of all outstanding issues in dispute. How is labour peace to be achieved if these issues are not immediately addressed? The fundamental job of a third party after a strike is to replicate the outcome of free collective bargaining. This basic task does not appear possible under the terms of reference of the IIC.

Second, economic issues are not mentioned in the terms of reference, yet Kaplan may amend the collective agreement. What criteria apply to this process of amending the collective agreement? The process seems vague and somewhat arbitrary.

Finally, the union was not consulted on either the appointment of the IIC chair or his terms of reference. As I opined earlier, when issues of restructuring arise between the parties to collective bargaining it is critical that the union be involved at all stages of the change process. Settlements that are unilaterally imposed may lack the ownership of the excluded party.

This confirms the assessment of the WSWWS at the opening of the hearings, that the IIC is a sham—with rank-and-file workers effectively excluded from the process. The hearings, while public, have been limited to just 1,000 viewers on a Zoom call in the first round and 3,000 in the second round. CUPW urged workers to email written submissions directed to Commissioner Kaplan which would be made available to management and the union. It was reported that 900 submissions were received by a deadline of February 14, representing

less than 2 percent of affected CUPW members.

Workers have every reason to believe that Kaplan will produce a report which fully backs Canada Post management's efforts to return to profitability by "Amazonifying" its operations through the expansion of the use of low-paid and part-time workers, implementing dynamic routing and the cannibalization of its operations in order to compete with private couriers.

Throughout contract talks with CUPW, Canada Post management has pleaded poverty. It has cited more than \$3 billion in losses since 2018 and the shift away from letter mail to parcel delivery by low-cost competitors to justify shredding workers' rights. The Liberal government quickly handed over a \$1 billion bailout loan last month after Canada Post management declared that they would run out of cash to continue operations by the middle of this year. The loan was necessary so that the company could pay back bondholders and will undoubtedly have come with the condition that management sharply reduces labour costs to achieve "profitability."

A one-page summary of Canada Post management's submission to the commission made clear their desired outcome. It outlined "urgent changes" to the collective agreements as well as the government regulations which would make operations "more flexible, efficient and cost-effective," i.e., more exploitative and therefore more profitable. This includes "more flexible staffing models" for weekday and weekend deliveries, which would take away fixed delivery routes.

Canada Post management also proposes "moderate wage increases" that will "contain costs," which means driving down labour costs through sub-inflation pay rises or the replacement of full-time work with part-time and temporary jobs.

Other demands for changes include the lifting of moratoriums on the closure of rural post offices and the move from home delivery to community post boxes, as well as reviewing the Canadian Postal Service Charter to allow for "updating service standards, delivery frequency and post office requirements."

The reorganized Canada Post envisioned by management was outlined by Carleton University business management professor Ian Lee, a former Canada Post executive, in an interview with CBC News last month. According to Lee, a stripped down postal service would see profitable urban operations handed over to private, for-profit couriers, and home delivery eliminated in favour of post boxes inside grocery and pharmacy chains. Meanwhile, Canada Post would limp on as a taxpayer subsidized operation delivering to rural and remote communities which are deemed unprofitable by private couriers. Such a sweeping transformation would entail the destruction of thousands of jobs and would serve as a model for the evisceration of other public services.

While the CUPW apparatus argues that MacKinnon's strike breaking initiative, including the IIC, is unconstitutional, it has still embraced the framework established by the government and has made clear its determination to work with management to return to profitability. This has included the acceptance of the expansion to weekend delivery, albeit with full-time over part-time jobs, and the expansion of services beyond traditional postal work, including offering banking services, carrying out wellbeing check-ins on the elderly and providing electric vehicle charging stations on Canada Post property.

As one member of the Postal Workers Rank-and-File Committee (PWRFC) who listened to the latest hearings noted, "The entire commission has been hyper-focussed on the profitability of the post

office. All three parties involved—the government, the corporation, and the union—fundamentally agree that our jobs must be subordinated to paying back the \$1 billion government loan. The parties only differ on exactly how to squeeze that billion dollars out of workers, and to what extent must our hard earned rights and benefits be eviscerated to profitably compete with private delivery companies who don't have a mandate to provide a high level of customer service to every Canadian address.

"If changes along the lines being discussed at the IIC go ahead, postal workers will very quickly have their wages, benefits and working conditions deteriorate, setting a dangerous precedent for the rest of the economy. The right to strike has essentially been surrendered by the trade union bureaucracies, behind the backs of workers, and every other right, earned with the blood and sweat of workers, will rapidly follow unless we take matters into our own hands."

In contrast to the CUPW bureaucracy, the PWRFC has outlined a fighting program which opposes the subordination of workers' jobs and conditions to capitalist profit and calls for Canada Post to be run as a fully funded public utility, rather than a for-profit Crown corporation. The PWRFC has drawn three key lessons from CUPW's surrendered to the government's strikebreaking:

- We face a political struggle that pits us against Canada Post management and all of corporate Canada, which is salivating over the prospect of using a defeat of postal workers to broaden the onslaught on wages, benefits, and conditions to all workers. They know that the government, whatever its political colouration, will back its concessions demands.
- The CUPW and other CLC unions are not mechanisms for us to advance our struggle, but the means by which corporate Canada suppresses working class resistance. They are the key props of the pro-war, pro-austerity Trudeau government and in recent decades have developed all manner of corporatist partnerships with big business and the state. They are led by a caste of bureaucrats who derive lucrative privileges, including six-figure salaries, for policing the working class.
- We must take the struggle into our own hands. This means building rank-and-file committees in every workplace to take control of the contract fight from the CUPW bureaucracy, and break out of the isolation imposed by the CLC with an appeal to all workers to join a worker-led counteroffensive in defence of all public services and jobs, and workers' control over production and the running of public services.

A final hearing of the IIC is scheduled for March 25, with Kaplan's final report due May 15, just one week before postal workers regain the right to strike.



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