

## **B. Reliability Standards**

An important criterion in assessing Canada's postal service is its reliability, or the consistency with which mail is moved from point of collection to point of delivery through the mail stream. Prior to 1986, the Corporation promised to deliver mail 99% of the time on the next business day when sent within the same city, in two business days when sent between major urban centres within a province, and in three business days when sent between urban centres in different provinces. In 1986, in response to a recommendation in the Marchmont Report, Canada Post quietly put in place less stringent reliability standards for its speed of delivery of first class letter mail. The standards have now been pushed back one day.

The Corporation has improved reliability appreciably, if it is measured against the new standards. It recorded a 95% reliability rating in the latest independent performance survey, conducted by the chartered accounting firm Ernst and Young for the quarter ended December 1989. We applaud the Corporation's success in improving the consistency of its mail delivery, since we realize that this is crucial in ensuring continued customer satisfaction.

We share the concerns of the Consumers' Association of Canada, however, that success in this regard may result in complacency. Now that Canada Post has demonstrated its success in meeting the current on-time delivery targets over a relatively long period, we challenge it to return to the previous, tougher ones. Such a move, if it resulted in improved performance, would be of great benefit to individual Canadians as well as to the business community, which has always been critical of the relaxed standards.

We believe that such strengthened performance is within the grasp of the Corporation. Already, it has established, and is close to meeting, a three-day service commitment for mail sent between provinces in Atlantic Canada, between major urban centres in Manitoba and Saskatchewan, between Ottawa and Montreal, and between Toronto and Montreal. The Corporation's recently announced capital expansion program should also help it realize processing and delivery efficiency improvements which should translate into greater delivery speed. To ensure that the speed of delivery continues to increase, the Committee therefore recommends that:

**Canada Post restore the standards of reliability for the delivery of properly prepared first-class letter mail which existed prior to 1986. These include: next business day delivery for local mail; delivery within two business days for mail sent from one urban centre in a province to another; and within three business days for mail sent between urban centres in different provinces.**