

CHAPTER 4 – DELIVERY MODES AND STANDARDS

A. Delivery Modes

Since the late 1970s, residents of most new homes and business parks in Canada have been obliged to collect their mail from green group boxes or through general delivery. While withholding door-to-door delivery was not official policy, it was the practice up to 1985. In July of that year, Canada Post formally adopted a policy not to extend letter carrier door-to-door delivery to new subdivisions and new construction within existing municipalities. By doing so, Canada joined a number of other industrialized nations such as the United States, France, Sweden, Australia and New Zealand, who have also concluded that the continuation of home delivery would impose considerable financial burdens on their postal operations. With post offices around the world placing greater emphasis on financial self-sufficiency, it was only natural that they change a method of delivery which, owing to population growth, could prove costly in the long term.

Canada Post decided to provide delivery in new-growth areas by means of community mail boxes (CMBs). These were viewed as a considerable improvement over the green group boxes, in that they were sturdier and could handle both incoming and outgoing mail as well as parcels. Public opinion polling conducted for Canada Post suggests that even though many Canadians might prefer to receive door-to-door delivery, they are generally satisfied with the new mode of delivery.

The PSRC recently noted that some 405,000 CMBs were in use as of the end of the 1988-1989 fiscal year, as opposed to approximately 5.7 million households that received home delivery. The erection of another 402,000 CMBs was planned by the Corporation for the four-year period ending in 1992-1993, by which time the PSRC estimated it would have cost Canada Post an additional \$42 million each year to replace delivery through CMBs with door-to-door service. The Canadian Union of Postal Workers (CUPW) has calculated that it would cost the Corporation \$34 million in extra costs each year if it were to reinstate the service now.

In its *Recommendations*, the PSRC urged the Corporation to reverse its delivery policy and restore the traditional service. The Corporation turned down the suggestion, but did promise to review inequities in its current delivery systems. We support the Corporation in its continuing efforts to reduce operating costs. For this reason, we would not be in favour of any move to reinstate door-to-door delivery to all those now receiving mail through CMBs. While the annual cost of such a move might, as CUPW suggested, be \$34 million, population growth would undoubtedly raise the cost even further. Moreover, this figure does not include the one-time expenditure of \$75 million which the Corporation has calculated would be required to eliminate the community mail box delivery method.