

Ottawa, December 18, 2013

Mr. Deepak Chopra President & CEO Canada Post Corporation 2701 Riverside Drive N1150 Ottawa ON K1A 0B1

Dear Mr. Chopra:

I am writing on behalf of Imagine Canada, the national umbrella for Canada's charities, with regard to Canada Post's recent announcement regarding postal rates.

As you are aware, charities make extensive use of Canada Post's services in their efforts to raise funds and to communicate with Canadians. Whether it is seeking donations, responding to requests for information, promoting their products and services, or sending out receipts, charities rely on the services of Canada Post to fulfil their mission and to facilitate the enormous contributions they make to communities all across Canada and around the world. Charities not only help communities to address some of the most intractable challenges they face – be they economic, social, environmental, or health-related – they also provide educational, sporting, religious, and cultural opportunities that significantly enhance quality of life. Cost increases directly affect the resources available for charities to devote to their activities.

We understand that the recent announcement does not affect contract rates for large-scale mailings, which many charities use for their direct mail fundraising campaigns. We are nonetheless concerned about the impact that the significant increase in first-class postage will have on charities of all sizes. Smaller charities, which already operate on very tight margins and may not generate the volume to take advantage of bulk rates, could see their costs rise significantly at a time when donations and other income are still affected by uncertain economic conditions.

All charities, regardless of size, are required to provide donors with income tax receipts; many donors prefer to receive these through the mail, requiring first-class postage. Millions of these receipts are issued each year, which equates again to significant new costs for charities. Charities are also concerned that, as individual Canadians find it more difficult and expensive to avail themselves of postal services, that donations will be negatively affected, further exacerbating the impact of these measures.

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130, rue Albert, bureau 1705 Ottawa, (Ontario) K1P 5G4 Téléphone : 613 238-7555, Télécopieur : 613 238-9300 1 800 821 8814 We understand the financial difficulties facing Canada Post, and the imperative for the corporation to achieve its business goals. It is not clear, though, the extent to which charities were consulted prior to the decisions taken with regard to postal rates, or the extent to which thought has been given to the impact that these decisions will have on charities.

Imagine Canada is currently gathering information about the likely impact on charities. I would like to request a meeting, at your earliest convenience, to discuss the concerns of charities. We will follow up with your office in the new year to see when a meeting could be arranged.

Thank you in advance for your attention to this issue. I look forward to hearing back from you, and please accept my best wishes for the holiday season.

Yours truly,

Marcel Lauzière President & CEO