

Annual Report 2000-2001



Ombudsman
855 Brookfield Road
PO Box 90026
Ottawa ON K1V 1J8



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André W. Tessier
Ombudsman

855 Brookfield Road
PO BOX 90026
OTTAWA ON K1V 1J8
CANADA

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CP 90026
OTTAWA ON K1V 1J8
CANADA

Ms. Vivian Albo
Chair, Board of Directors
Canada Post

Dear Ms. Albo,

In accordance with the mandate established by the Board of Directors of Canada Post on November 13, 1997, I am pleased to submit my fourth annual report, covering the period April 1, 2000 to March 31, 2001.

Yours truly,

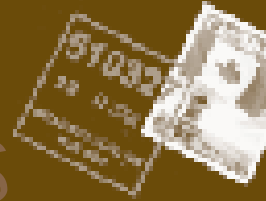
A handwritten signature in black ink that reads "André W. Tessier". The signature is written in a cursive style with a long horizontal stroke at the end.

André W. Tessier



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Message from the Ombudsman

When my office was created in 1997, emphasis was placed on a number of core principles that became the foundation of our commitment to excellence in serving our customers.

Those founding principles were subsequently reflected in my mission statement, the components of which are the focus of my fourth annual report as Ombudsman at Canada Post.

As per my mission statement, I independently review customer concerns unresolved by all other avenues offered by Canada Post in a fair, unbiased and timely manner to help improve postal service for all Canadians. In doing so, I abide by the Code of Ethics of The Ombudsman Association and I act as an impartial mediator committed to maintaining confidentiality on issues that are brought to my attention. Furthermore, I recommend actions that are equitable to all parties.

In 1997, the Chairman of the Board of Canada Post the Honourable André Ouellet set a high standard when, in a press release announcing the establishment of my new office, he stressed the importance of resolving customer concerns “as quickly and as effectively as possible”. Accordingly, my staff and I endeavour to respond to customer complaints within 20 business days and I am pleased to report that we have consistently reached this goal. However, because of their complexity some complaints do take longer to examine.

I am assisted in the pursuit of our objectives by a dedicated team of men and women who are continually striving to achieve excellence in all areas of our operations. The members of my staff are constantly broadening their knowledge base in order to better respond to Canada Post customers requesting my assistance. As this report makes clear, my staff and I are realising the vision inherent in our mission statement.



Our statistics demonstrate that over the course of the last year 6,202 people have requested my assistance. As Ombudsman, I have been granted the power to examine complaints and make recommendations. However, to instigate change I must rely on the power of moral suasion and on the continued support of Canada Post executives. To that effect, all changes that I have recommended have been accepted. Moreover, in many instances, following my intervention Canada Post elected to modify its initial decision thus eliminating the need to conduct an investigation.

In all of the cases that I have reviewed 53.4% of the original decisions made by Canada Post were amended. Changes to these decisions either resulted from recommendations that I have made to Canada Post or from Canada Post reviewing and changing its original decision based on my initial intervention. In the remaining 46.6% of cases I have concluded that Canada Post had fairly applied its policies and therefore I have maintained their original decision.

This annual report also provides information on important initiatives that I have undertaken over the course of the last year. Proactively, I brought to the forefront issues which I believed needed to be examined. These initiatives resulted in improved postal services and a better understanding by customers of certain Canada Post policies or procedures. Finally, this report provides an analysis of various trends identified, of service issues submitted to my office and on the manner of their resolution.

As Canada Post enters an exciting new era, technological progress will lead to the introduction of new services and products for customers. While new challenges may result from such change, I know that my staff and I will continue to find ways to address these challenges and improve postal services for all Canadians.

André W. Tessier



Mandate

The primary role of the Ombudsman is to safeguard customer interests by assisting with the resolution of customer service complaints.

Specifically, the Ombudsman:

- Promotes and facilitates communications between the customer and the relevant representatives of the Corporation and the process by which the complaints may be voiced and resolved.
- Offers to mediate between the parties to find mutually acceptable solutions.
- When all internal dispute resolution mechanisms have been exhausted, acts as an appeal authority to review in a fair and unbiased manner customer complaints in order to assess the merits of the complaints and recommend resolutions.
- Through periodic reports assists the Corporation in gaining a better understanding of customer concerns and the manner of their resolution.
- Prepares and submits an annual report to the Chairman of the Corporation's Board of Directors.
- Responds to the Board of Directors concerning any matter that the Board specifically refers to the Ombudsman.
- Promotes the Office of the Ombudsman to the general public.

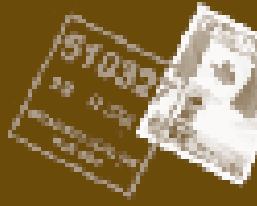
However, the Ombudsman does not become involved with the following:

- The Corporation's relations with its employees, contractors and suppliers.
- Matters that relate exclusively to Canada Post subsidiaries.
- The setting of corporate policies (including mail classifications, rates and pricing).
- Any matter involving compliance with existing legislation (such as the *Canadian Charter of Rights and Freedoms*, the *Competition Act*, the *Official Languages Act*, etc.) and any matter before the courts.

[Approved by the Board of Directors of Canada Post.]

Mission Statement

Mission Statement



““ *In a fair, unbiased and timely manner, the Ombudsman at Canada Post will independently review customer concerns unresolved by all other avenues offered by Canada Post to help improve Postal Service for all Canadians.* ””

Ideally, a mission statement serves a dual purpose: it acts as both a lofty goal that people strive to achieve and a solemn pledge to those an organisation serves. Of course, such a statement is only as strong as the dedication and the performance of the people behind it. Without a sincere commitment to its core values, a mission statement is reduced to the status of an elegant slogan.

In creating the mission statement, the Ombudsman’s overriding objective was to find words that offered a succinct expression of his integrity and impartiality, while at the same time framing the central tenets of his ongoing mission.

For the Office of the Ombudsman at Canada Post, the mission statement is a call to action. The following section illustrates the spirit behind the statement, a spirit of dedication to fairness, respect and concrete results. As you will note the individual components of the mission statement are just as significant as the sum of its parts.

① “In a fair, unbiased ...

The Ombudsman and his staff are an impartial liaison between the customer and Canada Post. Being removed from the contentious issues under examination, they are in a unique position to observe and analyse situations in an objective manner.

As the final appeal authority in the dispute resolution process at Canada Post, the Ombudsman must weigh the merits of both sides in a dispute, without favouring one or the other and without prejudice.

He will request from both parties all pertinent documentation and information surrounding the

issue at hand. Both the customer and Canada Post can rely on the fact that the Ombudsman will make an equitable recommendation based on the facts produced.

““ I appreciated that a mediated solution was found as opposed to the refusal that I received from Canada Post LH, QC ””



Mission Statement: Call to Action,

② ... and timely manner ...

A fundamental aspect of the Ombudsman's commitment to respect and fairness for all is the emphasis placed on a reasonable response time. After all, customers approaching the Ombudsman for assistance have exhausted all other avenues of recourse available at Canada Post. They have a problem and they are eager to obtain a response to their concern.

The Ombudsman understands this concern and is committed to respond to all customer requests for assistance within 20 business days. Our statistics reveal that 95% of all complaints examined were finalised within this timeframe. The remaining 5% were complex issues, which required more time to examine.

While this response rate illustrates both the Ombudsman's commitment to timely service and his ability to achieve his goals in this regard, it should be noted that each concern is unique and that there is no definite time period by which a fair resolution can be achieved. Timeliness is a key priority but the Ombudsman places even greater emphasis on achieving a resolution that is fair.

“ I was very impressed with the people I dealt with. My problem with my Post Office was solved quickly by the Ombudsman. DF, ON ”

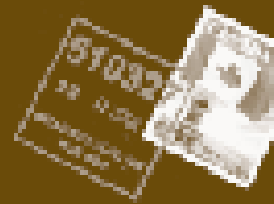
③ ... the Ombudsman at Canada Post will independently review ...

The Ombudsman is vested with the level of independence needed to effectively discharge his responsibilities. Operating at arm's length from Canada Post, the Ombudsman reports and is accountable only to the Chair of the Board of Directors of Canada Post.

Prior to making recommendations the Ombudsman will independently review all of the facts provided by all parties concerned and weigh the potential impact of his decision on all Canadians. All of his decisions are made with a view to improving service for individual complainants but never to the detriment of the collectivity.

Commitment to Excellence

Mission Statement



③ ...

The Ombudsman has clearly established the autonomy of his office through a diligent commitment to independence in all his rulings by never taking sides in disputes between Canada Post and its customers. The Office of the Ombudsman has been praised for its independent spirit and the valuable contributions it has made toward improving postal service.

““ Everyone at Canada Post said that it could not be done. I came to you and you did it. You really are independent from Canada Post. LR, AB ””

④ ... customer concerns ...

Canada Post processes 38 million pieces of mail every day, serving 30 million Canadians and over 950,000 businesses and public institutions. In all, over 9.6 billion pieces of mail are delivered in a year, to 12.9 million addresses in every community in Canada.

Considering these high numbers, customer service concerns will undoubtedly arise. While the vast majority of these concerns are resolved within Canada Post, some customers will appeal to the Ombudsman requesting a review of their issue. The issues brought to the attention of the Ombudsman vary and originate from a diverse group of customers. These customers range from individual consumers of Canada Post products and services to large business organisations for whom the postal service is a critical component of their operation.

For many customers their postal service is a vital link to the outside world. It is their main highway for communicating and in some instances it is also the shopping centre through which they are provided with products and services.

The Ombudsman will address each concern with the same respect and integrity whether an individual consumer or a large organisation brings the issue forward.

““ You must have done some magic because my problem was immediately resolved. It's obvious that you take your job seriously and that is as good as one can expect. HM, ON ””



Mission Statement: Call to Action,

5 ... unresolved by all other avenues offered by Canada Post ...

The Ombudsman acts as the final appeal authority for customers who have exhausted all internal dispute resolution mechanisms available at Canada Post. While Canada Post Customer Service agents are competent to answer all questions and are committed to customer satisfaction, some customers may disagree with the decision rendered by Canada Post and appeal to the Ombudsman for assistance.

Before the Ombudsman can proceed with a request for assistance from a Canada Post customer, the following procedure must be respected:

- Customers must begin by bringing their concerns to their first point of contact at Canada Post.
- If the concern is still not resolved, the second step is to communicate with Canada Post Customer Service.
- If the concern remains unresolved, an appeal may be made to the Ombudsman.

The Ombudsman requires that a *Request for Review* form be completed and signed by the customer. This authorizes his office to investigate a complaint and to obtain information with respect thereto. Copies of all pertinent documentation must also be provided.

Only when all requirements have been fulfilled will the Ombudsman assess the merits of a complaint. Customers are informed once the Ombudsman determines whether or not to proceed with a formal review of the complaint.

After the decision to pursue the matter is made, the Ombudsman will proceed to analyse the facts presented by both the customer and Canada Post and will often seek additional information or clarification. This may result in Canada Post opting to modify its original decision without the need for further investigation by the Ombudsman.

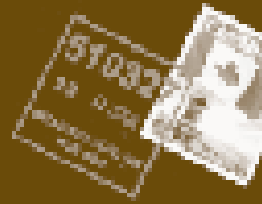
If additional investigation is warranted, the Ombudsman will further analyse the facts submitted by all parties concerned. He will then either decide to maintain Canada Post's original decision or will make a recommendation that the original decision be amended.

There are no guarantees that the Ombudsman will always find a solution to problems. But the guarantee customers will get is that someone will take the time to listen to them, to get to the bottom of the situation and that an equitable recommendation will be made based on the facts of the case.

“ My queries were answered promptly and although it did take some time to find our package, I believe that this was possible due to your intervention on our behalf. I wish to express my sincere thanks. It's a feeling of enjoyment knowing the little man has a voice. PM, MB ”

Commitment to Excellence

Mission Statement



⑥ ... to help improve Postal Service for all Canadians.”

This final component of the mission statement is truly the over-arching objective of the Ombudsman at Canada Post. Everything the Ombudsman and his staff do to help resolve customer concerns is inspired by a sincere commitment to improve the quality of postal service.

One of the ways this is accomplished is by the Ombudsman bringing his concerns to the attention of Canada Post's senior management before emerging issues develop into serious problems. In such instances, the Ombudsman often recommends that Canada Post management review a given policy, guideline and/or procedure relating to a specific issue that, in his considered opinion, is or could become problematic.

In addition to the above the Ombudsman can also contribute to better postal service by making recommendations for action. These recommendations may have an impact on one customer, or a group of customers and are compensatory or functional in nature. Each case and its resolution is unique and based on specific factors that do not set a precedent and have no bearing on future cases.

Furthermore, the Ombudsman will make recommendations on a much broader scale. These recommendations are national in scope and involve cases in which the Ombudsman has concluded that a specific policy, guideline and/or procedure should be amended in order to reflect new realities. Given that the management of Canada Post has acted on each of the Ombudsman's recommendations, it is clear that the Ombudsman is having a constructive impact on the quality of postal service.

““ The investigation was well done, summarised accurately and initiatives taken to ensure better service for customers in the future. TP, NB ””



The Ombudsman Beyond Complaints

The role of the Ombudsman is not limited to the investigation of customer service problems brought to his attention by Canadians. He is also mandated to assist Canada Post in gaining a better understanding of those problems and the manner of their resolution. Proactively the Ombudsman brings his concerns to the attention of Canada Post executives, requesting that they review their policies, guidelines and/or procedures relating to specific issues. The following outlines some of the initiatives undertaken by the Ombudsman over the course of the last year. In each case, Canada Post acknowledged the importance of the concerns raised by the Ombudsman and took appropriate corrective action.



A. Covered by Insurance?

We received numerous complaints from customers who did not fully understand the restrictions and limitations that they were subject to when purchasing insurance for their mailings. The Ombudsman deemed appropriate that Canada Post should educate customers and advise them at the point of purchase as to the restrictions and limitations of insurance coverage to avoid potential confusion.

Canada Post immediately reacted to the concerns raised by the Ombudsman and took the necessary steps to ensure that customers are properly informed at the point of purchase. Retail counter personnel have since been provided with information to be handed to customers purchasing insurance for a mailing so they may be better informed at the outset.

B. Sign on the Line!

Canada Post is at the forefront of the information technology revolution, offering new products and services and adopting new tools. However, while the march into the 21st century is providing customers with exciting advantages it is also creating new concerns for a number of people served by Canada Post.

Beyond Complaints



For example, where technology permitted, customers were asked to sign electronically for personal contact items received through the mail. This involved “signing” their name on an electronic pad. Some customers complained about this technological advancement and asked to continue to use the more traditional option of signing for such items with pen and paper.

Accordingly, the Ombudsman discussed the issue with senior management at Canada Post who recognised the importance of offering customers both state-of-the-art service as well as the more traditional approach. The Ombudsman suggested that Canada Post should reinforce with its retail outlets the existing policy which already offers customers both signature options.

Canada Post informed the Ombudsman that they agreed with his proposal and, in the interest of improved customer relations, they proceeded to reinforce the policy with all retail outlets.

C. Who Are You?

Presenting proper identification to access a service or receive a product is a standard practice in our society. It has one purpose: protecting the customer by ensuring that only the intended recipient or an authorised representative is able to acquire a specific item or service.

During an examination into a customer complaint, it was discovered that Canada Post referred to two separate procedures with regard to customer identification when retrieving mail from a retail outlet. The problem arose from the fact that the two procedures were open to different and contradictory interpretations, leading to unnecessary complications for customers.

One procedure required that customers always produce identification unless they were well known or have produced identification in the past, while the other procedure required that customers must always provide identification. The Ombudsman pointed out this apparent contradiction in procedures to the Retail department, which recognised that the situation represented a potential problem. The department has informed the Ombudsman that the policies have been reconciled to eliminate any possible confusion for either retail staff or for customers.

D. Documents: On File?

Prior to rendering decisions, the Ombudsman must have access to all the facts and information pertinent to any given case.

While conducting his reviews, the Ombudsman contacts Canada Post to request copies of documentation. In some cases, older documents were requested and were not readily available. The Ombudsman found that in some areas, archiving procedures appeared to be unclear for employees and were not applied consistently. This resulted in unnecessary delays.

The Ombudsman raised this matter with Canada Post executives who agreed that sometimes retrieving documents can be a challenge despite the fact that Canada Post has a well-defined document retention schedule. The Ombudsman recognizes that due to the high and growing number of daily transactions, it is inconceivable that Canada Post keep every document it creates for extended periods of time.

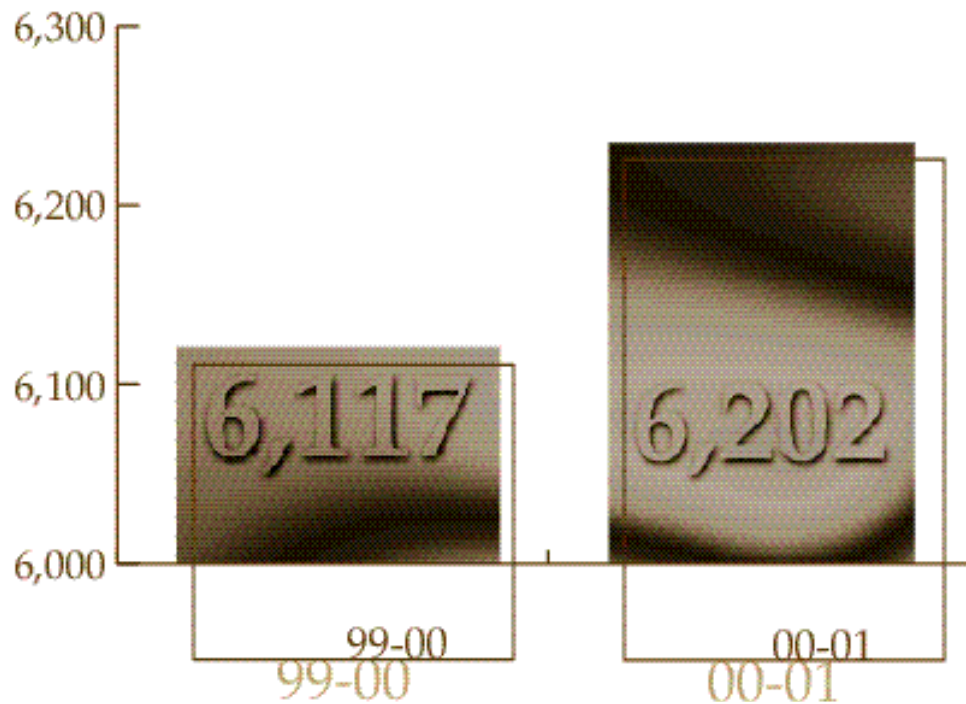
Bearing this in mind, the Ombudsman nevertheless asked Canada Post to take appropriate measures to ensure that all staff are aware and apply the current policy on the retention of documents.



Statistics

The last fiscal year has seen many changes implemented by Canada Post, which resulted in a less than anticipated number of requests for assistance.

The introduction by Canada Post of the *local trading area concept* led to positive changes by bringing Canada Post closer to its customers. This new concept appears to have translated into increased resolution of issues at the local level thereby reducing the need to further escalate complaints. This new approach positively impacted the level of customer satisfaction.



1. Total number of requests for assistance

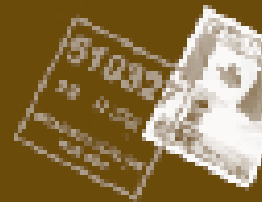


Chart #2 represents the outcome of complaints reviewed by the Ombudsman. The decisions maintained (46.6%) represent those cases where the Ombudsman's examination has demonstrated that, in his opinion, Canada Post acted appropriately and fairly and found no justification to recommend otherwise.

Amended decisions (53.4%) representing in part those cases where the Ombudsman has recommended a different resolution than the one previously reached by Canada Post (34.7%). The remaining amended decisions (18.7%) represent those cases where Canada Post, further to the Ombudsman's intervention, has resolved the complaint differently based on the information provided by the Ombudsman's Office.



2. Decisions maintained / amended

How to contact the Office of the Ombudsman



Office of the Ombudsman

Telephone: 1 800 204-4198

Fax: 1 800 204-4193

Mail: 855 BROOKFIELD RD
PO BOX 90026
OTTAWA ON K1V 1J8

Web site: www.ombudsman.poste-canada-post.com