



The Honourable Maxime Bernier
Minister of State for Small Business
Conservative Party of Canada

July 4, 2011

Dear Minister Bernier:

The postal disruption delivered a devastating economic impact to Canada Post and its employees, Canadians, and Canadian businesses and their employees. Economic recovery was a priority even before the disruption for all businesses - small, medium and large – and this postal situation has now wiped out any recovery for the mail industry, and inflicted irreparable harm.

The Canadian mail industry employs more than 500,000 people, many of them in the vulnerable SME sector. Layoffs and cashflow injury began even before the rotating strikes due to the uncertainty of a stable delivery system; the rotating strikes and eventual lockout escalated industry layoffs and cashflow hardships, as clients withdrew mail campaigns. Mainly the infrastructure that supports the mail channel, these small businesses include all phases of the creative, production, data management, software development, and Value Add Mailer (VAM) mail execution and entry provider sectors. There is no Canada Post without the significant volumes generated by this industry - we are their best sales representatives, we are their largest users. We now urgently need some short term assistance.

As you are aware, struggling small businesses lack many resources and access to funding available to large companies. The shortage of available working capital has kept employees away from work depriving them of income to support their families. Without access to immediate working capital, many small businesses might not make it. Temporary shutdown and major employee layoffs are not solutions. There will be more unemployment claims and unpaid debts which will negate the economic recovery plan.

We respectfully propose for your consideration the ***Stop-Gap Working Capital Assistance Program*** to help these small businesses get back on their feet and deliver resounding, positive effects to the Canadian economy. This proposed “stop-gap” working capital assistance may take the form of a non-repayable loan or a grant for two months’ working capital; or a long-term, interest-free loan for a more substantial amount, giving more leeway to small businesses to recover and invest in resources to become globally competitive. This Program, as part of ***Canada’s Economic Action Plan***, will create an economic stimulus and reinforce your own vision and the government’s commitment to support small entrepreneurs and business, the engines of economic growth in Canada’s aggressive response to global recession.

The new funding initiative will give small businesses the necessary relief to the situation brought about by the postal disruption by giving them access to working capital without penalties attached. The proposed government assistance is also in keeping with the government's next phase of ***Canada's Economic Action Plan***:

- Engaging in smart stimulus spending that creates job*
- Helping Canadians who are hardest hit by the recession*
- Investing in innovation, education, technology and training*

The National Association of Major Mail Users is the voice of the Canadian mail industry representing the business interests of users, and their supplier infrastructure, many of them in the vulnerable SME sector. Our SME sector members are the hardest hit and the least able to recover without timely assistance. To both evaluate this proposal and gain first hand knowledge of the types of small businesses affected, the Chair of our Value Add Mailer (VAM) Council, Laura Artibello, President, Mailennium, would be happy to have you visit her premises in Mississauga.

Given the urgency of the matter, we look forward to discussing this proposal with you or your representatives at your earliest convenience, at whatever location suits your agenda. We ask that you quickly implement this vital "stop-gap" measure of economic support and help put these companies back on their feet.

Sincerely,
Kathleen Rowe
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cc: Ms. Laura Artibello, President, Mailennium