

Canada Post Group

Economic Impact on Canada



**Corporate
Planning and
Strategy**

July 2007

Section 1



From anywhere... to anyone

- 1. The National Impact**
2. Impact on the Provinces

Conference Board of Canada Study of the Canada Post Group



- The Conference Board of Canada, one of the country's leading, independent economic research institutions, utilized its national and provincial econometric models to assess the impact of Canada Post Group (CPG) on the Canadian economy.
- The study, completed in June of 2007, was based on the corporation's financial statements and employment records for 2006 and investment plans for the following five years.
- The report shows that CPG's operations, in addition to serving Canada's critical mail, distribution and logistics needs, create substantial economic benefits. These benefits include additional jobs over and above direct employment by CPG, additional personal income for Canadians and extra tax revenues for the federal and provincial governments.

CPG Supports 117,000 Jobs in Canada – Directly or Indirectly



- In addition to its almost 72,000 full-time and part-time employees, the Conference Board models estimate that CPG's expenditures in wages, purchases of goods and services, and investments support another 45,200 jobs in Canada's economy for a total of just over 117,000 jobs.
- Included in the additional jobs are contractors who transport mail on CPG's behalf and workers in independent postal retail outlets. Other jobs are created indirectly, primarily in the transportation and other commercial services sectors of the economy.
- Direct employment and spin off jobs contribute to all regional economies since CPG operations are present in every part of Canada.

The Full Impact of CPG on Canada's Economic Well-Being is Substantial



Canada Post Group contributes to Canada's economy:

- ⇒ About **\$6.6 billion** in real GDP
- ⇒ Over **\$10 billion** in labour income
- ⇒ More than **\$1.4 billion** in federal and **\$1.1 billion** in provincial personal income taxes
- ⇒ More than **\$720 million** in corporate taxes

Section 2



From anywhere... to anyone

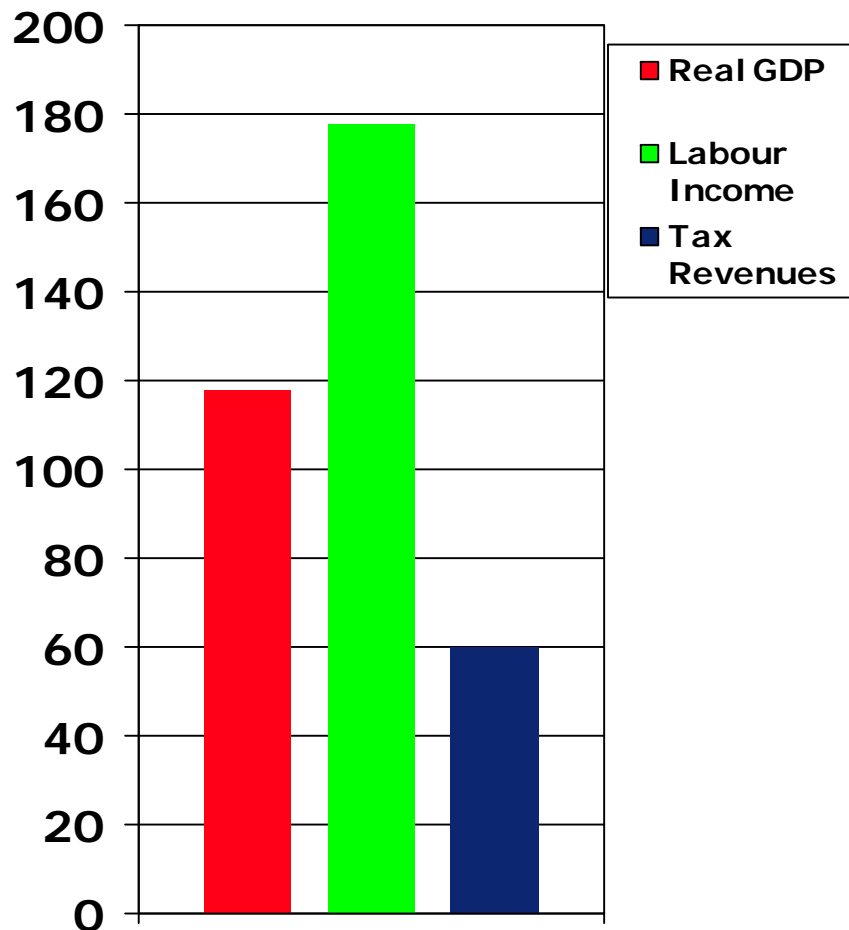
1. The National Impact
- 2. Impact on the Provinces**

Newfoundland and Labrador: Total Impacts



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\$million

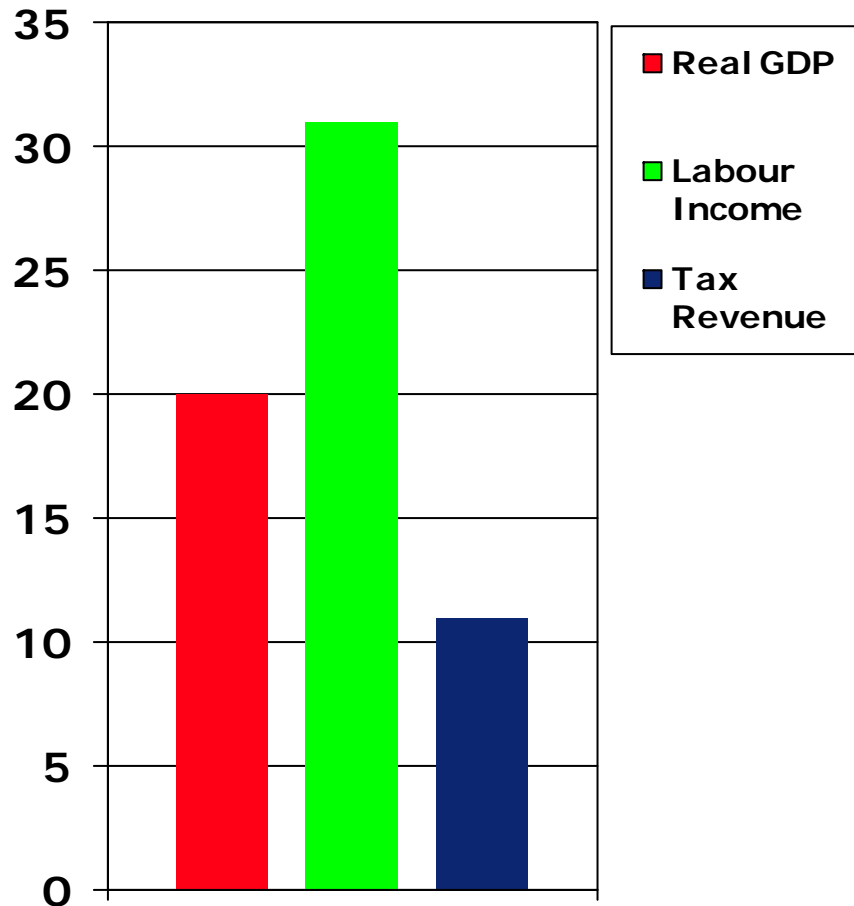


- CPG contributes \$118 million to Newfoundland's real GDP through direct and indirect effects.
- CPG currently employs 1,170 workers in Newfoundland. The Conference Board of Canada analysis estimates that CPG operations support a further 1,168 jobs in the province for a total of 2,338 jobs.
- The employment impact combined with other CPG expenditures and investments generate more than \$178 million in labour income and \$60 million in tax revenues.

Prince Edward Island: Total Impacts



\$million



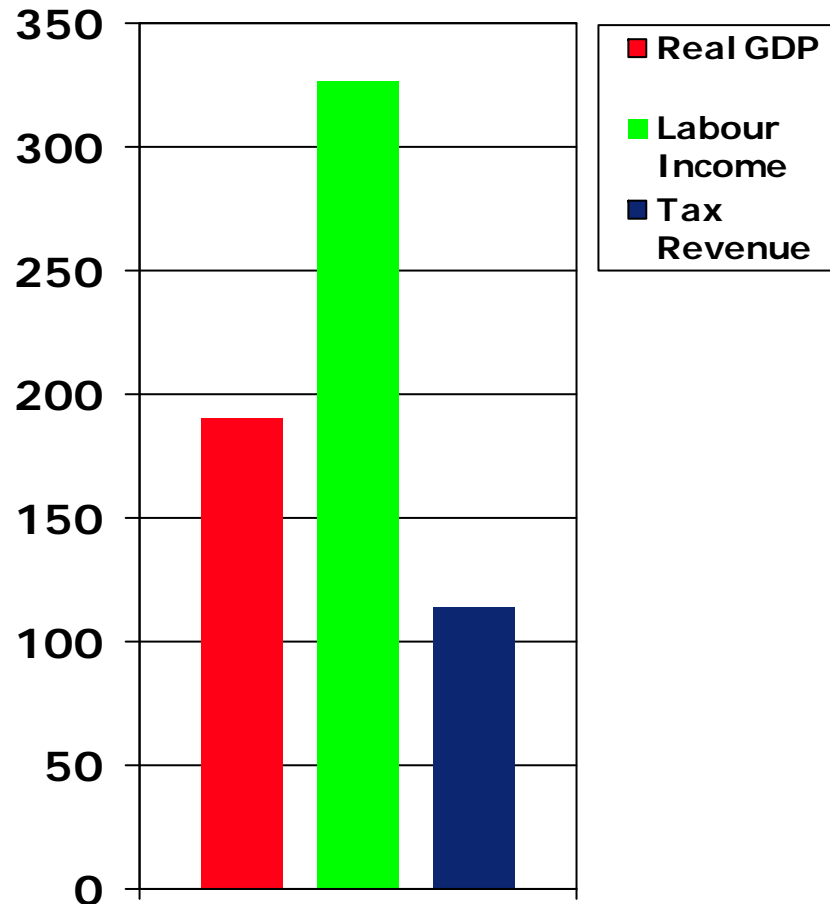
- CPG contributes \$15 million to Prince Edward Island's real GDP through direct and indirect effects.
- CPG currently employs 258 workers in Prince Edward Island. The Conference Board of Canada analysis estimates that CPG operations support a further 143 jobs in the province for a total of 401 jobs.
- The employment impact combined with other CPG expenditures and investments generate more than \$31 million in labour income and \$11 million in tax revenues.

Nova Scotia: Total Impacts



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\$million

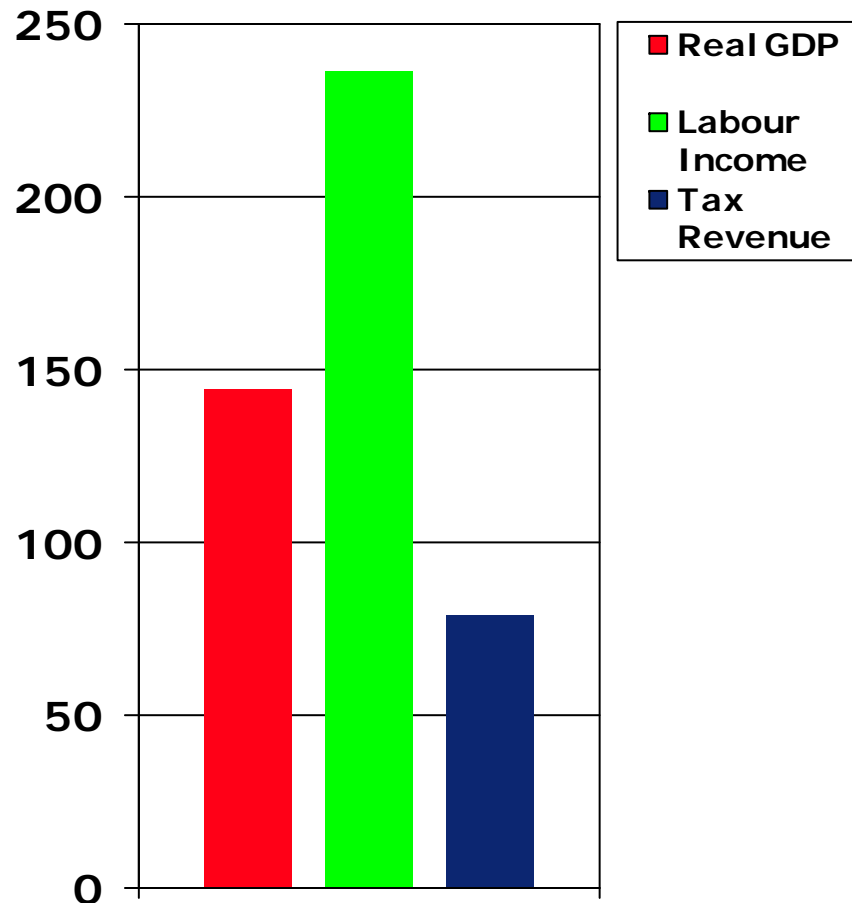


- CPG contributes \$190 million to Nova Scotia's real GDP through direct and indirect effects.
- CPG currently employs 2,274 workers in Nova Scotia. The Conference Board of Canada analysis estimates that CPG operations support a further 1,821 jobs in the province for a total of 4,095 jobs.
- The employment impacts combined with other CPG expenditures and investments generate more than \$327 million in labour income and \$114 million in tax revenues.

New Brunswick: Total Impacts



\$million



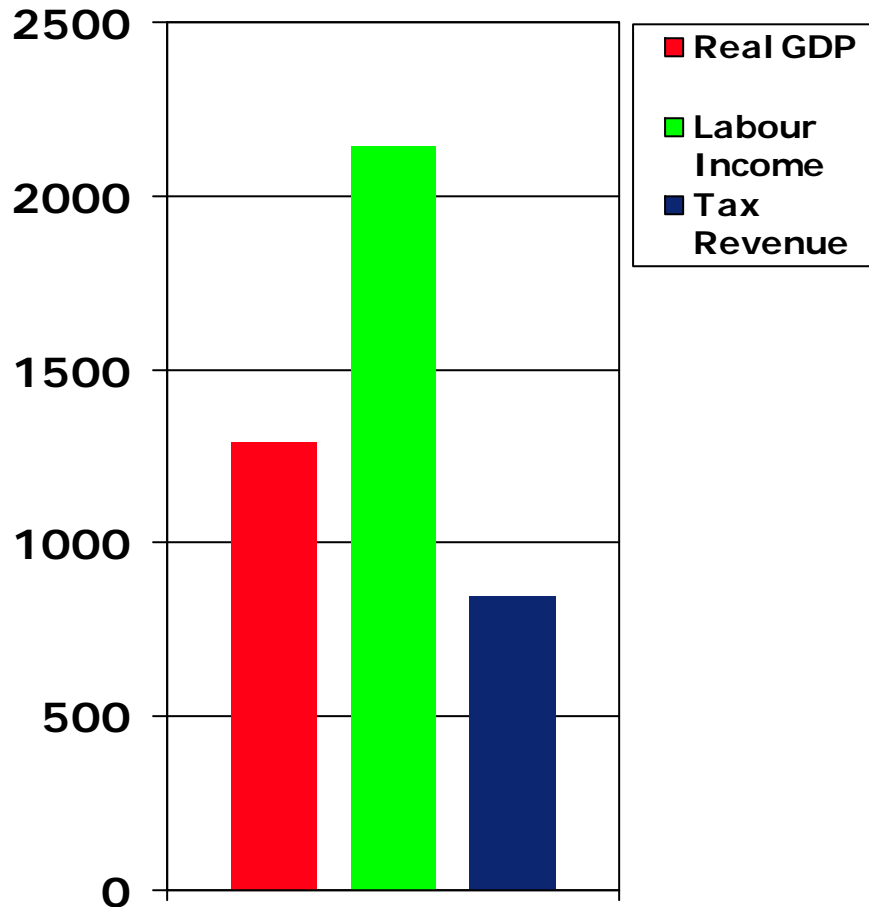
- CPG contributes about \$144 million to New Brunswick's real GDP through direct and indirect effects
- CPG currently employs 2,039 workers in New Brunswick. The Conference Board of Canada analysis estimates that CPG operations support an additional 992 jobs in the province for a total of 3,031 jobs.
- The employment impact combined with other CPG expenditures and investments generate \$236 million in labour income and \$79 million in tax revenues.

Quebec: Total Impacts



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\$million



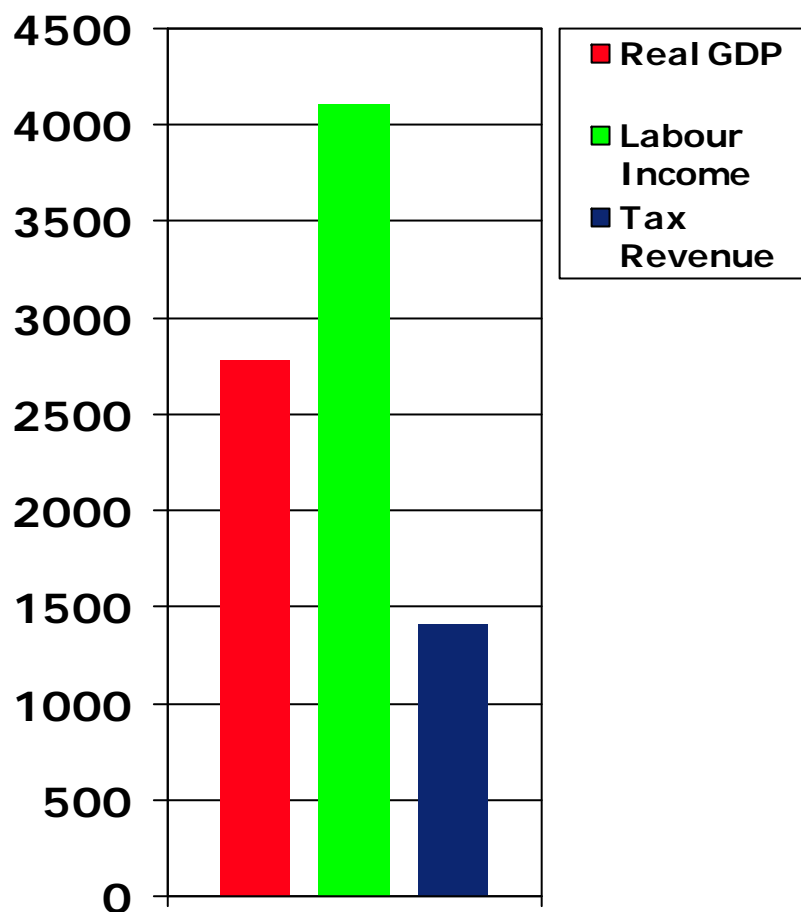
- CPG contributes close to \$1.3 billion to Quebec's real GDP through direct and indirect effects.
- CPG currently employs 15,004 workers in Quebec. The Conference Board of Canada analysis estimates that CPG operations support an additional 10,839 jobs in the province for a total of more than 25,843 jobs.
- The employment impact combined with other CPG expenditures and investments generate more than \$2.1 billion in labour income and \$845 million in tax revenues.

Ontario: Total Impacts



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\$million



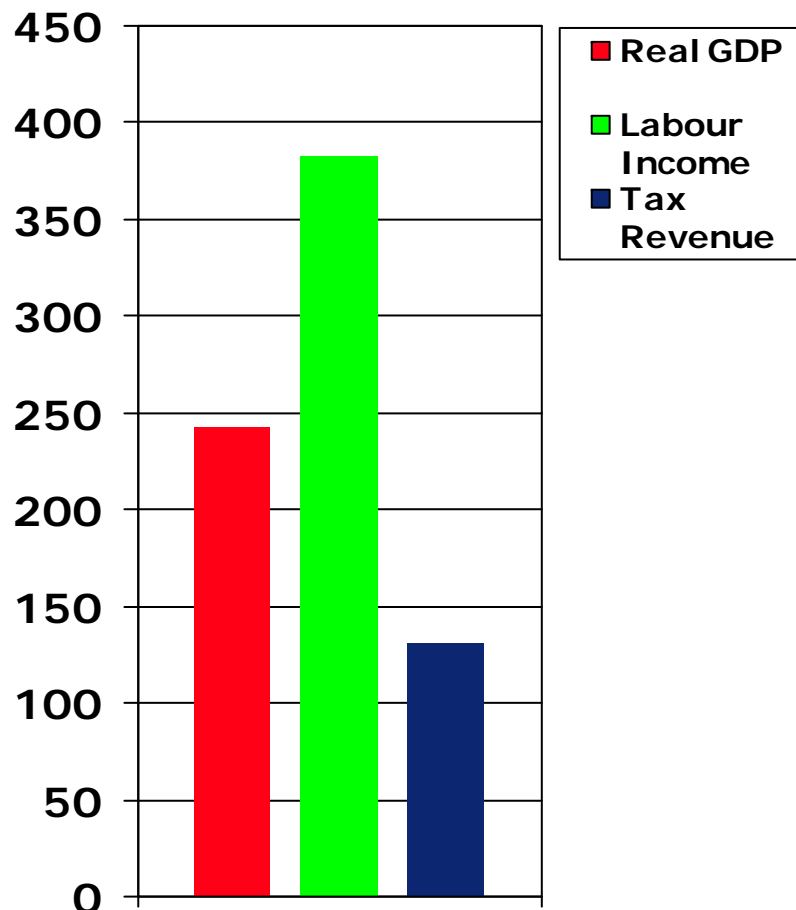
- CPG contributes about \$2.8 billion to Ontario's real GDP through direct and indirect effects.
- CPG currently employs 30,987 workers in Ontario. The Conference Board of Canada analysis estimates that CPG operations support an additional 15,952 jobs in the province for a total of almost 47,000 jobs.
- The employment impact combined with other CPG expenditures and investments generate about \$4.1 billion in labour income and \$1.4 billion in tax revenues.

Manitoba: Total Impacts



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\$million



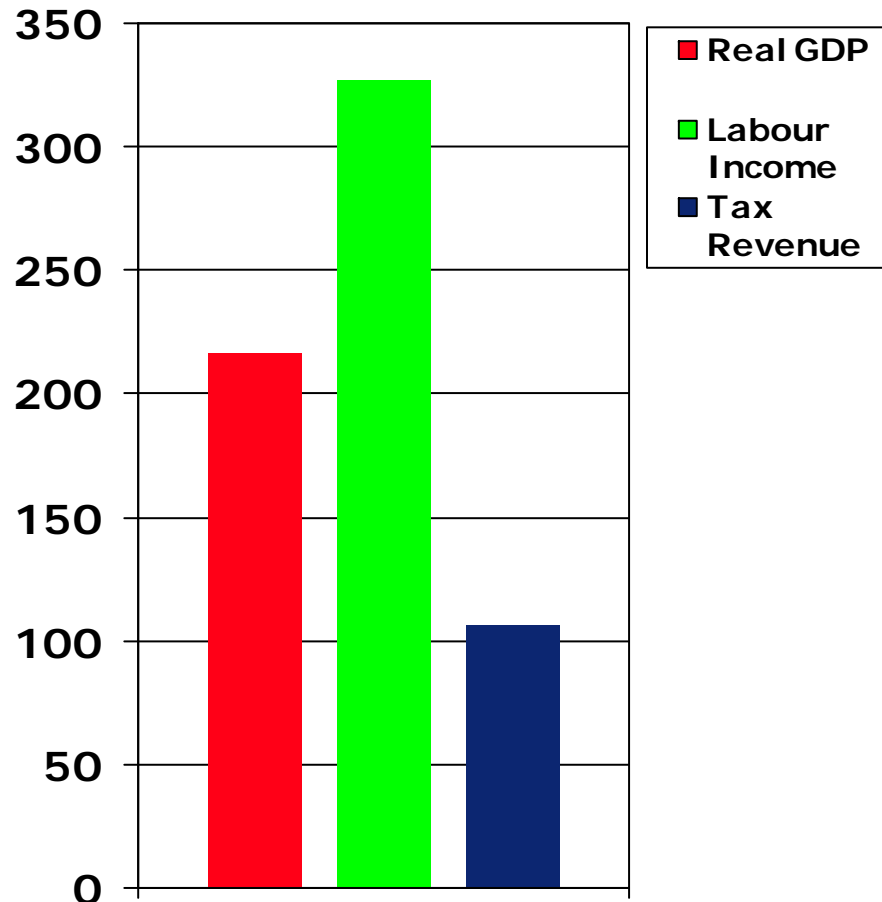
- CPG contributes \$242 million to Manitoba's real GDP through direct and indirect effects.
- CPG currently employs 2,665 workers in Manitoba. The Conference Board of Canada analysis estimates that CPG operations support an additional 2,053 jobs in the province for a total of 4,718 jobs.
- The employment impact combined with other CPG expenditures and investments generate more than \$383 million in labour income and \$131 million in tax revenues.

Saskatchewan: Total Impacts



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\$million



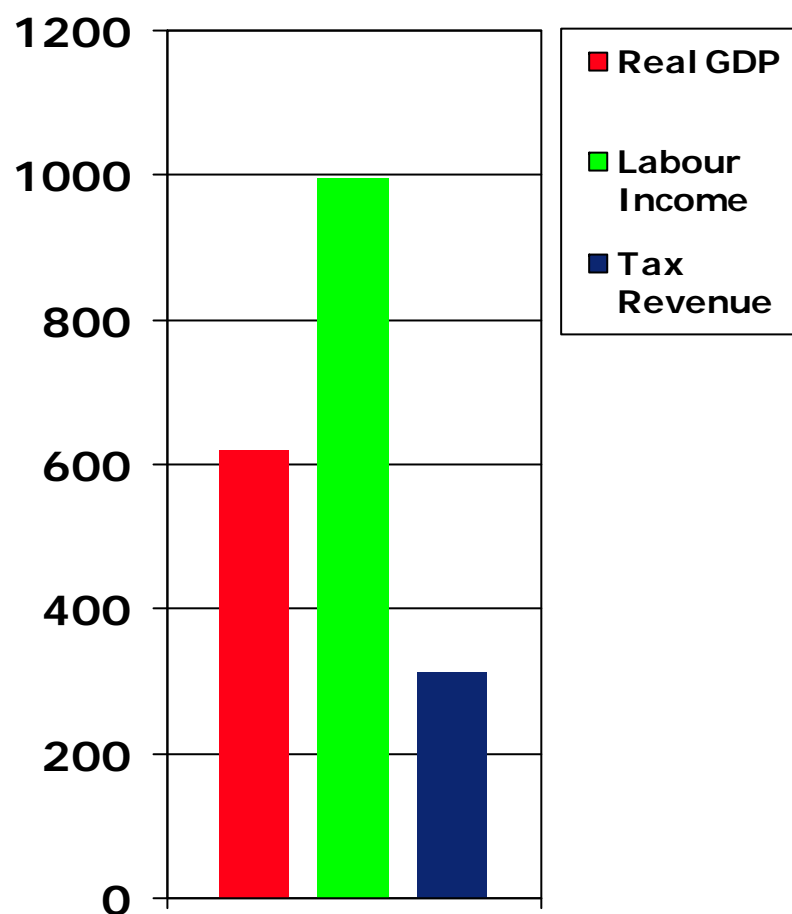
- CPG contributes \$216 million to Saskatchewan's real GDP through direct and indirect effects.
- CPG currently employs 2,223 workers in Saskatchewan. The Conference Board of Canada analysis estimates that CPG operations support an additional 1,861 jobs in the province for a total of 4,084 jobs.
- The employment impact combined with other CPG expenditures and investments generate \$327 million in labour income and \$107 million in tax revenues.

Alberta: Total Impacts



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\$million



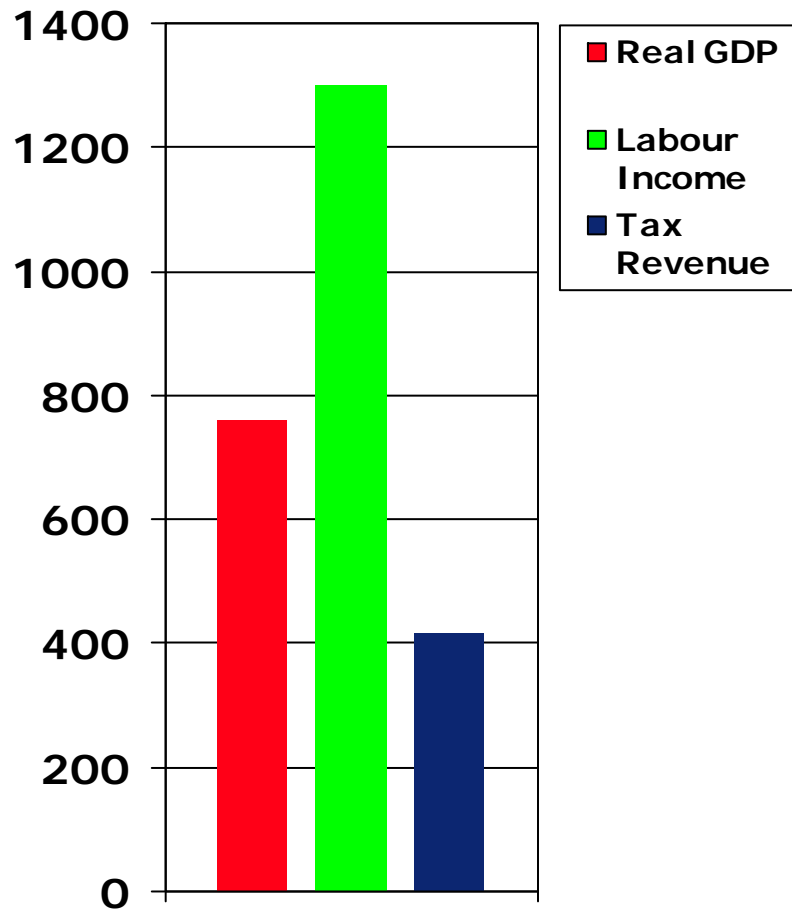
- CPG contributes about \$620 million to Alberta's real GDP through direct and indirect effects.
- CPG currently employs 6,901 workers in Alberta. The Conference Board of Canada analysis estimates that CPG operations support an additional 3,724 jobs in the province for a total of 10,625 jobs.
- The employment impact combined with other CPG expenditures and investments generate about \$995 million in labour income and \$311 million in tax revenues.

British Columbia: Total Impacts



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\$million

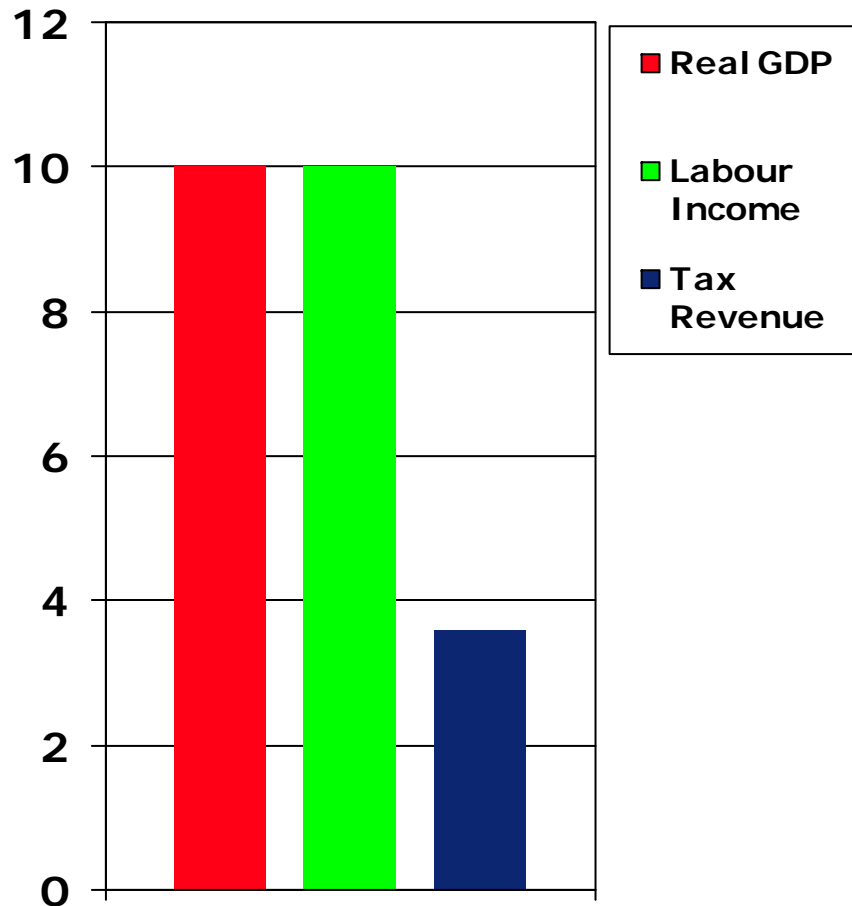


- CPG contributes more than \$760 million to British Columbia's real GDP through direct and indirect effects.
- CPG currently employs 8,227 workers in British Columbia. The Conference Board of Canada analysis estimates that CPG operations support an additional 6,651 jobs in the province for a total of 14,878 jobs.
- The employment impact combined with other CPG expenditures and investments generate \$1.3 billion in labour income and \$418 million in tax revenues.

Northern Canada: Total Impacts



\$million



- CPG contributes \$10 million to Northern Canada's (Yukon, Northwest Territories and Nunavut) real GDP through direct and indirect effects.
- CPG currently employs 118 workers in Northern Canada. The Conference Board of Canada analysis estimates that CPG operations support an additional 12 jobs in the northern regions for a total of 130 jobs.
- The employment impact combined with other CPG expenditures and investments generate \$10 million in labour income and \$3.6 million in tax revenues in Northern Canada.

Summary of Employment Impacts



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	Canada Post Group Employment	Indirect Employment	Total Employment Effect
Newfoundland and Labrador	1,170	1,168	2,338
Prince Edward Island	258	143	401
Nova Scotia	2,274	1,821	4,095
New Brunswick	2,039	992	3,031
Quebec	15,004	10,839	25,843
Ontario	30,987	15,952	46,939
Manitoba	2,665	2,053	4,718
Saskatchewan	2,223	1,861	4,084
Alberta	6,901	3,724	10,625
British Columbia	8,227	6,651	14,878
Northern Canada	118	12	130
CANADA	71,869	45,216	117,083



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