



Canadian Library Association Association
canadienne
des bibliothèques

Canada Post Corporation Strategic Review

Submission to the Review Panel

Presented by:

**The Canadian Library Association/
*Association canadienne des bibliothèques***

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**Submission to the Canada Post Corporation Strategic Review
from the Canadian Library Association/*Association canadienne des bibliothèques***

Executive Summary

The Canadian Library Association (CLA) is Canada's largest national broad-based library association, representing the interests of public, academic, school and special libraries, professional librarians and library workers, and all those concerned about enhancing the quality of life of Canadians through information and literacy.

CLA serves as the national voice for the Canadian library and information community on federal spending, taxation or public policy files. Among them are public policy issues related to literacy, access to information, privacy, economic development, and support for rural and remote communities.

Of specific interest to the Canada Post Corporation Strategic Review is CLA's work with CPC on the Library Book Rate. This submission discusses the Library Book Rate and its impacts on the lives of Canadians from coast-to-coast-to-coast, and asks the Review Panel to make a recommendation to the Minister for enhancements to the Library Book Rate.

Recommendation

CLA urges the Panel to include in its recommendations to the Minister of Transport, Infrastructure and Communities that the Minister encourage the Minister of Finance to include in federal Budgets the expenditure of a minimum of \$5 million per year from the Department of Transport, Infrastructure and Communities to Canada Post Corporation for the continuation and enhancement of the Library Book Rate.

**CPC Strategic Review
Submission from
Canadian Library Association/
*Association canadienne des bibliothèques***

The Canadian Library Association (CLA) is Canada's largest national broad-based library association, representing the interests of public, academic, school and special libraries, professional librarians and library workers, and all those concerned about enhancing the quality of life of Canadians through access to information, intellectual freedom and literacy.

Part of CLA's mission is to be a national voice for the Canadian library and information community on federal spending and public policy issues. Among them are public policy issues related to literacy, access to information, privacy, economic development, and support for rural and remote communities.

The national library community has benefited from a Canada Post Corporation (CPC) program since 1939, and thus CLA is extremely interested in the Strategic Review. Our goal in this submission is to remind the government of CPC's longstanding involvement in the public policy issues of literacy and access to information, and to encourage the government – as CPC's shareholder – to continue to recognize the importance of CPC's public policy role.

CLA's submission is based on the Guiding Principles of the Review:

- Canada Post will not be privatized and will remain a Crown corporation;
- Canada Post must maintain a universal, effective and economically viable postal service;
- Canada Post will continue to act as an instrument of public policy through the provision of postal services to Canadians; and
- Canada Post will continue to operate in a commercial environment and is expected to attain a realistic rate of return on equity.

Libraries, literacy and Canada Post Corporation

Literacy – the ability to absorb, understand and act upon information – is a critical skill in today’s society. It becomes even more important as Canada moves to being more of a knowledge economy.

Libraries have always played a role in improving literacy. Whether it be the small rural libraries created by Women’s Institutes, large edifices housing floors of bookshelves, or today’s and tomorrow’s digital versions, libraries are key to the preservation and dissemination of the world’s documentary heritage.

Access to and the distribution of information is a critical component of literacy, and is a key part of the role of CPC in Canada today. CPC distributes books, magazines, academic journals and multimedia content from libraries, publishers and booksellers to leisure readers, students and businesspeople across Canada. A strong publicly owned and controlled pan-Canadian distribution network like CPC has incalculable benefits for the country as a whole.

CLA welcomes the recognition that CPC has a role as an instrument of public policy through the delivery of postal services to Canadians.

Library Book Rate

One specific CPC service of great interest to the Canadian library and information community is the Library Book Rate, a Canada Post service since 1939. The Library Book Rate provides a reduced rate for mailing library books between libraries and from libraries to their users.

The benefit of this Rate for Canadians is enormous. With over 2,000 libraries actively using the Library Book Rate and an estimated one million Canadians benefiting from it annually, the Library Book Rate is an indispensable part of the service delivered by the public, academic, school and special libraries that make up our association.

This Rate supports and encourages information resource sharing in Canada. At relatively little cost, it acts as a bridge between all Canadians, including the disabled, the shut-ins, and residents in remote locations. It is also a way of creating a more literate

and knowing population, by helping out, for example, students enrolled in distance education programs or Canadians pursuing lifelong learning goals.

The Library Book Rate benefits Canadians by increasing their access to books they need in all aspects of their lives, whether the reason for reading the particular book is personal and professional development, or simply entertainment. The Book Rate gives Canadians, especially Canadians living in rural and remote areas, access to information they might not otherwise be able to afford.

Logistics of the Library Book Rate

To understand the rationale behind CLA's statements on the Library Book Rate, it is useful to have a basic understanding of how the Rate works. This is presented in Appendix A.

Library Book Rate Usage

Research has determined that the cost to Canada Post in fiscal year 2007 was approximately \$5 million. This was the cost of shipping about 638,000 parcels of books from the lending library to the recipient library and returning them back to the lending library. The average weight of a parcel was 1.29 kilograms (see Appendix B). The average parcel could have contained five or even more books, depending on the particular mix of books contained. If the assumption is made that the average parcel contained three books, it can be conservatively estimated that Canada Post shipped over 1.8 million books between libraries, and libraries and users, in 2007.

Canada Post's revenue was about \$700,000, so Canada Post subsidized the Rate by about \$4.3 million.

Provincial/ Territorial statistics

Usage of the Rate across Canada is affected by a number of variables. For example, since public libraries are major users, the structure of the public library system in the province or territory has an impact on usage in the jurisdiction. Appendix B contains charts that illustrate usage across Canada and by weight categories.

Request to the Strategic Review Panel

The Library Book Rate is not a formal program, and at this time the federal government does not compensate CPC for providing this service to Canadians.

Librarians across Canada continue to be concerned about the sustainability of this Rate, which contributes to the public policy goals of literacy, lifelong learning, inclusion, and vibrant communities. Testimonials received from librarians on the Library Book Rate indicate that if the program were discontinued, the following results would ensue:

1. It would severely reduce access to books for people living in rural and remote Canada;
2. It would 'disable' the level of service libraries provide, possibly forcing the program onto a cost-recovery basis, with patrons and distance learners having to bear the costs. Such user fees would discourage some patrons from making mail-based borrowing requests;
3. Smaller libraries would have to drop out of providing lending services and would only borrow materials;
4. It would deprive the rest of the country from being able to access the unique information resources often preserved in local libraries;
5. It would deny access to the homebound;
6. It would result, in brief, in a two-tier library service that would invalidate the concept of a common literary heritage that all Canadians have equal access to.

CLA asks the Strategic Review Panel to make a statement that the promotion of literacy through partnership with not-for-profit libraries is a valued aspect of CPC's public policy role, and to make a recommendation to the Minister that the federal government contract with Canada Post for the continuation of this service.

Specifically, CLA asks the Panel to consider recommending to the Minister that the Minister consider the contents of private member's bill C-458, which proposes putting into the *Canada Post Corporation Act* a reduced rate of postage for library materials.

Also, the Library Book Rate is currently restricted to bound books. More and more, library materials consist of CDs, DVDs, and other formats. CLA asks the Strategic Review Panel to make a statement that the promotion of literacy through library materials other than books is vital in today's world, and to make a recommendation to the Minister that the federal government change the *Canada Post Corporation Act* to

include as library materials non-book items such as CDs, DVDs and other audio-visual materials. Again, Bill C-458 can serve as a model.

Conclusion

The Library Book Rate, a Canada Post service since 1939, is an indispensable part of the service delivered by Canada's not-for-profit public, academic, school and special libraries, and advances the public policy goals of literacy, lifelong learning, inclusion, and vibrant rural and remote communities.

CLA asks the Review Panel to support the Library Book Rate, and to recommend to the Government of Canada that the government make the Rate sustainable by providing funding and legislative enhancements.

Appendix A -- Logistics of the Library Book Rate

To understand the rationale behind CLA's statements on the Library Book Rate, it is useful to have a basic understanding of how the Rate works.

The Rate is provided to not-for-profit libraries to lend books only. The Rate is a "two-way" rate: the postage paid covers both the shipping out and the return shipping. After a library has received a request for a book that it has in its collection, the library moves the book to the Inter-Library Loan (ILL) department. The ILL staff creates a package, weighs it, and produces a two-part shipping label via one of CPC's electronic shipping tools. The Return label is packed in the package, and the outward-bound label is used to make the initial shipment. The package is delivered to a postal outlet and is shipped by CPC to the borrowing library (or individual).

The cost of the postage is by weight, in one-kilogram increments up to five kilograms.

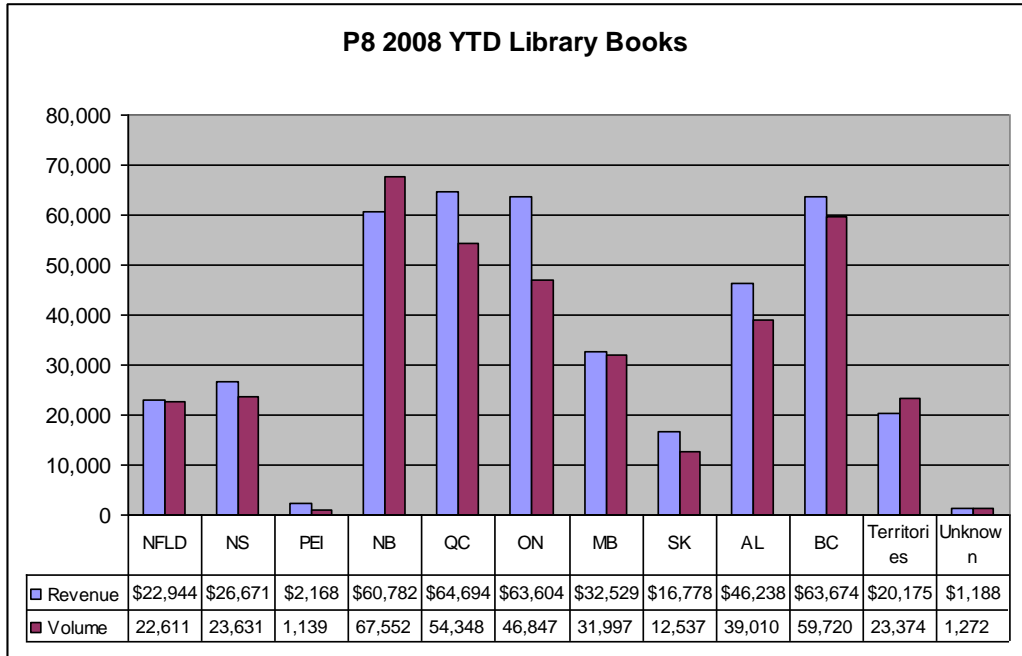
When the borrower has finished with the book, the borrower only has to re-pack the book, and use the previously created shipping label to mail it back.

Multiple books can be included in a package. Because of the use of return shipping labels, they must be returned all at the same time (the package should weigh the same). If not all the books are being returned at the same time, and thus the package does not weigh the same, the return package can weigh less than the original but not more. The borrower has to pay the postage to return any books not in the original return shipment, but since they are library books the borrower can use the Library Book Rate to return them.

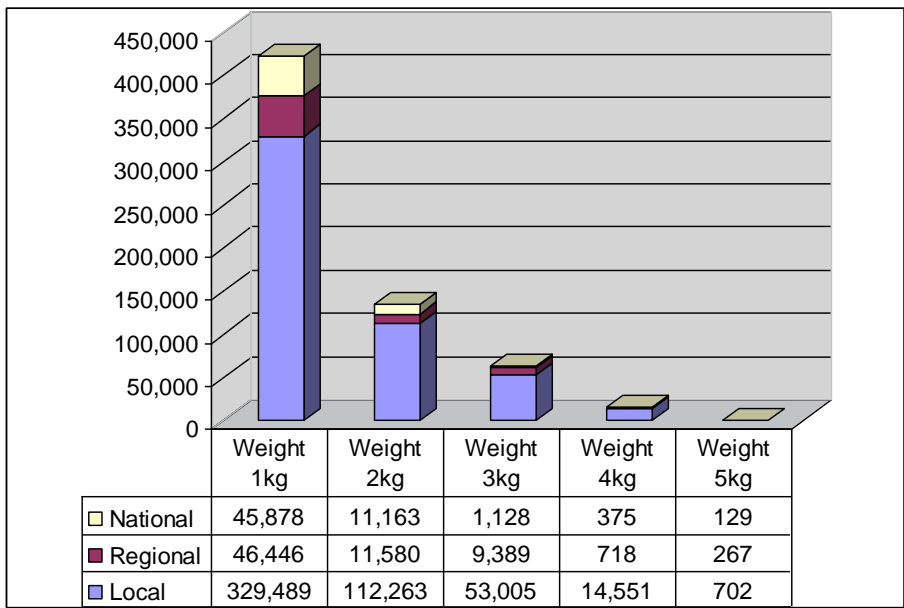
In the vast majority of cases, libraries with smaller collections are borrowing from libraries with larger collections. Since the lending library pays the postage, in effect the larger library is subsidizing the cost of service of the smaller library. In general, the lending libraries are in urban areas and the borrowing libraries are disproportionately (but not exclusively) in rural and remote areas. Thus, the Library Book Rate serves as support for the viability of smaller urban, rural and remote areas by giving Canadians in those regions equitable access to library books.

Appendix B – Library Book Rate Statistics

Usage by Province/Territory, 2008 Year-to-Date



Shipment Profile, 2007



Average Shipment Weight: 1.29 kg

Average Shipping fee paid: \$1.10