



Position Paper: Changes to Canada Post Postage Rates and Rural Mail Delivery

January 28, 2014

FEED NOVA SCOTIA is pleased to contribute to the discussion on Canada Post's impending postal increase and the elimination of daily, door-to-door mail delivery. We submit this document for consideration to raise our concerns as a non-profit organization, but also to help raise the concerns of the Nova Scotians we support, who often don't have a voice at the discussion table.

About FEED NOVA SCOTIA

FEED NOVA SCOTIA is a provincial, charitable organization that provides both food to survive, and opportunities to thrive in an effort to create healthy, flourishing communities. We distribute over 2 million kilograms of donated food each year to our network of over 150 member agency food banks and meal programs province-wide. Knowing this is only a short-term solution, we also focus heavily on tackling the root issues of hunger and poverty through advocacy, awareness, and support programs.

FEED NOVA SCOTIA operates a 24-hour, provincial Helpline service through which trained staff and volunteers provide supportive listening and help callers work through any challenges they are experiencing. We also operate a 16-week culinary and life skills training program called the Learning Kitchen, for individuals who face barriers to employment.

The impact on FEED NOVA SCOTIA

Canada Post's impending rate increases will significantly impact our organization in a number of ways:

- Passing price increases along to our donors is not a viable option. Instead, we will have to absorb price increases by using financial resources that could otherwise be used to support Nova Scotians struggling with hunger.
- We rely on first-class mail to deliver highly personalized communications, such as income tax receipts, and thank you letters. These types of mail are not eligible for the cheaper contract rates that are available through Canada Post's Admail program. Many of these mailings are not discretionary and are essential to our operation.
- A move to neighbourhood mail super boxes is also a cause for concern. A large portion of our operating funds is raised through direct mail appeals, and studies have shown that mail that goes to a group box has a slower and lower response rate than mail delivered to someone's door. We send approximately 150,000 pieces of mail during three direct mail appeals each year, and a drop in their success rates would be detrimental to our bottom line.
- As a registered charitable organization, we are required to issue a large number of official tax receipts each year. While electronic receipting is an attractive option, the technology required for such a switch comes with significant costs upfront that are not an option at this time. Also, a large contingent of our donors prefer to receive an income tax receipt in the mail, and we are obliged to respect their preferences. According to a 2011 survey conducted by Ipsos Reid on behalf of the AFP Foundation for Philanthropy, Canadians – by a margin of almost three to one – prefer charities to use paper rather than electronic communication. Charities who do not abide by the expressed preferences of their donors risk losing support and trust.