



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No 15.1.1.**  
**Halifax Regional Council**  
**December 12, 2023**

**TO:** Mayor Savage and Members of Halifax Regional Council

**SUBMITTED BY:** Original Signed

---

Cathie O'Toole, Chief Administrative Officer

**DATE:** November 15, 2023

**SUBJECT:** **Halifax Public Libraries Collection Investment**

---

**ORIGIN**

Feb 22, 2023 Halifax Regional Council (Item No. 15.3.2):

MOVED by Councillor Mancini, seconded by Councillor Morse

THAT Halifax Regional Council direct the Chief Administrative Officer (CAO) to provide a staff report to create a strategy to bring the Halifax Public Libraries collection to the national standard working with the Halifax Public Libraries Chief Executive Officer.

MOTION PUT AND PASSED UNANIMOUSLY.

Not present: Councillor Outhit

**LEGISLATIVE AUTHORITY**

*Halifax Regional Municipality Charter, S.N.S. 2008, c. 39 as amended*

**79** The Council shall adopt an operating budget and a capital budget for each fiscal year.

**79A(1)** Subject to subsections (2) to (4), the Municipality may only spend money for municipal purposes if,  
(a) the expenditure is included in the Municipality's operating budget or capital budget or is otherwise authorized by the Municipality,  
(b) the expenditure is in respect of an emergency under the Emergency Management Act; or  
(c) the expenditure is legally required to be paid.

**RECOMMENDATION**

It is recommended that Regional Council direct staff to plan and budget for increases to the Library material spending budget, based on Option 2 scenario described in this staff report.

**BACKGROUND**

In three out of the last four budget cycles, Halifax Public Libraries (the Library) has requested and been approved for additional funding through the Balance Adjustment List to cover the rising costs of library materials. The increase in population and rising cost of electronic resources and books was not factored into the budget required to deliver service and has been considered as an additional service enhancement.

Traditionally the Library has spent at or below the national median on library materials (books, dvds, audiobooks, ebooks, etc) per capita compared to other urban library systems. In addition the Library has higher than average use of library material.

Over the last several years the Library has requested additional funds from council to support the purchase of library material. In addition during COVID-19 the Library redirected any savings from periods of closure into the collection budget.

|      |                             |                                      |  |  | NATIONAL COMPARISONS  |  |
|------|-----------------------------|--------------------------------------|--|--|---|--|
|      | HPL Library Material Budget | HPL Library Material Actual Spending | HPL Library Material Budget per capita | HPL Actual Library Material Spending per capita <sup>1</sup> | CULC Median Library Material Spending per capita <sup>2</sup> | Median Ontario Library Material Spending per capita <sup>3</sup> |
| 2017 | 2,075,500.00                | 2,143,167.00                         | 4.92                                   | 5.08   | 5.74  | 5.57   |
| 2018 | 2,075,500.00                | 2,399,002.00                         | 4.82                                   | 5.57   | 5.65  | 5.68   |
| 2019 | 1,946,500.00                | 2,344,716.00                         | 4.42                                   | 5.32   | 5.7   | 5.74   |
| 2020 | 2,444,700.00                | 2,752,695.00                         | 5.55                                   | 6.25   | 6.75  | 5.91   |
| 2021 | 2,296,500.00                | 3,327,376.00                         | 5.12                                   | 7.42   | 6.19  | 6.15   |
| 2022 | 2,496,500.00                | 2,733,884.00                         | 5.43                                   | 5.94   | 6.91  | 6.26   |
| 2023 | 2,796,500.00                |                                      | 5.82                                   |  |   |  |

<sup>1</sup> Actual spending from operating budget. The Library redirects savings achieved in other areas to support purchasing additional materials for the collection.

<sup>2</sup> Canadian Urban Libraries Council (CULC) median spending on library material per capita collected through the annual survey of membership.

<sup>3</sup> Median of Ontario Public Libraries material spending per capita. Only library systems serving populations greater than 100,000 are included in the median. From the annual survey of Ontario Public Libraries.

For example, in 2019 the Canadian Urban Library Council (CULC) library material spending per capita was 5.70 and Halifax Public Libraries' material spending per capita budget was 4.42. With additional investment from the Balance Adjustment List and some redirection of library operating funds, the Library's actual material spending per capita was 5.32 which was an improvement but still below the 5.7 CULC median for 2019.

The demand for e-books and e-audiobook loans has increased 110% over the past 5 years, and it is anticipated that demand will continue to grow. E-books and audiobooks currently comprise 32% of all items loaned from the Library, up from 21% in 2019. This is a compounded challenge, as it is substantially more expensive to procure e-resources compared to traditional books. In addition, the cost of e-resources can be multiple times more than the physical copy of the same book. For example, The Island of Missing Trees by Elif Shafak costs \$21.46 for the physical copy, \$80.46 for the e-book, and \$183.03 for the audiobook.

While the cost of e-resources is more expensive it provides enhanced accessibility to many in our communities. E-books and digital resources are the core of our accessible collections. E-collections should expand not only to meet user interest and preferences, but also to extend collection access to rural residents, to visually impaired community members, those with dyslexia and other print disabilities, with cognitive or hearing disabilities, and who face other challenges in accessing print & physical library resources. The digital collections have features that print books do not: dyslexic-friendly fonts, screen reader compatibility, zoom features & adjustable text sizing, adjustable play back speed (so individuals can play audiobooks at a lower or higher speed), colour adjusting and dark mode, keyboard shortcuts, and

more.

**DISCUSSION**

**Reaching the National Median**

**Option 1 – Reaching the National Median in one budget year.**

A one-time base adjustment of \$692,355 to the library materials budget in 2024/25 would bring the Library material spending to the 2022 CULC median in one year. This amount includes a one-time adjustment to reach 6.91 spending per capita, plus an adjustment assuming a 2% population increase, and a 3% increase in library material costs.

In order to maintain the national standard, each subsequent year the collection budget would need to be adjusted to account for estimated population growth and anticipated material costs. The table below illustrates the additional funds required based on 2% population growth and 3% inflation on library materials.

|      | Library Material Budget | Change from previous year | Δ%  |
|------|-------------------------|---------------------------|-----|
| 2023 | \$ 2,796,500            |                           |     |
| 2024 | \$ 3,488,855            | \$ 692,355                | 25% |
| 2025 | \$ 3,665,391            | \$ 176,536                | 5%  |
| 2026 | \$ 3,850,860            | \$ 185,469                | 5%  |
| 2027 | \$ 4,045,714            | \$ 194,854                | 5%  |
| 2028 | \$ 4,250,427            | \$ 204,713                | 5%  |

**Option 2 – Reaching the National Median over five budget years.**

Another option would be to spread reaching the 2022 CULC median spending on library material over five years. In this option an additional \$290,785 per year in each of the five years would be required. The table below illustrates the funding requirements based on a 2% population increase and 3% inflation on library materials.

|      | Library Material Budget | Change from previous year | Δ%  |
|------|-------------------------|---------------------------|-----|
| 2023 | \$ 2,796,500            |                           |     |
| 2024 | \$ 3,087,285            | \$ 290,785                | 10% |
| 2025 | \$ 3,378,071            | \$ 290,785                | 9%  |
| 2026 | \$ 3,668,856            | \$ 290,785                | 9%  |
| 2027 | \$ 3,959,641            | \$ 290,785                | 8%  |
| 2028 | \$ 4,250,427            | \$ 290,785                | 7%  |

**Option 3 - Maintaining current service levels**

In order to maintain current service levels and ensure that library material spending does not fall further from the CULC median spending per capita the library materials budget must be adjusted to account for

population growth and anticipated inflationary costs. The following table illustrates the additional investment required to maintain current library spending per capita assuming a 2% population growth and a 3% inflation rate.

|      | <b>Library Material Budget</b> | <b>Change from previous year</b> | <b>Δ%</b> |
|------|--------------------------------|----------------------------------|-----------|
| 2023 | \$ 2,796,500                   |                                  |           |
| 2024 | \$ 2,938,515                   | \$ 142,015                       | 5%        |
| 2025 | \$ 3,087,204                   | \$ 148,689                       | 5%        |
| 2026 | \$ 3,243,416                   | \$ 156,213                       | 5%        |
| 2027 | \$ 3,407,533                   | \$ 164,117                       | 5%        |
| 2028 | \$ 3,579,954                   | \$ 172,421                       | 5%        |

The recommended option is Option 2, reaching the 2022 CULC median spending per capita over 5 years. This option builds in adjustments for modest population increases and inflation costs. This option will allow the library to address customer demand and provide comparable service to other urban libraries in Canada. However, if population growth continues at higher than 2% and inflation costs are higher than the anticipated 3% the library may not be able to keep pace with community demand and reach the CULC median spending.

**FINANCIAL IMPLICATIONS**

Based on Council approving option 2, the table below outlines a total budget increase of \$1,453,925 over five years. This would result in an increase of \$ 290,785 in each of next five years which would result in an estimated average residential bill increased of \$1.02 in each fiscal year as outlined below.

| <b>Fiscal Year</b>               | <b>2024/25</b> | <b>2025/26</b> | <b>2026/27</b> | <b>2027/28</b> | <b>2028/29</b> |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|
| Material Budget                  | \$3,087,285    | \$3,378,071    | \$3,668,856    | \$3,959,641    | \$4,250,427    |
| Budget Increase                  | \$290,785      | \$290,785      | \$290,785      | \$290,785      | \$290,785      |
| Avg residential tax bill impact* | \$1.02         | \$1.02         | \$1.02         | \$1.02         | \$1.02         |

\*Future years average tax bill impact is based on 2023/24 rates.

**RISK CONSIDERATION**

No risk considerations were identified.

**COMMUNITY ENGAGEMENT**

No community engagement was required.

**ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

**ALTERNATIVES**

1. Regional Council could choose to direct the CAO to adjust the Halifax Public Libraries budget based on Option 1 scenario as described in this staff report.
2. Regional Council could choose to direct the CAO to adjust the Halifax Public Libraries budget based on Option 3 scenario as described in this staff report.

**ATTACHMENTS**

N/A

---

A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Asa Kachan, CEO Halifax Public Libraries, 902.490.3991

---