Government of Canada Gouvernement du Canada

# Canadians' Views on Canada Post Services

*Summary*

## Prepared for Public Services and Procurement Canada

**Supplier: EKOS RESEARCH ASSOCIATES INC.**

**Contract Number:** EP363-222457/001/CY

**Contract Value:** $144,182.09

**Award Date:** March 14, 2022

**Delivery Date:** September 13, 2022

**Registration Number:** POR 133-21

For more information on this report, please contact Public Services and Procurement Canada at TPSGC.PORCoordComm-ROPCoordComm.PWGSC@tpsgc-pwgsc.gc.ca

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Canada

# Canadians' View on Canada Post Services

**Survey Findings Report**

**Prepared for** Public Services and Procurement Canada
**Supplier name:** EKOS RESEARCH ASSOCIATES INC.
**Date:** September 2022

This public opinion research report presents the results of an online survey conducted by EKOS Research Associates Inc. on behalf of Public Services and Procurement Canada. The research study was conducted with 3,433 Canadians between April 15 and 30, 2022.

Cette publication est aussi disponible en français sous le titre *Points de vue des Canadiens sur les services de Postes Canada.*



**Catalogue Number:** P4-108/3-2022E-PDF

**International Standard Book Number (ISBN):** 978-0-660-44719-3

**Related publications** (registration number: POR 133-21)

French Catalogue Number: P4-108/3-2022F-PDF
French ISBN: 978-0-660-44720-9

# SUMMARY

## A. BACKGROUND AND OBJECTIVES

The Canadian Postal Service Charter describes the Government of Canada's expectations regarding Canada Post's service standards and related activities in providing postal services that ensure these remain universal, affordable, reliable, convenient, secure and responsive to the needs of consumers in Canada. The Government has committed to review the Canadian Postal Service Charter (established in 2009) every five (5) years to assess the need to adapt the Charter to changing requirements. In 2018, the government affirmed that Canada Post is expected to continue to meet the expectations laid out in the Charter.

This research is intended to capture the views of Canadians about the mail and their current expectations of Canada Post, especially in the wake of the COVID-19 pandemic, and Canada Post's ongoing financial losses, in order to ensure that the evolution of this important public institution reflects their understanding of "quality service that Canadians can afford."

This research will help the Government of Canada to better understand Canadians' opinion of how Canada Post serves them today and how they wish to be served into the future to ensure that Canada Post services, and in particular the Service Charter, continue to meet the needs of Canadians.

### *Objectives*

The research addresses:

- Current service delivery method and usage of postal services;
- Change in use of postal services, particularly in light of COVID-19;
- Perception of services and key service priorities;
- Understanding of the CPC funding shortfall and operations[1];
- Acceptance of change in postal delivery service;
- Perception of CPC brand, role in community and attachment;
- Examination of possible new business lines; and,
- Support for providing government funding to Canada Post in lieu of price increases/service reductions/job reductions.

[1] The operations of the Canada Post Group of Companies are funded by the revenue generated by the sale of its products and services, not taxpayer dollars. Canada Post recorded a loss before tax of $779 million in 2020, was the third consecutive year of losses reported at Canada Post, even while delivering record-high Domestic Parcels volumes. Canada Post is forecasting ongoing losses into the future.

# B. METHODOLOGY

The survey is comprised of 3,433 completed cases of Canadians, 18 years of age and older, including oversamples among Canadians living in British Columbia (555), the Atlantic provinces (100 or more in each: 663 in total), and the territories (104), as well as in rural areas outside of the territories (869). Also targeted were autonomous seniors[2] (948), those with a physical mobility limitation (515), individuals identifying as a visible minority (446), Indigenous (255) or a member of the LGBTQ2+ community (254).

The survey sample was randomly selected from the *Probit* panel, which is assembled using a random digit dial (RDD) process for sampling from a blended land-line cell-phone frame, which provides full coverage of Canadians with telephone access. As such, this panel is considered to be representative of the general public in Canada and margins of error can be applied. Fifteen percent of cases were collected by trained, bilingual interviewers, while the majority were collected through online self-administration.

The survey was administered in April 2022, with an average length of 15 minutes online (23 minutes by telephone) and a response rate of 25%. Details on the rate of participation can be found in Appendix A and the questionnaire is provided in Appendix B.

This randomly recruited probability sample carries with it a margin of error of +/-1.7% at a 95% confidence interval. Results are weighted to population proportions for region and type of community (urban/rural), age, and gender, and for those who are a visible minority or a member of the LGBTQ2+ community. Chi-square tests were used to compare subgroups to the remaining sample (e.g., Ontario vs. the rest of Canada; women vs. men).

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[2] Defined as those 60 or older with no physical mobility limitation.

# C. Key Findings

Below is a selected summary of findings. For further information, please refer to the Detailed Findings section of this report.

***Postal Services Received***

- Nearly equal proportions of Canadians receive their regular home mail at their door (35%) or in a community mailbox (31%). About one in five (21%) reported that they receive their mail in a centralized box in their apartment or condo. Fewer receive their mail in a rural mailbox at the side of the road (7%) or in a postal box at a post office or retail outlet (6%).
- Most Canadians (70%) reported living within 2.5 kilometres of the nearest post office. Just under one in five (17%) live between 2.5 and 5 kilometres of a post office. Fewer (9%) live between 5 and 15 kilometres, and 2% live a farther distance from a post office.
- About three in four Canadians send parcels or personal correspondence (76%), although the vast majority do so a few times a year. Personal correspondence is sent by 16% of Canadians on a monthly (12%) or daily (4%) basis. Few people pay their bills by mail; 76% never do and 16% do so a few times a year.
- Few Canadians report frequent use of postal services. Close to half or more never use postal services except to purchase stamps and collect and send parcels. While eight in ten Canadians picked up a parcel in the past year, 66% did so a few times over the year: 10% did so weekly or monthly. About three in four Canadians said they have bought stamps (72%) or picked up a parcel (76%), however, most did so more than a few times in the past year. Two in three Canadians have sent a parcel to friends or family in the past year (64%), although 61% did so a few times. Half have bought postage supplies at the post office a few times. About half returned an item purchased online (50%) or sent registered mail (44%), although very few did so more than a few times in the past year. Financial services were accessed by 5% of Canadians a few times in the past year, although this is higher among certain segments (visible minorities, those born outside of Canada, Indigenous Peoples).
- The majority of Canadians (66%) said they would probably (42%) or certainly (24%) be interested in using government services at their local post office like those offered at Service Canada outlets. Interest is lower in terms of becoming a client of Canada Post banking services, with one in five (19%) indicating they would probably (14%) or certainly (5%) use these.
- One in five Canadians (22%) changed the way in which they use Canada Post's services as a result of the COVID-19 pandemic. Most (83%) said they ordered parcels online more (57% did so a lot more). Nearly four in ten (39%) said they sent more parcels to friends and family, and 24% sent more letter mail during the pandemic.

### *Satisfaction and Perceptions*

- Most Canadians (83%) are satisfied with the overall services offered by Canada Post, although this is lower than found in 2016 (91%). Satisfaction is also high in terms of the frequency of mail delivery (87%; 91% in 2016) and where they get their mail (85%; 88% in 2016). About three in four Canadians are satisfied with the delivery of parcels by Canada Post (79%; on par with 81% in 2016) and the speed of delivery of their mail (75%; lower than the 85% in 2016).
- Door-to-door mail delivery is considered by 92% to be essential for the elderly or people with mobility or health issues. Over eight in ten (84%) agree that it does not matter to them if a post office is a franchise in a pharmacy or a grocery store, or if it is owned and operated by Canada Post, as long as the prices and services are the same. Under half (43%) agree that that they would not notice if letter mail took twice as long to arrive, which is similar to the 44% reported in 2016, but a slight majority (56%) said they would notice, as was the case in 2016.
- Canadians are divided in their view of whether or not stamps are undervalued at the price of $1.07 (or $0.92 in a bulk purchase). In fact, equal proportions agree (42%) and disagree (42%) and just over one in four hold a strong view that stamps are (12%) or are not (15%) undervalued.
- Canadians are more amenable to a price increase for stamps if the delivery requires a longer distance. In fact, 27% are willing to pay up to $2.00 for delivery of a letter across the country, although 22% are not open to an increase. When it comes to delivery within one's city or town, 65% are not open to an increase, although 14% are willing to pay $1.25, and 13% are willing to pay $1.50 or more.

### *Financial Models*

- 73% of Canadians agree with federal government funding to maintain current service and 27% prefer services levels based on revenues.
- Canadians are amenable to government subsidies to address financial overruns, particularly in more costly rural and remote locations (76% supports). They are also supportive of less expensive franchise ownership models (75% supports).
- 64% of Canadians support a reduced frequency of letter delivery, and about the same level of support exists for parcel lockers. There is slightly less, but still majority support for a $0.25 increase in stamp prices (60%).
- There is significant support for:
    - subsidizing postal services
    - leveraging less expensive franchise ownership models to replace corporate post offices owned and operated by Canada Post
    - reduced letter mail delivery service
    - parcel lockers
    - an increase in the price of stamps.

- When it comes to ending door-to-door delivery for everyone but the elderly and those with mobility issues, Canadians are divided, with nearly as many who oppose it as support it (55% are supportive; 29% strongly, while 43% oppose it; 26% strongly).
  - Opposition is more concentrated among those who currently receive delivery to the door (62% opposition), while those who are served by community mailboxes support this initiative (77% support).
- The majority of Canadians somewhat (19%) or strongly (35%) oppose the idea of converting their door-to-door mail and parcel delivery to community mailboxes with parcel lockers, even when presented with the caveat that the change would allow for secure delivery and prevent parcel theft.
- As with support for an overall reduction in letter mail delivery, 66% agree with delivery on fewer than five days per week.
- There is a significant divide among Canadians about whether everyone should shoulder the same cost for parcel delivery. Although half agree, 44% disagree.
- Overall, 45% of Canadians are willing to travel somewhat farther than they do now to go to the post office, although 49% are not. The large majority of those willing to travel farther currently live within 2.5 kms of their local post office and are willing to travel between 2.5 kms and 5 kms.

### *Rural Post Offices and Rural Points of View*

- Among rural residents, 49% said the cost of shipping poses at least a moderate challenge. Related to this, support for everyone shouldering the same cost for parcel delivery is stronger among rural residents compared with other Canadians.
- About one in four to one in five see the hours of postal office operation (27%), and delivery times for parcels (25%) or mail (20%) as a moderate or greater challenge, as is the case for distance to the post office for 18%. Fewer (14%) view the location of post offices relative to other stores and services as a challenge.
- As suggested in earlier results, 77% of Canadians agree with allowing rural post offices to be replaced with a less expensive franchise model; support is lower amongst rural respondents (61%), but still a strong majority. Similarly, Canadians generally agree with updating the list of locations that are truly rural to ensure protection of only those post offices (76%). Canadians do not agree, however, that all controls should be removed when considering post office closures, where 60% disagree (31% strongly).
- Among six options presented to rural residents to improve reach, support is significant when it comes to providing access to other government services within rural post offices (89%) and creating service hubs where rural post offices are placed with other local businesses (85%). There is less support with regard to providing access to financial services within rural post offices (73%).
- Over half of rural residents support combining small rural post offices in adjacent geographical areas, including enhanced locker service (58%), or support extending hours of

operation to improve reach (56%). Rural residents are divided in their view about the need for more post offices, with equal numbers supporting (44%) or opposing (43%) the idea, although most do not hold strong views. In addition, 69% of rural residents oppose reducing the number of post offices as a means to reduce losses at Canada Post.

# D. Note to Readers

Detailed findings are presented in the sections that follow. Overall results are presented in the main portion of the narrative and are typically supported by graphic or tabular presentation of results. Results for the proportion of respondents in the sample who either said “don’t know” or did not provide a response may not be indicated in the graphic representation of the results in all cases, particularly where they are not sizable (e.g., 5% or less). Results may also not total to 100% due to rounding. In some questions, results are compared with a survey of 2,246 Canadians conducted in 2016.

Bulleted text is also used to point out any statistically and substantively significant differences between sub-groups of respondents. Key demographic patterns of interest are described throughout the report. Only differences that are statistically and substantively different (e.g., five percentage points from the overall mean) are presented.

Details of the methodology and sample characteristics can be found in Appendix A. The programmed survey instrument can be found in Appendix B.

# E. Political Neutrality Certification

I hereby certify as Senior Officer of EKOS Research Associates Inc. that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Communications Policy of the Government of Canada and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leaders.

Signed by:

Susan Galley (Vice President)