



# The Economic and Social Value of London Public Library

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*Brightsail Research is a boutique consulting firm dedicated to improving society through libraries.*

*We work with libraries across North America to help them clarify their goals and empower them to use data to inform decision-making, support advocacy, and communicate impact.*

*We value and believe that libraries are an essential public good and have an important role in sustaining democracy.*

*Our core values – professionalism, social responsibility, and accountability – informs our professional practice.*

*We are committed to building evaluation capacity in the library sector and encourage libraries to integrate program evaluation processes into daily practice. To this end, we provide clients with the tools and training to “connect the dots” between library activities and community outcomes.*

*The land on which Brightsail Research has its headquarters in Toronto, Canada has, for thousands of years, been the traditional land of the Huron-Wendat, the Seneca, and most recently, the Mississaugas of the Credit River. Today, this meeting place is still the home to many Indigenous people from across Turtle Island and we are grateful to have the opportunity to work on this land.*



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# Introduction

Public libraries continue to be asked to demonstrate their economic value, and to demonstrate efficiency with public resources. It is not a uniquely Canadian condition; in her bibliography of international library impact studies, Roswitha Poll (Poll, 2018) lists 140 studies assessing the financial value of libraries.

The results of the London Public Library's (LPL) economic and social impact study demonstrates that the programs and services provided by LPL deliver a strong Return on Investment (ROI) and make a significant social contribution to the City of London.

## Methodology

This study uses two methodologies to measure the economic and social contributions LPL makes to the City of London.

### Economic Impact

The economic impact of LPL is calculated using cost-benefit analysis (CBA), which shows whether the benefits of an activity exceed its costs. The CBA approach is used extensively in North America to determine "value-for-money" and (ROI) in public expenditures for many public sectors, including education, healthcare, and libraries.

Total economic impact is the sum of 3 elements:

- 1. Direct Benefits**

Direct benefits are activities that accrue to an individual or organization and can be reliably estimated. This analysis measures the monetary value of library programs and services – including collections use, programs, reference & database services, technology use, and space use – against the market cost of replacement for those services. For each program and service, usage data provided by LPL were multiplied by conservative market values for comparable programs and services provided by other organizations.

- 2. Direct Spending**

Direct spending is the money allocated to the institution and then spent for operations, capital, materials, and wages.

- 3. Indirect Benefits**

Indirect benefits are the result of multiplier effects on direct spending; for example, a dollar paid to a contractor for a branch renovation is re-spent in the community, and so on. The single dollar creates additional benefits across the community. Economic multipliers are used to calculate the indirect effects of expenditures on the economy. National and provincial multipliers from Statistics Canada range from 1.4 to 2.0.

Taken together, these three elements provide an estimate of the total impact on the economy.

## **Return on Investment**

Return on Investment (ROI) is calculated by taking the total economic benefits – the sum of direct benefits and indirect benefits – to the City of London and dividing them by the cost to provide the service (direct spending).

## **Social Impact**

Measuring the value of library programs and services in economic terms only tells part of the story. Public libraries are committed to improving the quality of life in their communities by delivering programs and services that support multiple kinds of literacy, life-long learning, and foster community engagement and participation.

Measuring social impact requires using a framework to provide structure for setting targets and measure progress towards those targets. This study uses two authoritative social impact frameworks to demonstrate how LPL contributes to making London a better place for residents.

## **Strategic Alignment Framework**

At the local level, public libraries demonstrate their social value by showing how library activities contribute to the goals of the governments they belong to. Demonstrating the connection between library activities and municipal goals can improve the library-municipality relationship and build advocacy with government stakeholders.

## **United Nations Sustainable Development Goals Framework**

The United Nations Sustainable Development Goals (UN SDGs) were designed by the United Nations to be a “blueprint to achieve a better and more sustainable future for all” (United Nations, 2022). The 17 UN SDGs were adopted by all United Nations Member States – including Canada – in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030.

A recently released [report](#) (Government of Canada, 2023) by the Canadian Government addressing their commitment to advancing the UN SDGs states that public libraries “are integral to a vibrant democracy, a strong economy and thriving communities” (Government of Canada, 2023, p. 72).

Brightsail Research collaborated with LPL over a five-month period to gather and analyze data and information on budgets, spending, meeting room use, and on the volume of programs and services provided by LPL to the residents of London. LPL provided data, including performance measurements that are publicly reported annually, as well as additional information gathered specifically for this report. All data are from 2022.

## **The Value of Collections**

Some library economic value studies apply a 20% discount to the value of collections to account for the difference between borrowing and owning an item. Other studies do not apply this discount since the borrower is receiving 100% of the value of the item during the lending period. This study uses 100% of collection value.

## Calculating Indirect Benefits

Economic multipliers are used to calculate the indirect effects of expenditures on the economy. National and provincial multipliers from Statistics Canada range from 1.4 to 2.0. This study uses a multiplier of 2.0 to calculate the indirect benefits.

## Findings

### Total Economic Impact

LPL created over \$153.5 million in total economic impact in 2022.

#### Direct Benefits

Collection Use	\$70,738,933
Programs	\$1,540,242
Space Use	\$257,185
Reference Services	\$8,613,585
Technology Access	\$1,349,729
<b>Total Direct Benefits</b>	<b>\$82,499,673</b>

#### Direct Spending

Operations	\$5,193,729
Capital	\$473,877
Employment	\$15,426,501
Materials	\$2,597,314
<b>Total Direct Spending</b>	<b>\$23,691,421</b>

#### Indirect Benefits

	2.0 Multiplier
Operations	\$10,387,458
Capital	\$947,754
Employment	\$30,853,002
Materials	\$5,194,628
<b>Total Indirect Benefits</b>	<b>\$47,382,842</b>

**Total Economic Impact** **\$153,573,936**

**Impact per Dollar Spent** **\$6.48**

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**Total Benefits****\$129,882,515**

This study uses 100% of collection value and a multiplier of 2.0 to calculate indirect benefits.

## Return on Investment

Every \$1 invested in LPL produces \$6.48 of economic value.

Element	Value
Direct Benefits	\$82,499,673
Direct Spending	\$23,691,421
Indirect Benefits	\$47,382,842
<b>Total Economic Benefit</b>	<b>\$153,573,936</b>
Library Direct Spending, 2022	\$23,691,421
<b>Return on Investment</b>	<b>\$6.48</b>

## Economic Benefit per Resident, per Household, and per Cardholder

LPL delivers value at multiple levels:

- \$364 per resident
- \$681 per household
- \$850 per cardholder

## LPL's Economic Impact Compares Favourably

Library	Study Year	Census Population	# Branches	Return on \$1 Invested
Ottawa Public Library	2016	883,391	33	\$5.17
Newmarket Public Library	2016	79,978	1	\$7.85
Markham Public Library	2017	301,709	8	\$5.97
Bradford West Gwillimbury	2018	35,325	1	\$4.65
Woodstock Public Library	2018	40,404	1	\$7.20
Innisfil ideaLAB & Library	2023	45,537	3	\$5.44
<b>London Public Library</b>	<b>2023</b>	<b>422,324</b>	<b>16</b>	<b>\$6.48</b>

## Economic Value: Direct Benefits

This study analysed the five main categories of LPL programs and services:

- Collection Use – Books, periodicals, audio books, CDs, DVDs, digital materials, accessible resources.
- Programs – For children, teens, adults, and seniors to support literacy, culture, workforce development, and lifelong learning.
- Space – Used by the community for meetings and collaboration and by community partners for service delivery.
- Reference & Database Services – To support career development, eLearning, personal research, and business development.
- Technology – Access to computer technology and the Internet to support career development, eLearning, personal research, and business development.

LPL's programs and services delivered an economic benefit of \$82,499,673 in 2022.

<b>Collection Use</b>	<b>Volume</b>	<b>Total Value</b>
Circulation	3,813,464	\$65,225,655
Other Physical Items	4,349	\$337,773
In-House Materials Usage	130,416	\$3,093,468
ILLO	3,758	\$89,140
Physical Holds Delivered	664,299	\$1,992,897
<b>TOTAL COLLECTION USE</b>	<b>4,616,286</b>	<b>\$70,738,933</b>
<b>Programs</b>	<b># of Attendees</b>	<b>Total Value</b>
All Programs	112,963	\$1,501,351
Visiting Library Service (# of visits)	5,313	\$38,891
<b>TOTAL PROGRAMS</b>	<b>112,963</b>	<b>\$1,540,242</b>
<b>Space Use</b>	<b># of Uses</b>	<b>Total Value</b>
Total Space Usage + Partner Usage	9,487	\$257,185
<b>TOTAL SPACE USE</b>	<b>9,487</b>	<b>\$257,185</b>
<b>Reference Services</b>	<b>#</b>	<b>Total Value</b>
Total Reference Queries	221,494	\$3,322,410
Number of Searches in Licensed Databases	211,647	\$5,291,175
<b>TOTAL REFERENCE SERVICES</b>	<b>221,494</b>	<b>\$8,613,585</b>
<b>Technology Access</b>	<b># of sessions</b>	<b>Total Value</b>
Total Workstation, Wi-Fi, & Accessible Resource Use	526,673	\$1,349,729
<b>TOTAL TECHNOLOGY ACCESS</b>	<b>526,673</b>	<b>\$1,349,729</b>
<b>Total Direct Benefits</b>		<b>\$82,499,673</b>



## **Collection Use**

Market values for circulated items are derived from retail prices sourced from Amazon.ca and Indigo Books & Music. Since items range in price depending on format and audience, conservative values are used. This study uses 100% of collection value.

Circulated items delivered an economic benefit of \$70,738,933 in 2022.

## **Programs**

Market values for programs are derived from comparable programs offered in London. When items had a price range, the conservative value is used.

Programs delivered an economic benefit of \$1,501,351 in 2022.

## **Visiting Library Service**

LPL provides library services to residents of the City of London who, due to having restricted mobility, a physical or visual disability, or long-term illness, are unable to visit the library in-person. The market value of a VLS visit is calculated based on the mileage cost of \$.61 per km<sup>1</sup> for a single 12km trip from London Central Library to Ashwood Manor.

The Visiting Library Service delivered an economic benefit of \$38,891 in 2022.

## **Space Use**

Community groups and individuals use LPL's meeting and study space to gather, conduct business, and study. In addition, a wide range of local and regional community services depend on partnerships with the library to deliver their services. Some partners pay the rental fee posted on the library website, some pay a reduced fee, and some use the space free of charge.

In 2022, local and regional community partners used LPL's meeting spaces 9,487 times, a value of \$257,185.

## **Reference Services & Database Use**

LPL staff provide expert research and reference services on-site, by email and over the phone. For the purposes of valuating the average reference question, assume each question requires 10 minutes to understand, research, and provide the answer, equal to a value of \$15.

The value of licensed reference databases is based on the consumer pricing posted on these services' websites for annual subscriptions. The value of \$25 per search is consistent with comparable studies consulted for this report.

Reference services and database use provided an economic benefit of \$8,613,585 in 2022.

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<sup>1</sup> The Canada Revenue Agency's (CRA) reasonable allowance rate for 2022 is \$.61 per km.

## Technology Access

In 2022, LPL visitors logged a total of 164,470 computer workstation sessions and 360,071 wi-fi sessions, with each session lasting just under one hour. Based on the cost of a cup of coffee in a local café with Internet access, assume a market value of \$2.50 per hour.

LPL also offers assistive technology and accessible computers with specialized software and hardware. In 2022, visitors logged 2,132 sessions using accessible and assistive technology.

Technology access provided an economic benefit of \$1,349,729 in 2022.

## Economic Value: Direct Spending and Indirect Benefits

The economic impact of an institution is the sum of the direct and indirect benefits generated in the economy as a result of the institution's activities. Direct spending includes items such as institutional spending and wages, which directly affect the local economy. Indirect benefits, also known as the multiplier effect, include the re-spending of dollars within the local economy, which increases the total value of the direct spending.

LPL stimulates the local economy through direct spending on goods, services, and staff wages, which then result in indirect re-spending of dollars in the local economy. Direct and indirect benefits include money spent on:

- Library operations
- Library capital
- Library employment
- Library materials

LPL provided the data for the capital and operating expenditures used in this analysis to calculate the direct spending. This study uses a multiplier of 2.0 to calculate the indirect benefits.

### Direct Spending

Operations	\$5,193,729
Capital	\$473,877
Employment	\$15,426,501
Materials	\$2,597,314
<b>Total Direct Spending</b>	<b>\$23,691,421</b>

### Library Operations Spending

Operations spending (spending on items other than library materials, salaries, wages, and benefits) offer a benefit to the area which it serves. Contractors employ residents, contribute to the economy, pay taxes, as well as create an induced benefit to the businesses those employees frequent. Calculation of geography was done by office location of vendor.

LPL spends 37% of its operational budget within the City of London. The expenditures below exclude salaries and library materials.

	Direct Spend	% share	Multiplier 2.0
<b>London</b>	<b>\$1,921,680</b>	<b>37%</b>	<b>\$3,843,359</b>
Ontario	\$3,012,363	58%	\$6,024,726
Canada	\$103,875	2%	\$207,749
International	\$155,812	3%	\$311,624
<b>Total Operations Spending</b>	<b>\$5,193,729</b>		

### Library Capital Spending

Library capital spending includes buildings and renovations and investment in new technology. LPL spends 46% of its operational budget within the City of London.

	Direct Spend	% share	Multiplier 2.0
<b>London</b>	<b>\$217,983</b>	<b>46%</b>	<b>\$435,967</b>
Ontario	\$217,983	46%	\$435,967
Canada	\$33,171	7%	\$66,343
International	\$4,739	1%	\$9,478
<b>Total Capital Spending</b>	<b>\$473,877</b>		

### Library Employment Spending

Annual salary costs include full-time and part-time wages and benefits costs. Over 95% of LPL employees live in the City of London and in Middlesex County. Wage impacts are multiplied as staff purchase goods and services within the community, providing revenue to those businesses and employees.

	Annual Salaries	Multiplier 2.0
<b>Total Salaries - All Employees</b>	<b>\$15,426,501</b>	<b>\$30,853,002</b>

### Library Materials Spending

LPL spends most of its library materials budget within Ontario. We applied a multiplier of 2.0 to demonstrate economic impact.

	Direct Spend	% share	Multiplier 2.0
<b>London</b>	<b>\$25,973</b>	<b>1%</b>	<b>\$51,946</b>
<b>Ontario</b>	<b>\$1,818,120</b>	<b>70%</b>	<b>\$3,636,240</b>
Canada	\$25,973	1%	\$51,946
International	\$727,248	28%	\$1,454,496
<b>Total Materials Spending</b>	<b>\$2,597,314</b>		

## **Social Value: Strategic Alignment with the City of London**

The [2023-2027 Strategic Plan for City of London](#) (City of London, 2023) focuses on eight strategic areas. LPL is a key partner that contributes to achieving the City's goals and is aligned with the City's mission to "Improving quality of life and building a strong and vibrant community through bold, proactive, and accountable City services." Listed below are LPL actions, either already being taken or planned, recently submitted to the City of London as part of the planning process.

### **Reconciliation, Equity, Accessibility, and Inclusion**

Engagement and partnerships with Indigenous and other equity-seeking communities, organizations and individuals by offering of programming, collections and other service mirror the needs and values of their communities. Specific actions include increasing community awareness of and understanding of the Truth & Reconciliation Calls to Action, Indigenous knowledge, and the impacts of colonization, hosting settlement services at our branches, bridging the digital equity divide through multiple technology services, and endeavouring to incorporate the City of London's Anti-Racism and Anti-Oppression Framework and Equity Tool in the creation and implementation of policies, procedures, programs and services.

### **Housing and Homelessness**

Participate in the City's Health & Homelessness Whole of Community System Response as a member of the Strategy and Accountability Table.

### **Wellbeing and Safety**

Offering Support for cultural programs, exhibits and events throughout our 16 branches, working with communities, individuals, and organizations, while ensuring our spaces are welcoming, safe, accessible, and reflective of their communities. Specific action include the continued work of our Historic Sites Committee in recognizing London's cultural landmarks, provide services that are an intricate part of the City of London's UNESCO City of Music Plan, providing access to technology to support creative aspirations, skill building, the needs of small businesses and entrepreneurs, and help bridge the digital equity divide.

### **Safe London for Women, Girls, and Gender-Diverse and Trans People**

Support women, girls, gender-diverse and trans people through its collections, programs, and services. Specific actions include the introduction of the availability of free menstrual products at branches, staff participation in community wide meetings and training opportunities, promotion of resources to the community, and participate in the Safe Cities Advisory committee and, where feasible, implement recommendations from the Action Plan.

### **Economic Growth, Culture, and Prosperity**

Activities include:

- Developing partnerships, provide equipment and technology, and offer programs that support the needs of small business and entrepreneurs.

- Enhancing current services and develop new services at our Central Library to become an intricate part of the City of London's UNESCO City of Music Plan, including the hosting of festivals, events and activations at LPL to attract visitors to the Core and continue to offer spaces at LPL for local artistic and musical talent.
- Revitalize the Central Library to become an anchor of the core's destination plans.
- Offer mental health and addiction support services through our partnership with CMHA and the presence of a Transitional Case Manager at our Central Library, available to help Londoners in need, many of whom frequent LPL, to quickly and easily connect to community resources.

### **Climate Action and Sustainable Growth**

Activities include:

- Encouraging Londoners to move towards a zero-waste lifestyle through our programs and use of our collections.
- Investing in LPL's neighbourhood branches through the implementation of an Asset Management Plan and establishing a standard for building infrastructure that helps close the infrastructure gap and meets environmental targets.
- Partner with the City of London and other organizations to offer educational programs and resources in LPL locations that help Londoners take individual climate actions.
- Invest in LPL's technology infrastructure to meet current and future needs of the community.

### **Well-run City**

Activities include:

- Supporting the City of London, federal and provincial government officials, and key stakeholders in distributing information and hosting informational programs for Londoners through our 16 branches and our online presence.
- Providing exceptional customer service in all areas by offering quality staff training and incorporating best practices.
- Endeavouring to collect regular feedback on its services and improve responsiveness to patron inquiries and concerns.
- Providing timely access to LPL materials, learning, and educational resources, with a focus on expanding access to digital items such as e-books and e-audiobooks, while ensuring all efforts are aligned better serve equity-denied communities by enhancing representation in our collections and services.
- Continue to support the municipal election by offering branch locations as polling stations.

## Social Value: UN SDGs

### Social and Economic Impact Goals



LPL, by its very nature, provides the community with equity, leveraging the collective wealth of a community to develop and deliver services that are available to all members of the community. One, among many examples, is the offering of computers, Wi-Fi, and other technology that those in the community may not be able to afford on their own.



LPL provides healthy snacks in branches that serve a significant after-school population. Food from hydroponics at the Beacock branch is provided to the local community.



LPL provides free and open community space to counter social isolation and encourage community well-being. We also provide collections and programming that support and health and well-being, often partnering with the City of London to deliver relevant information sessions.



In addition to the collections, programs, and other learning resources we provide, LPL focuses on other important literacies such as digital, financial, etc. We are a hub for literacy and learning at all stages of life but take most pride in providing early literacy spaces to support school preparedness for children from birth to age 6. We also partner with schools, colleges and universities and support their efforts in any way possible.



One of LPLs stated primary values is anti-racism and anti-oppression and we are taking steps to ensure that we live up to that standard. We also offer programming and collections that supports gender equality.



As stated in this report, LPL contributes \$6.48 to the local economy for every \$1 allocated to its budget. LPL also employs over 300 staff, 2/3 of which are permanent with full benefits.



LPL strives to support local businesses and entrepreneurs through our collections and technology.



LPL, by its very nature, provides the community with equality, leveraging the collective wealth of the community to develop and deliver services that are available to all members of the community. One, among many examples, is the offering of computers, Wi-Fi, and other technology that those in the community may not be able to afford on their own.

## Environmental Goals



- LPL strives to meet the goals of the City of London Climate Emergency Action Plan in future building renovations and in our policies and practices.
- Through our 16 branches, LPL provides the City of London opportunities through programming and the distribution of literature to connect with the community and share information.
- LPL's Repair Cafes encourage reuse and discourage waste.
- LPL's physical collections are re-used by the community, sometimes hundreds of times.
- LPL partners with London Environmental Network and others in hosting Earthfest, which celebrates environmental action in London and coincides with Earth Day.
- The City of London provides residents free FOG Cups to collect their fats, oils, and grease through LPL. When the cup is full, it can be returned to a City of London EnviroDepot where it will be used to generate green energy.
- LPL's digital collections are available remotely, requiring no transportation and no use of materials to create books or other items.
- LPL also offers a Spring plant exchange, seed collections, hydroponic growing stations, and other showcase programs.

## Other Goals



LPL and other public libraries are dedicated to tolerance and inclusion. We are integral to a vibrant democracy, a strong economy and thriving communities. "Libraries stand for and exemplify something that needs defending: the public institutions that -- even in an age of atomization and inequality -- serve as bedrocks of civil society. Libraries are the kinds of places where ordinary people with different backgrounds, passions, and interests can take part in a living democratic culture. They are the kinds of places where the public, private, and philanthropic sectors can work together to reach for something higher than the bottom line" (Klinenberg, 2018).

17 PARTNERSHIPS  
FOR THE GOALS



LPL has scores of partnerships, including the City of London, that we work with to help to support these goals.



## Appendix A: Glossary of Terms

Direct Benefits	Activities that accrue to an individual or organization and can be assigned a reliable, specific financial value. The value may be derived in a variety of different ways and a range of values may be possible.
Direct Spending	Items such as institutional spending and wages, which have a direct impact on the local economy.
Indirect Benefits	Also known as the multiplier effect, is the benefit created by the re-spending of dollars within the local economy generated by the direct spending.
Return on Investment	Also known as ROI, is calculated by taking the total economic benefits – the sum of direct benefits and indirect benefits – and dividing that sum by the cost to run the service (direct spending).
Social Impact	<p>A significant, positive change that addresses a pressing social challenge.</p> <p>Creating social impact is the result of a deliberate set of activities with a goal matching this definition.</p>
Total Economic Impact	The sum of direct benefits, indirect benefits, and direct spending. It is the combined impact across the entire economy.

## Appendix B: Sources

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