

THE ASSOCIATION OF BOOK PUBLISHERS OF BRITISH COLUMBIA

Submission to the Select Standing Committee on Finance and Government Services
on Budget 2022

Submitted Sept. 27, 2021

The Association of Book Publishers of British Columbia (ABPBC) thanks the Committee for hearing our presentation in Vancouver on September 21, 2021. This written submission elaborates on the points raised there.

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We appreciate the opportunity to update the Committee on how the BC book publishing industry is faring in the wake of the pandemic, and share where we believe Budget 2022 can continue to support sector recovery.

Our association represents 30 small-to-medium sized businesses operating across the province. BC publishers employ more than 500 people directly and another 1,200 indirectly, and contribute \$76 million to the GDP. It's notable that women make up 70% of the industry's workforce, and approximately a third of our companies are either owned by women or have women in primary leadership positions.

We are grateful to the Province for renewing the BC Book Publishing Tax Credit for five years in Budget 2021. This tax credit is a critical support measure for our sector that will increase our stability and competitiveness coming out of the pandemic. Many BC publishers have also been able to access the support measures available through the StrongerBC plan, including supplementary funding through the BC Arts Council. As a result, we are pleased to report that all of our member publishers continue to operate.

Still, challenges remain. Although reading has been a popular activity during the pandemic, disruption to supply chains, declines in regional tourism, and widespread cancellation of in-person events have disproportionately affected independent publishers' revenues and their authors' royalties, and created unprecedented market uncertainty. While consumer book sales are rebounding, according to a [recent StatsCan study](#), BC book publishers' operating revenue is estimated to have contracted by 10.6% in 2020. Supply chain pressures around the paper and pulp industry and distribution still persist and continue to impact our ability to get local books into readers' hands. BC creators and publishers also continue to experience a significant loss in licensing revenue owing to the education sector's uncompensated use of their works in classrooms under self-defined fair dealing guidelines.

We have three recommendations to the Committee for Budget 2022.

Recommendation #1: We ask that the Province, through the Ministry of Education, **recommit to fairly remunerating creators** by paying the royalty rate set by the Copyright Board for the use of their copyrighted material in classrooms, including payments from 2020 onward. This rate is \$2.41 per K–12 student, and it allows educators to clear and pay for the copying of published works in a straightforward way.

The Ministry has deferred making these royalty payments since 2020. If the Ministry fails to pay royalties for the copying of published works, it will leave individual rightsholders to pursue claims of copyright infringement on their own. We ask that the Ministry recommit to paying the royalty rate, which will help ensure that BC publishers can continue to invest in producing high-quality resources to support our Province's students.

Recommendation #2: We recommend a program to **incentivize the purchase of BC-published books in schools and libraries**. One way would be to reinstate the School Library Purchase Program, which was funded by the BC government between the 1970s to 1990s, and allocated public schools each a small budget each year to purchase BC books for their libraries.

Furthermore, we support the BC Public Library Partners' recommendation for \$22 million in 2022 for public library funding, which would benefit creators in a variety of ways – from libraries purchasing more books, to offering more author and illustrator programs, to more tools and resources benefiting new and established creators, to improved facilities that allow libraries to better display and feature content. In many communities, the library is the key place that people discover new authors and books; healthy and vibrant BC libraries contribute to the success of BC publishers.

Recommendation #3: We recommend that the Province **increase its investment to BC Arts Council and Creative BC** to allow these agencies to deliver enhanced support to book publishers through their respective programs. BC Arts Council's Operating and Project Assistance for Book Publishers are vital support programs that ensure BC publishers are on a more level playing field with our multinational publishing competitors. And the Creative BC Market Expansion Fund for Book Publishers opens up opportunities to develop our export markets and diversify other revenue streams.

The work of BC publishers impacts authors, illustrators, booksellers, librarians, educators, and readers, and that we appreciate you taking the time to consider our recommendations, which will help ensure that our region's stories continue to be shared with readers in BC and around the world.

The Association of Book Publishers of British Columbia appreciates the opportunity to participate in the 2022 Budget consultation.

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