

THE GOVERNMENT OF CANADA'S PRE-BUDGET CONSULTATIONS FOR 2018

Brief submitted to the House of Commons Standing Committee on Finance

Association nationale des éditeurs de livres  
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## Summary

The primary objective of Canadian book publishing policies is to ensure the creation of Canadian-authored books, as well as their distribution nationally and internationally. ANEL is asking the Government of Canada to support publishers as they innovate and take risks to showcase Canadian literature and meet the challenges that globalization and digital technologies pose for the recognition of cultural diversity and the work of creators. ANEL recommends:

- supporting and encouraging innovation on the part of publishers and recognizing the role of books and reading in the development of Canadian society by doubling the envelope for the Canada Book Fund (CBF);
- making culture a government priority and promoting it across the entire State apparatus, particularly internationally;
- ensuring that creators are fairly compensated for their work.

ANEL would also like to clarify that it is maintaining all of the recommendations set out in its previous brief.

## **Introduction**

In Budget 2017, the Canadian government presented Canada's Innovation and Skills Plan to strengthen the middle class and remain competitive in the global economy. The Association nationale des éditeurs de livres (ANEL), which represents more than 100 French-language publishing houses in Quebec and Canada, noted that the Plan made no mention of cultural industries as a growth sector. ANEL is therefore presenting three recommendations to the Government of Canada to encourage innovation and research in the book industry: double the funding for the Canada Book Fund; make culture a government priority and promote it internationally; and ensure that creators are fairly compensated for their work.

**First recommendation: double the funding for the Canada Book Fund to support and encourage innovation in the publishing industry and recognize the role of books and reading in the development of Canadian society**

The primary objective of the Canada Book Fund (CBF) is to ensure access to a wide range of Canadian-authored books nationally and internationally by supporting publishers in marketing and promoting Canadian authors. To sustain this bibliodiversity and ensure that Canadian literature continues to be showcased across the country and beyond its borders, ANEL is proposing four initiatives that are consistent with the two strategic priorities recently adopted by the CBF: digital innovation and increased international sales.

**Initiative 1**

***Support innovation and the development of publishers' skills***

Digital technologies bring publishers new opportunities for creation and the development of marketing models, and have led to new reading habits among Canadians. Innovation is not limited to the creation of new works; it also includes improved management and distribution practices for publishers.

ANEL would like the CBF to encourage more risk taking among publishers to develop projects such as printing on demand, to promote collaboration among cultural actors and to enable publishers to develop the necessary skills to master technological tools by supporting professional development programs like ANEL's. With such support for innovation, the book industry could continue to showcase Canadian authors nationally and internationally, and contribute to Canada's economic development.

**Initiative 2**

***Create a national translation program (NTP)***

By publishing original works in French and translations of English-Canadian and Aboriginal authors, publishers help build bridges in Canada and abroad. A national translation program for all published works, as opposed to just literary works as is currently the case, would provide for:

- enhancing dialogue between Canadian English-language, French-language and Aboriginal-language publishers;
- increasing sales of books in Canada and other countries, while cutting production costs for Canadian titles;
- preparing Canada's guest-of-honour participation at the Frankfurt Book Fair in 2020.

**Initiative 3**

***Develop the Canadian book market***

ANEL hopes the CBF will continue to support all individual and collective promotion and marketing activities aimed at developing the Canadian market. Given that the domestic market is not sufficient to support the development of the publishing industry, particularly the French-language industry, it is important to foster programs that promote publishers and their authors as much as possible. The strong

presence of Canadian titles allows the publishing industry to better resist the flood of foreign imports and to offer Canadians a wide range of national literature.

#### **Initiative 4**

##### ***Support the development of foreign markets***

For publishers, growth in sales inevitably requires the development of foreign markets. ANEL would like the CBF to support publishers in their export efforts (end products and sale of publishing rights):

- by consolidating francophone markets in Europe through support for the participation of publishers in fairs and festivals, as well as through innovative initiatives like the establishment of an office in Paris to provide publishers with local support for their export efforts;
- by promoting the organization of trade missions and the participation of publishing houses in those missions in order to develop new markets;
- by inviting foreign book professionals to visit and immerse themselves in the Quebec and Franco-Ontarian identity and literary environment, at the same time providing Canadian publishers with an opportunity to gain experience in the sale of publishing rights and to develop their networks.

Taken together, these three initiatives would help Canadian French-language publishers to expand their foreign markets, become more competitive in their current markets and strengthen their financial base through exports, as well as encouraging dialogue and helping to create lasting relationships with foreign book professionals.

#### **Second recommendation: make culture a government priority across the entire State apparatus, particularly internationally**

Exports of Quebec and French-Canadian books represent half of foreign sales. As such, federal government support for the export of Canadian books must take into account the different market realities for anglophone and francophone publishers.

#### **Initiative 5**

##### ***Recognize in trade agreements the distinctiveness of the Quebec and French-Canadian publishing industry and its contribution to the Canadian economy***

Canada played a vital role in the development of UNESCO's *Convention on the Protection and Promotion of the Diversity of Cultural Expressions*, and will soon be involved in renegotiating NAFTA. In that context, it is essential that the federal government reaffirm French-language Canadian culture as a cornerstone of the national identity, and recognize its contribution to economic development, particularly in the digital era.

## **Initiative 6**

### ***Integrate arts and culture into Canadian diplomatic and business strategies***

If embassies and Quebec's network of representatives abroad had the necessary tools to carry out their role, which includes promoting and supporting cultural professionals, they would be better positioned to support publishers in their efforts on the international stage. This support could take the following forms:

- providing specific data on the Canadian book industry and encouraging collaboration between Canadian publishers and foreign book professionals (publishers, bookstores, distributors);
- offering a pied-à-terre at embassies and consulates;
- helping to showcase Canadian publishing.

## **Initiative 7**

### ***Promote guest-of-honour participation for Canadian culture at international events***

In addition to the presence of publishers and authors at international book fairs and literary festivals, ANEL has observed, through the efforts of its Québec Édition committee, the impact that guest-of-honour participation can have on book sales and the business relationships forged through those opportunities. Whether the guest-of-honour invitation is for a major event like Frankfurt in 2020, or a more modest one like the Salon de la BD in central Paris in 2018, these events always represent a unique opportunity to inform about Canadian culture through its authors. The support of the federal government, as well as collaboration and support from embassies, is crucial to the organization of these kinds of events, in terms of both logistics and promotion.

ANEL hopes the Canadian government will recognize the contribution of Québec Édition by providing more support for its activities to promote French-language Canadian books internationally.

### **Third recommendation: ensure that creators are fairly compensated for their work**

In a context in which digital technology is shaking up traditional cultural funding and consumption, the book industry is facing several challenges, including the recognition of intellectual property and the emergence of new business models that are changing the entire cultural ecosystem.

## **Initiative 8**

### ***Examine the Copyright Act and the impacts of the 2012 modernization on the book industry***

The next review of the *Copyright Act* will be an opportunity for the Government of Canada to make the necessary adjustments following the 2012 modernization of the Act. Given that the copyright industry contributes about \$50 billion to the Canadian economy, it is crucial that the federal government strike a committee to examine the impacts of the existing legislation. A study by PricewaterhouseCoopers (2015) revealed that for educational, technical and scientific publishing alone, the contribution to GDP decreased by 16% between 2013 and 2015, from \$740 to \$620 million.

To be a leader in innovation, Canada must focus on acquiring knowledge and training its population. To do that, we must continue to publish educational texts and scientific works domestically.

#### **Initiative 9**

##### ***Reconsider the sources of funding for creators***

With Canadians spending more and more of their “cultural participation” budgets on Internet services and electronic devices, everyone who benefits from the creativity of Canadian artists should be involved in developing new business models that address all aspects of our cultural ecosystem, from production to participation to marketing of cultural products. ANEL hopes the next federal budget will include support for the publishing industry’s efforts to identify new funding sources for creators – for example, through the establishment of a tax on electronic commerce – in order to maintain a dynamic national industry.

#### **Initiative 10**

##### ***Meet the challenge of the discoverability of Canadian cultural works***

ANEL hopes that through the next Canadian Heritage cultural policy, the Government of Canada will adopt a cultural vision of digital technology that fully addresses the development of cultural industries. In terms of books, the tools developed by the department must support both digital content and paper format, encourage innovation, and provide strategic support to make Canadian books not only accessible on the Internet, but also visible.

## **Conclusion**

For a nation to develop and expand its influence, it must value reading and support national publishing. ANEL hopes that the next federal budget will address the recommendations presented in this brief and recognize the importance of encouraging innovation in the publishing industry, as well as in all cultural sectors. Innovation is not just about finding new creative forms. It also involves improving work practices and the management of metadata, reaching more readers, developing new revenue sources for creators, and overcoming the challenge of discoverability through better familiarity with technological tools.