

This is the Time
Alberta Book Publishers Fund



November 2018

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A Renewed Proposal for an Alberta Book Publishers Fund

A provincial program of support that enables Alberta's book publishers to magnify their contribution to the economic and cultural life of our province is long overdue.

For several decades now, successive provincial governments have recognized the important impacts of Alberta's book publishing industry on the economy, its potential for growth, and its poor competitive position. Despite this recognition, little has been done to change the situation. In fact, not since 2002-03 when Alberta Community Development and the Book Publishers Association of Alberta conducted extensive research and then jointly prepared a proposal, has the matter been brought forward to Cabinet. And never has it received funding.

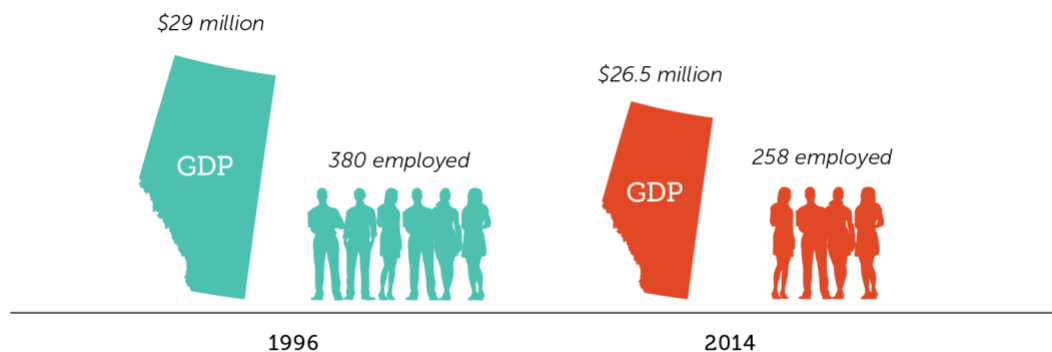
We now urgently renew that proposal.

Current Levels of Support for Alberta Publishers

In 1993, a total of \$400,000 in provincial support was available in Alberta. By 2004, that number had fallen to \$332,000. As of September 2018, after an increase of \$300,000 per year for four years was announced, the total support for twenty-nine active publishers came to just over \$1 million.

During this same time period, other provincial governments acknowledged that book publishing is an essential but structurally difficult, low-margin enterprise. Their programs invest in book publishers to preserve the unique heritage and cultures of their regions and to support strategies that promote economic development and trade.

Since 2004, following the failure to create an Alberta Book Publishers Fund, many accomplished Alberta publishers have relocated out of province or sold their assets out of the province. Companies whose names would be familiar to many, including Company's Coming, Red Deer Press, Lone Pine Publishing, Les Éditions Duval, Brindle & Glass, and Altitude Publishing. If we compare studies of the industry conducted in 1996 and again in 2014, the lack of growth can be seen in the industry's reduction in contributions to GDP (9%) and the significant loss of employed persons (32%).



The remaining Alberta book publishers are truly under duress. Under the current, constrained program, all have missed critical opportunities for growth. We are alarmed and concerned by the number of colleagues who have left the province or closed their doors. And while we have seen new entrants into the industry in the past decade, often an indication of a healthy industry, many of those new entrants have already failed, while those that remain in business have faced tremendous struggles to survive. The proposed Alberta Book Publishers Fund will reverse this

trend, securing for Alberta's future the economic, employment, cultural, and community benefits provided by the book publishing sector.

Poor Competitive Position

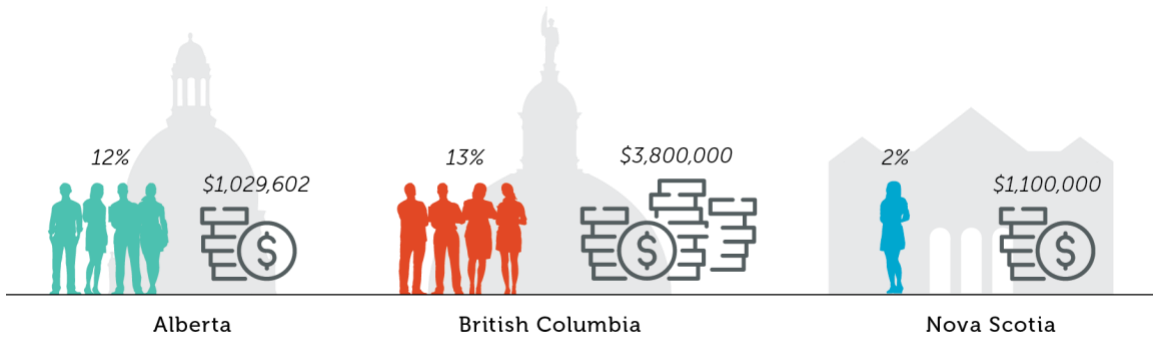
The departure of the publishers listed above is evidence of the significant disparity among the provinces when it comes to support for the industry. Alberta's program of support keeps pace (almost) of Nova Scotia's, while British Columbia, Ontario, and Quebec benefit from open-ended programs of support through refundable tax credits, supplemented by granting programs focused on specific priorities. Their provincial programs invest between three and five times as much as similar programs in Alberta.

Province	Tax Credit (\$)	Grants (\$)	Total Investment (\$)	% of Canadian Population ^a	% Canadian Book Publishing
Alberta	0	1,029,602	1,029,602	12	1.6
British Columbia	3,200,000	600,000	3,800,000	13	3.0
Quebec	82,943	5,430,566	5,513,509	23	28.5
Ontario	0	3,609,473	3,609,473	39	65.7 ^b
Manitoba	500,000	398,200	898,200	4	Less than 1%
Saskatchewan	0	527,198	527,198	3	Less than 1%
Nova Scotia	0	1,100,000	1,100,000	2	Less than 1%
New Brunswick	0	300,000	300,000	2	Less than 1%
Newfoundland	0	200,000	200,000	2	Less than 1%
PEI	0	17,000	17,000	0 (0.4)	Less than 1%

^a StatsCan 2015 Statistics (rounded to the nearest percent)

^b This number includes revenue generated by foreign-owned publishing companies headquartered in Toronto, companies ineligible for federal or provincial assistance.

Of particular significance is a comparison between Alberta and BC. Alberta, with 12 percent of the Canadian population, has just 1.6 percent of the Canadian book publishing industry, and invests \$1 million in funds to 29 active publishers. BC, with 13 percent of the Canadian population, has 3.0 percent of the Canadian book publishing industry, and invests \$3.8 million in 24 active publishers.



How is a Cultural Industry Built?

In fact, we have the answer in our own province.

Crippled by the closure of the Alberta Motion Picture Development Corporation in 1996, Alberta’s film and television industry began to rebound several years later with the creation of a precursor to the Alberta Media Fund (AMF).

Fast-forward to the present: the AMF has contributed \$148 million to Alberta’s film and television industry in the last five years alone, generating \$510 million in direct production expenditures.

increase in support = increase in economic impact

The clear lesson is that the province’s aggressive support of film and television producers (averaging more than *30 times* that provided to book publishing over the same period) has enabled this industry to rise from the ashes and resume its role as an important contributor to Alberta’s economy.

A similar success story can be expected for Alberta’s book publishing industry, with the right support.

The Proposed Alberta Book Publishers Fund (ABPF)

We propose that the AMF begin to rebalance its support to Alberta’s cultural industries by piloting an Alberta Book Publishers Fund, with an initial commitment of \$15 million rolled out over three years.

We propose a program made up of three components:

Component 1: A formula-based grant, designed for easy, transparent administration based on annual accountant-prepared financial statements. The formula would grant a percentage of eligible costs to participating book publishers, with a total-dollars ceiling per publisher. The percentage and ceiling would be determined by modeling eligible publishers' applications against the ABPF's budget allocation. This component could be weighted to enhance support to small and medium-sized publishers in critical stages of their development, and would offer crucial support to established, growing publishers.

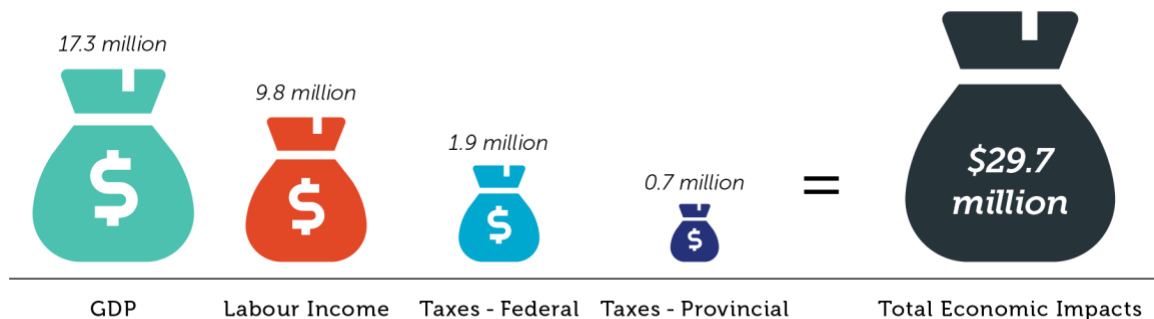
Component 2: A component modeled on the current AMF's project grants, accessible to emerging and entry-level publishers.

Component 3: Modeled on the current AMF's support to associations, this component would enable the Book Publishers Association of Alberta to continue its work, providing critical infrastructure for Alberta's book publishers.

Expected Benefits of the ABPF

The proposed ABPF will allow Alberta's book publishers to commit to expanded publishing programs, employ more talented Albertans, and build the volume of their exports. These initiatives will strengthen an Alberta-based industry and ensure that the work of Alberta writers, educators, academics, artists, and other creative professionals becomes better known and captures new audiences, within the province but also well beyond those borders.

Despite challenging operational conditions, the record of Alberta's book publishers shows that they are successful and persistent contributors to Alberta communities and its economy.



In 2015, Alberta's book publishers participated in a Ministry-funded study of their economic impacts, the results of which were submitted to Alberta Culture and Tourism. Based on our current understanding of those results, we predict that the expected benefits of an ABPF over three years will be dramatic. Predicted results include:

- doubled sales volume
- doubled export earnings
- 50 percent increase in direct employment
- increased direct provincial tax revenues
- doubled induced economic benefits
- 50 percent more titles published
- more Alberta authors published
- more Alberta creative contractors hired (writers, editors, designers, educators, illustrators, photographers, indexers)
- improved contributions to education, higher education, tourism, retail, and local economies that will not come from out-of-province publishers
- furthering the government's strategic goals of economic development and trade and job creation for all Albertans
- consolidation of stable, long-term Alberta companies.

When the program is renewed following the pilot term, the longer-term benefits will most certainly include growing Alberta's book publishing industry to a level more proportional to Alberta's population.

Book Publishing in Brief

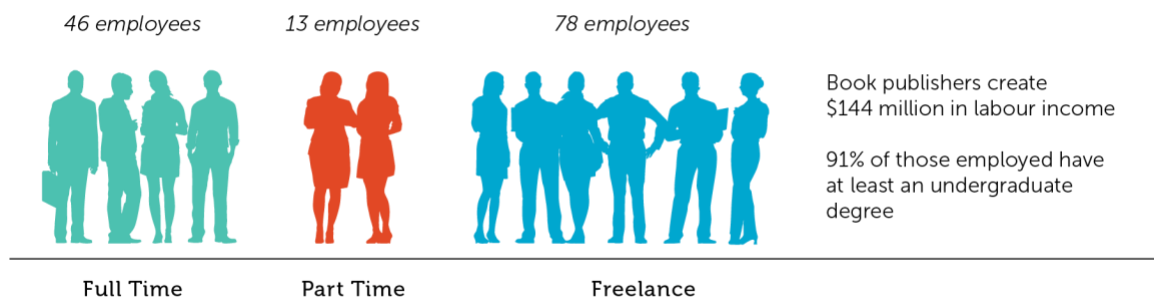
Alberta's book publishing industry has suffered serious setbacks in the last two decades, just as the film industry did in the late 1990s.

Books—whether delivered in digital or print form—have a unique and essential role among media: they are authoritative, durable, long-form, prestigious, and influential in ways that other media are not.

After more than a decade of worldwide challenges in professional book publishing, book audiences and markets have strengthened in recent years. Books are literally here to stay, and Alberta’s book publishers remain an essential component of a mature province’s cultural industry sector.

The book publishing industry punches well above its weight, delivering cultural influence and impact literally unavailable through other media, educational supports that are completely unavailable from non-Albertan publishers or suppliers, and significant economic impacts.

Professional book publishing is a knowledge-based, value-added enterprise that provides employment for writers, researchers, editors, artists, photographers, graphic designers, scientists, educators, and other creative professionals.



Often confused with printers, book publishers are more analogous to film producers: they assemble creative teams, finance and manage complex projects, develop cultural and information products, and bring those products to their largest possible audiences.

Book publishers are typically long-lived, stable companies built on product sales rather than speculative investment. They are twenty-first-century, cultural enterprises offering stable employment to well-trained, highly skilled Albertans.

Alberta publishers are innovative. Alberta’s book publishers have been early adopters of digital technologies, beginning with digital design and production tools, and now including audiobooks, by way of a collaboration with the CNIB, ebooks, apps, online sales and marketing, and reaching customers through e-retailing. While print still accounts for more than 80 percent of all book sales throughout North

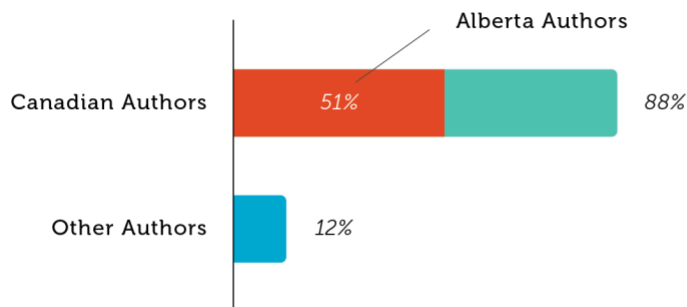
America, Alberta book publishers have dedicated themselves to serving their audiences in whatever media those audiences prefer.

Alignment with Key Provincial Priorities

The proposed Alberta Book Publishers Fund is completely consistent with the plans and values of successive provincial parties and their bureaucracies.

Supporting an increase to the funding for book publishers would support the province’s strategic goal of diversifying the economy and creating jobs for all Albertans.

Simply put, Alberta writers and other creative professionals would not have the same opportunities without a book publishing industry based in this province. The work created for these professionals by Alberta book publishers helps keep them in the province, helping to maintain a pool of skilled and literate talent for all creative industries. Strengthening the infrastructure of the book publishing sector benefits Alberta authors, readers, illustrators, schools, universities, designers, printers, retailers, and tourism-related industries.



A mature and confident community expresses itself to the world, rather than leaving it to others to speak for it. Our province’s book publishers are operated by Albertans with longstanding commitments to the development and dissemination of regional voices, including Indigenous voices.

Alberta book publishers bring Alberta perspectives and priorities to education, both through publishing school resources and through publishing creative works that supplement instructional resources and circulate in library collections.

Publishers extend the research and teaching missions of Alberta’s universities, participating in a worldwide network of university presses dedicated to the

publication of peer-reviewed works that improve, preserve, and expand the reach of research scholars.

Alberta publishers aggressively engage in export markets, extending Alberta's economic and cultural reach, and exporting Alberta's stories, expertise, and values. They bring talented Albertans to national and international audiences, generating both influence and export revenues.

Timing

Since the unsuccessful attempt to initiate an ABPF in the early years of this century, a decade of opportunity in Alberta's book publishing industry has unfolded in real time as a decade of losses in the form of revenue and companies.

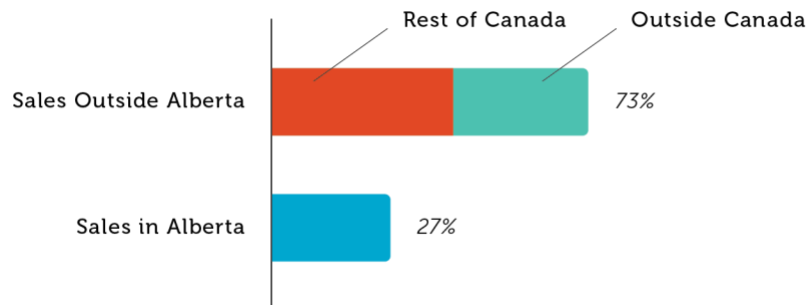
While publishers genuinely respect the fiscal challenges facing the government, the time for investment in the proposed ABPF is now. Our industry has the critical mass to embrace new opportunities for growth, but without renewal it will continue to lose expertise, sales volume, and entire companies.

For more than two decades, our conversation with government officials has been positive but inconclusive: yes, we should do this, but now is not the right time. In good times, we were told that bad times are coming. In bad times, we were told that no money was available.

Yet during this same period, we have seen support for the film and television industry grow exponentially, through times described as both good and bad. We recognize from the amount of support given to Alberta's film and television industry that public investment at the scale we propose is available. We have seen that such support can have massive impacts, and that those impacts take time to manifest; in other words, it is possible, smart, and urgent to act now.

The Government of Alberta's support for cultural industries is now expressed overwhelmingly as support for film and television production, proving the benefits of aggressive promotion of a cultural industry. Recent modest increases to funds available to publishers through the cultural industries has been welcome, and in some cases desperately needed. But this investment falls far short of what is required to stimulate long-term growth in the industry. The current approach to funding has failed Alberta's book publishers, and therefore failed the many Albertans involved in the arts, education, retail, tourism, and other sectors that benefit from Alberta-based book publishing. It has also robbed many others outside

our province of the opportunity to gain a new understanding of and respect for Alberta through Alberta-published books.



The structure of the support offered to the film and television industry through the AMF required a one-time “top-up” in the 2016/2017 provincial budget which alone amounted to more than \$11 million: more than enough to fund the first two full years of the proposed Alberta Book Publishers Fund. Clearly, there are envelopes of funding that could be drawn on in time of need.

Conclusion

Alberta still can claim a strong and active regional book publishing industry. With the prompt delivery of a more aggressive program of provincial support, the Alberta book publishing industry will grow from its current base.

While there will never be an easy time for the Government of Alberta to take this step, it is critical that we fix this imbalance and release the pent-up power of Alberta’s book publishers.

Appendix: Alberta Book Publishers List

Publisher	City	Genre(s)
Athabasca University Press	Edmonton	Academic, Literary
Bayeaux Arts	Calgary	Literary
Blue Bike Books	Edmonton	Trivia
Broadview Press	Calgary	Academic
Brush Education Ltd.	Edmonton	Educational
Dragon Hill Publishing	Edmonton	Niche History, Fiction
Durvile Publications and UpRoute Books	Calgary	Non Fiction
Edge Science Fiction & Fantasy Publishing	Calgary	Science Fiction and Fantasy
Eschia Books Inc.	Edmonton	Indigenous Fiction
Folklore Publishing	Edmonton	History and Humour
Freehand Books	Calgary	General
Frontenac House Ltd.	Calgary	Poetry, Fiction, General
Grass Roots Press	Edmonton	Educational, English as a Second Language
Great Escapes Publications	Leduc	Fiction, Mystery
Hades Publications	Calgary	Speculative Fiction
Hingston & Olsen Publishing	Edmonton/Calgary	Literary
The Historical Society of Alberta	Calgary	Historical Non-Fiction
Junior Global Citizen Club	Edmonton	Children's non-fiction
Kingsley Publishing Services	Cochrane	Publishing Services
Laksa Media Groups Inc.	Calgary	Literary
Leslie Vermeer	Edmonton	Publishing Services
Lone Pine Publishing	Edmonton	Nature Guides, Gardening, Ghost Stories
NeWest Press	Edmonton	Literary, Poetry, General
Renegade Arts Canmore Ltd.	Canmore	Graphic Novels, Comics
Roadie Books	Edmonton	Historical Fiction
Rocky Mountain Books	Calgary	Travel, Photography, General
Stonehouse Publishing	Edmonton	Literary
Tyche Books Ltd.	Calgary	Speculative Fiction
University of Alberta Press	Edmonton	Academic, Literary, Poetry
University of Calgary Press	Calgary	Academic