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Ontario
Book Publishers
Organization

January 25, 2022

Standing Committee on Finance and Economic Affairs
Legislative Assembly of Ontario
99 Wellesley Street West
Room 1405, Whitney Block, Queen's Park
Toronto, ON M7A 1A2

Re: OBPO Comments and Recommendations for Ontario Budget 2022

Dear Members of the Standing Committee,

The Ontario Book Publishers Organizations (OBPO) proudly represents the interests of 47 Canadian-owned, Ontario-based book publishers. Book publishing in Canada is a $1.7 billion industry, with nearly two-thirds of revenues generated in Ontario. For every 2.2 books published in Ontario, one full time job is created in the province. Local publishers have always looked to build communities, share diverse opinions, and ensure that all Ontarians can see their stories reflected in literature, all while investing in and growing our economy.

The OBPO encourages the Standing Committee on Finance and Economic Affairs to take the following suggestions into consideration when creating the 2022 Budget:

The Ontario Book Publishing Tax Credit (OBPTC) is critically important to the stability and future growth of the industry and the ability of Ontario publishers to continue to tell Ontario stories, reflect our diverse culture and employ and retain talented authors and professionals in Ontario. The requirement that an eligible literary work must be published in a bound edition of at least 500 copies was waived for 2020 and 2021 as part of Bill 229 – the Protect, Support and Recover from COVID-19 Act. The OBPO applauds this measure and **recommends that the requirement be waived on a permanent basis** to support the future of book publishing including the production of eBooks and audiobooks. We also recommend **expanding the tax credit to recognize graphic novels and translations of books** into Canada's official languages and first nations languages. This change would not only dramatically increase access to literature to all Ontarians but provide financial opportunity for publishers to grow in the shadow of COVID-19.

We also recommend that advances on the tax credit be paid upon application rather than completion. The backlog of OBPTC applications varies and can sometimes take over a year to be processed. We propose that an advance be paid upon application to publishers in good standing from previous years of applications, with the balance paid upon final approval. This would help alleviate cashflow issues currently being experienced by publishers.

As schools and libraries begin to open up once again, **an accessible and dedicated fund for them to purchase books produced by Canadian independent publishers** would not only support these institutions, but also support Ontario publishers, authors and creators. International titles consistently overwhelm Canadian content in Ontario schools. Three foreign publishers account for 90% of textbooks and learning materials used in the classroom. This fund would be a great first step in correcting the imbalance of Canadian content in Ontario schools and libraries.

To further ensure a vibrant and prosperous domestic publishing industry in Ontario, **the OBPO recommends an increase in support for publishers through Ontario Arts Council and Ontario Creates programs.** Ontario's book publishing sector is underfunded in comparison to other stakeholders in the culture sector. While other **Ontario Arts Council** funding programs have seen funding increases in recent years, literature funding has remained stagnant. When accounting for inflation, this constitutes an overall decrease in funding. At present, the Ontario Creates Book Fund receives a 363% return on investment and is valued by Ontario publishers. It consistently allows publishers to punch above their weight in the North American market.

We sincerely appreciate this opportunity to contribute ahead of 2022 Budget.

With thanks,

Karen Brochu
President, Board of Directors
The Ontario Book Publishers Organization

Holly Kent
Executive Director
The Ontario Book Publishers Organization