



# The Daily

Statistics Canada

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## MAJOR RELEASES

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## MAJOR RELEASES

### Book publishers and exclusive agents

1996/97

Canadian-controlled book publishers and agents accounted for almost two-thirds (65%) of total publishing revenues in 1996/97. They were, however, less profitable than their foreign-controlled competitors.

In total, the 562 book publishers and exclusive agents in Canada reported total revenues of just under \$2.0 billion in 1996/97, and profits of \$75 million.

Revenues reported by Canadian-controlled publishers and agents amounted to just under \$1.3 billion, while those reported by foreign-controlled firms reached \$690 million. However, profits represented 3.0% of revenues for Canadian firms, compared with 5.4% for foreign firms. Cutbacks in government grants may have affected profitability of Canadian-controlled publishers.

#### Financial performance of Canadian and foreign-controlled publishers and exclusive agents 1996/97

	Number	Revenues	Profits/ losses	Profits as % of revenues
		(\$000,000)		
<b>Canadian-controlled</b>				
Publishers	490	1,063	38.3	3.6
Agents	38	218	-0.2	-0.1
Subtotal	528	1,282	38.1	3.0
<b>Foreign-controlled</b>				
Publishers	21	604	40.5	6.7
Agents	13	87	-3.4	-4.0
Subtotal	34	690	37.1	5.4
<b>Total</b>	<b>562</b>	<b>1,972</b>	<b>75.2</b>	<b>3.8</b>

Overall, publishers were collectively in the black in 1996/97, with profits representing 4.7% of total revenues. Companies that were strictly exclusive agents recorded an overall loss of 1.2% of total revenues.

In 1996/97, book publishers and exclusive agents employed 7,362 full-time and 1,399 part-time workers. They paid \$327 million in salaries, wages and outside consultant and contractual fees. Book publishers produced 11,400 new titles and 7,541 reprints.

For the first time, the Survey of Book Publishers and Exclusive Agents, from which these data were obtained, included organizations with revenues less

#### Note to readers

The Survey of Book Publishers and Exclusive Agents is a census of all book publishers and exclusive agents in Canada. The 1996/97 survey comprised 511 publishers (including those also acting as exclusive agents), and 51 firms solely functioning as exclusive agents. Data for the territories are not reported due to confidentiality restrictions. Data were reported for a firm's fiscal year ending at any time between April 1, 1996 and March 31, 1997. New to the survey in 1996/97 were publishers and agents with revenues less than \$50,000, which had previously been excluded. In 1996/97, these small operations accounted for just 0.1% of total revenues.

Changes in period-over-period comparisons by commercial category and format are not possible because of the addition of children's books as a commercial category, and CD-ROM and on-line as new formats.

#### Definitions

**Book publishers** refer to firms or organizations which select and edit works, and enter into a contractual agreement with the author or copyright holder for the production of this work in print or other format. The publisher sells the work through any channel of distribution, while bearing the cost associated with this production. Some publishers also act as exclusive agents.

**Exclusive agents** do no publishing of their own but distribute and sell works published by another firm by acting as its sole representative. The exclusive agent is generally responsible for the marketing expenses of those titles sold on an exclusive basis.

**Organizations/operations** include publishers and/or agents whether incorporated, a co-operative, sole proprietorship, partnership, or not-for-profit operation.

**Profit** is calculated before taxes, and is derived by subtracting cost of goods sold and operating expenses from total revenues.

**Total revenues** include all book-publishing and exclusive-agency revenues including the sale of subsidiary rights, grants and sundry income from related activities.

than \$50,000. These smaller firms accounted for 0.1% of revenues, 5% of all new titles and 2% of reprints. They reported a collective loss of 35% of revenues before taxes. Comparisons with previous years, using all firms which reported in 1996/97, are not advised because of this change in the survey population.

#### Ontario, Quebec dominated the book publishing industry

Ontario and Quebec dominated the book publishing industry in 1996/97, with 95% of total revenues.

The publishing industry in Ontario led all regions of the country with total revenues of \$1.4 billion, or 71% of the total. Ontario companies reported a collective profit of \$53 million.

On the other hand, Quebec publishers and agents, which reported revenues of \$467 million, or 24% of the market, were collectively more profitable. Quebec firms reported before-tax profits representing 4.7% of revenues, compared with 3.7% for Ontario firms.

Some of this difference in the profit picture may be related to government grants. For Quebec publishers and agents, grants represented 3.5% of total revenues in 1996/97, compared with just 1.0% for Ontario publishers and agents.

For Canadian-controlled firms, those in Quebec reported grants equalling 4.4% of total revenues, compared with 1.7% for Canadian-controlled firms in Ontario. The Ontario publishing industry tends to be dominated by many large publishers and agents for whom grants make up a very small part of revenues.

Publishers and agents in Atlantic Canada and the Prairie provinces lost money overall, while those in British Columbia made money. Companies in Atlantic Canada were most dependent on grants when expressed as a proportion of revenue, followed by firms on the Prairies.

### **Domestic sales accounted for three-quarters of total revenue**

Domestic sales accounted for three-quarters, or about \$1.5 million, of total revenues for book publishers and agents in 1996/97. Of this amount, slightly under one half came from publishing activities.

Direct exports brought in revenues of \$122 million, while another \$284 million were earned from foreign operations (that is books printed and sold outside Canada).

Government grants totalled \$40 million, while firms also reported \$30 million in other revenues, including the sale of subsidiary rights.

### **Children's books accounted for almost 1 in 10 of all new titles**

Data on books for children as a separate commercial category were collected for the first time in 1996/97. Children's books represented 9% of all new titles and 11% of reprints.

The sale of books for children accounted for \$1 out of every \$9 of exclusive agency revenue earned in Canada. This compares with \$1 in \$20 earned domestically by publishers from the sale of new titles for children.

### **New formats**

For the first time in 1996/97, information on new titles and reprints was also gathered for non-print formats such as CD-ROMs, on-line publishing, and other formats (including diskette). These non-print formats represented 4% of all new titles published in 1996/97, and 2% of reprints.

### **Year-over-year comparison**

To present an indication of how the industry has changed, certain comparisons can be made between 1994/95 and 1996/97 if the 202 new book publishers and agents added to the survey in 1996/97 are excluded. (Of these firms, 137 had revenues of less than \$50,000 and would almost certainly not have been covered by previous surveys, while 65 had revenues of greater than \$50,000 in 1996/97.)

The 1994/95 population of publishers and agents comprised 366 firms with total revenues over \$50,000, including those which went out of business during the interval between the two surveys. They can be compared with a 1996/97 population of 360 publishers and agents, including those which came into existence during the interval and which had total revenues greater than \$50,000 in 1996/97. This 1996/97 group accounted for 99% of total revenues, 92% of new titles published, 96% of reprints, and 91% of grants issued.

For the restricted population, revenue increased 5% between 1994/95 and 1996/97, while these same firms published 1% fewer new titles and 2% fewer reprints. Profits as a proportion of revenues declined from 7% to 4% during this two-year period. Although grants made up only 2% of total revenues for the 1996/97 group of publishers and agents, they received 27% less in federal grants and 20% less in provincial grants. Grants from other sources, including municipal governments, increased 5%.

Selected information from the Survey of Book Publishers and Exclusive Agents is now available in table format (870004XPB, \$50). These tables include breakdowns by province, by language of publisher, and country of control. Custom tabulations are available on a cost-recovery basis. To order standard or custom tables, contact David Coish (613-951-3028).

A summary of the data up to 1994/95 appears in the publication, *Canada's culture, heritage and identity: A statistical perspective* (87-211-XPB, \$31). See *How to order publications*.

For further information on this release, contact David Coish (613-951-3028; fax: 613-951-9040; [coisdav@statcan.ca](mailto:coisdav@statcan.ca)), Culture Statistics Program,

Culture, Tourism and the Centre for Education  
Statistics.

**Book publishing and exclusive agency by province/region  
1996/97**

	Atlantic	Quebec	Ontario	Prairies	British Colombia	Canada
Number of publishers	28	170	201	65	47	<b>511</b>
Number of agents	—	16	28	3	4	<b>51</b>
Total revenues (\$ millions)	11.5	467.2	1,406.1	29.3	58	<b>1,972.1</b>
Profits/losses (\$ millions)	-0.4	21.8	52.5	-0.6	1.9	<b>75.2</b>
Profits as percent of revenues	-3.6	4.7	3.7	-2.0	3.3	<b>3.8</b>
Grants (\$ millions)	1.7	16.5	13.7	3.7	4.2	<b>39.8</b>
Grants as percent of revenues	15.0	3.5	1.0	12.8	7.2	<b>2.0</b>

— Nil or zero.



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## OTHER RELEASES

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### **Steel primary forms**

Week ending July 4, 1998 (preliminary)

Steel primary forms production for the week ending July 4, 1998, totalled 299 427 metric tonnes, down 2.5% from the week-earlier 307 104 metric tonnes and up 20.3% from the year-earlier 248 847 metric tonnes. The cumulative total at the end of the week was 8 317 494 metric tonnes, up 6.4% compared with 7 818 000 metric tonnes for the same period in 1997.

For further information on this release, contact Huguette Montcalm (613-951-9827; [monthug@statcan.ca](mailto:monthug@statcan.ca)), Manufacturing, Construction and Energy Division. ■

### **Steel primary forms**

May 1998

Steel primary forms production for May 1998 totalled 1 355 594 metric tonnes, down 1.8% from 1 380 131 metric tonnes from 1997.

Year-to-date production reached 6 847 757 metric tonnes, up 7.9% from 6 347 179 metric tonnes a year earlier.

**Available on CANSIM: matrix 58 (level 2, series 3).**

The May 1998 issue of *Primary iron and steel* (41-001-XPB, \$7/\$62) will be available shortly. See *How to order publications*.

For further information on this release, contact Andy Shinnan (613-951-3515; [shinand@statcan.ca](mailto:shinand@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## PUBLICATIONS RELEASED

**Agriculture economic statistics**, June 1998  
**Catalogue number 21-603-UPE**  
(Canada: \$26/\$52; outside Canada: US\$26/US\$52).

**Production and shipments of steel pipe and tubing**, May 1998  
**Catalogue number 41-011-XPB**  
(Canada: \$7/\$62; outside Canada: US\$7/US\$62).

**Railway carloadings**, May 1998  
**Catalogue number 52-001-XPB**  
(Canada: \$11/\$103; outside Canada: US\$11/US\$103).

**All prices exclude sales tax.**

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; and -XPB or -XPE denote a paper version.

### How to order publications

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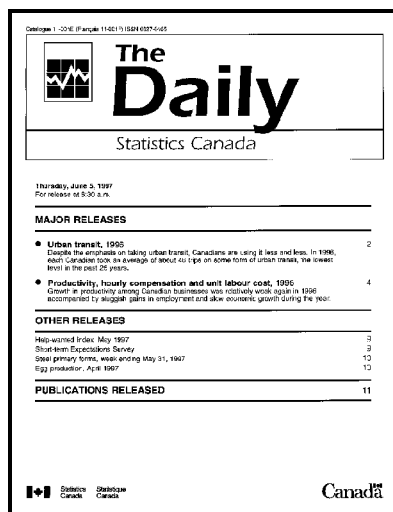
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