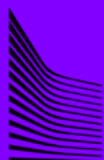


Canada music industry Market report



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Introduction: How to work best with Canada as a European music exporter

Opportunities of Canadian music market

Canada is a domestically strong music market – two in fact: French and English language markets – with viable fanbases for European music. Although of course it is strongly impacted by the US market it is a market where European careers can flourish for the right type of artists if they establish themselves and set up a Canadian fan base. This can be done with strategic incursions via Canada's showcases, CMW for developing and fostering business contacts and M for Montreal (or Mundial for world music artists) for showcases. Radio continues to be a discovery driver and so an up-front investment in promotions and radio plugging will be necessary – think no less than €5000 initial investment plus two years' travels: showcases / conferences during the first year, CMW, M for Montreal, and a short key city promotional tour / club tour for the second year, preferably on a double bill with an up and coming Canadian act. You should also have a Canadian label and publisher working on the ground, as a result of the first year's showcasing missions.

Music industry organization

The first market-specific trait that one identifies when looking at Canada is the two-language market segmentation between the province of Quebec, and the rest of Canada, English-speaking.

Canada needs to be regarded as two countries, English-speaking Canada and Quebec. While this dichotomy should be taken into account when making strategic export plans into Canada, population information points to the main cities as the main live targets where European artists can reach the largest audiences. It is worth considering the cultural and linguistic origin of the EU artists we are trying to export into Canada: while a French-language artist or world-music artist would naturally include Quebec into his or her management / internationalization plan, for most artists English-speaking Canada, with the province of Ontario at the helm, is the "main" Canadian market to look to when trying to export their art.

The main cities for music are Toronto, Montreal, Vancouver, Halifax and Winnipeg, although Ottawa is the national capital city.

CIMA, the Canadian Independent Music Trade Association, is the de facto export office for Canadian Music and it is working hand in hand with host of funding mechanisms, industry showcases and conferences, other industry associations and groups. Both CIMA and CMW are regularly present at European showcases and are valuable resources for the build-up of any export strategy to Canada.

Canada is a country of several traditions, with a predominance of French musical genres in Quebec and several Anglo-oriented genres in the other provinces. There is also a very strong Folk music tradition, drawing upon several cultures that make up the Canadian folk music scene, from the First Nations to the Irish and Celtic traditions. Music is a culturally important sector for Canadians, with huge Canadian stars that make it big in their own country without ever exporting their music successfully. Some big names in Canada remain virtually unknown outside their territory, such as The Tra-

gically Hip and Blue Rodeo; whereas others like Drake, Alanis Morissette and Arcade Fire, are known around the world. Besides, some of the biggest names in music are US-based artists of Canadian origins, like Neil Young and Brian Adams.

The Canadian music market from a European export point of view

The Canadian public is open to European music but the market can be difficult to enter. The best strategy is to build a Canadian team that is based upon strong artist-to-artist links, co-writing, and shared side-projects. It is a very different market, culturally, from the USA – more European in flavour, but with strong business ties to the US.

European exporters wanting to break into Canada need to develop a 360° strategy with at least a two-year plan and the right type of artist / story to have a chance to enter the market; however if and when they do it can provide a career-long fanbase and audience that follows artists for a more lasting period of time than the American limelight.

Touring in Canada

While there are no major immigration barriers to European artists wanting to tour Canada, the amount of local support to Canadian artists means that the market can be overcrowded and be hard to access. It is advisable to work with Canadian companies, establishing exchange partnerships that can be mutually beneficial between Canadian and European artists, labels, and the rest of their professional teams.

Working your project in Canada

It is clearly a country that likes the arts, and specifically, music and which has positive growth indicators. This analysis and projections affirm Canada as a primarily live market, with the counter-intuitive geographical reality that it is a huge country that is not easy to tour by road (lots of driving in between towns!).

As with most markets, a first appearance by an European artist at a showcase festival like CMW, M for Montreal or Mundial Montreal should be the initial step. That showcasing and team-building effort would be followed up via a Canadian release with PR and radio plugging support, aimed at the right radio sector (commercial and/or college) and a small venue tour to follow – preferably with a Canadian artist pairing. While it isn't easy to land a Canadian booking agent, the strategy of proposing an “exchange” double-bill could be attempted, establishing an interchange between Canada and Europe between artists and agencies.

One good practice is to grow your audience locally, on a city-by-city and then province-by-province basis; with Ontario and Quebec being the obvious starting points for artists dependent on their artistic language and cultural roots.

Radio remains the primary driver for music discovery in Canada. 52% using over the air AM/FM radio and 21% listening to AM/FM radio online. Moreover, online AM/FM radio is the most popular discovery tool for millennials, though discovery via online streaming services is growing.

Avoid a targeted approach to European communities in Canada

One potential approach – that reveals itself as all-too-easy and not effective or impactful – is centered on the multi-national European communities that have settled in Canada. At first glance it could appear that just as France has a ready-made market in Quebec, other EU countries could potentially find niche markets, of varying sizes, within their immigrant communities that have settled in Canada. While this may be true

to some degree of more traditional, historic or popular music styles, it is as removed as could be from the reality of music export. To clarify on a case-by-case basis why this is so would require a full sociological study on the European communities in Canada; so we propose in this final analysis to use the experience that AMAEI, the Portuguese Independent Music Trade Association, had, when Portugal and Spain were the country focuses at CMW 2012: Most Portuguese showcasing artists that showcased at CMW were “segregated” onto a venue that, while technically excellent, was a bit off the beaten path from the regular Toronto venue circuit, geographically closer to the Portuguese community. The result was that neither the CMW professionals came, nor did the Canadian regular audiences – compounded by the fact that the new artists on the bill had virtually no brand name recognition with the Portuguese community in Toronto, who did not come. CMW, even though it is Canada’s biggest music event, was just not on their radar at all. There was also a clear generation gap, in that while the older Portuguese community might support traditional types of music artists (Fado etc.) the younger Portuguese-Canadians are well integrated into the regular mainstream fabric of Canadian society and are not necessarily on the lookout for new Portuguese talent just because they are Portuguese. It is my belief that this “targeted” approach to specific European communities in Canada is a dead end; rather, European music should be exported with the necessary support structure and funding programmes that offer a chance at mainstream success, or rather, a chance to compete directly at whatever style or niche are suitable within the wider Canadian “main” audiences – not the European communities.

European-artist-in-residency programme could be more effective

Also, the challenges and opportunities presented by such a rich domestic market as Canada means that a specific “residency” approach would potentially yield better results. Although this is untested (so far), an “European-artist-in-residency” programme, preferably with Canadian composers/authors and publishers on board, would be one conceivable approach, from the perspective of music exchange rather than music export. (This is also corroborated by the testimonial from Vince DeGiorgou above.).

European artists need to be able to afford:

- One initial showcase festival visit (ex. CMW)
- Radio plugger for College/University radios
- Radio plugger for Commercial radio across Canada
- PR person (for record release campaign)
- Tour support
- Marketing & Publicity support

Even though with the rise of Hip-Hop, several small venues have closed in Toronto, for example, live touring remains a definite inroad into Canada as over half of Canadians (59%) are attending live events (at large and small venues as well as festivals), with the rate being higher for millennials (70%).

This certainly makes Canada a market worth investing in, provided there is a solid twin-pronged strategy between the individual artist management & international development plan AND European Export Mechanisms that can assist that plan, placing the European Artists on equal footing with the Canadians that dominate their home market.

1. General national context

Society		Source
Population (2021)	38 068 000	UN data
Official language(s)	English and French	
Currency	CAN Dollars	UN data
Exchange rate (First semester 2022 average)	1€ = 1,3697 CAD	European Central Bank
Population growth rate (average annual % – 2021)	0,9%	UN data
Life expectancy at birth (females/males, years – 2021)	84,2 / 80,2	UN data
Population age distribution (0-14/15-59/60+ years old, % – 2021)	15,8 / 59,8 / 25,4	UN data
Human Development Index (2021)	0,936	UNDP
Gini coefficient (2020)	33,3	World Bank
Economy		
GDP (million current US\$ – 2021)	1 741 497	UN data
GDP per capita (current US\$ – 2021)	46 550,3	UN data
YOY growth (annual %, const. 2015 prices – 2021)	1,9%	UN data
Unemployment rate (% of labour force – 2021)	5,4%	UN data
Communication		
Individuals using the Internet (2022)	96,5%	DATAREPORTAL

1.1 Social and economic context description

Canada has the fifteenth-highest nominal per capita income globally as well as the twelfth-highest ranking in the Human Development Index. It is the tenth-largest economy in the world, thanks to its abundant natural resources and well-developed international trade networks.

1.2 Geography and demography

Canada is the topmost country of the American continent, occupying a land mass of 9985 million km², with a population of 35,15 million according to Statistics Canada 2016 census; rising to 36,71 million in 2017.

Most of the population is concentrated in the southern regions of each Canadian province bordering the USA. Two thirds of the population lives in this small geographical area, which includes the three major urban centers: Toronto, Montreal and Vancouver, which are home to 35,5% of all Canadians, a combined population of 12,5 million. Toronto is the largest Canadian city (5 928 040) followed by Montreal (4 098 927), Vancouver (2 463 431), Calgary (1 392 609), Ottawa-Gatineau (1 323 783) and Edmonton (1 321 426).

Canada is home to several indigenous peoples, known as the First Nations; and was also the stage of several waves of European and Asian migrations, with the French having been the first Europeans to colonize modern-day Quebec; before the English arrived. The result is a country that was from its very beginnings a naturally multicultural land, with a cultural key difference being the often-recognized cultural respect for various races, religions and personal identities. To this day, French is the main

language spoken in Quebec outside the city of Montreal, which itself is split between French and English speakers; whereas English is the more common tongue spoken in the other 9 provinces.

2. Music ecosystem and institutional structure: organizations, unions and copyright collection societies

Key points

There are mirror collecting societies in Canada between Quebec and English-speaking Canada, with some cross-over to America (ex. SOCAN acquiring Audiam). Given the support mechanisms available to music publishers in Canada it is recommended that European artist-authors find a Canadian sub-publisher via their European publisher, so as to procure songwriting camp and co-writing opportunities. Should a particular strategy be implemented for a more permanent presence in the Canadian market, any European record labels setting up Canadian companies should also join Re:Sound for their performing rights / neighbouring rights collections. Publishers should join the CMRRA also for mechanicals, as in Canada public performance and mechanical reproduction are paid via separate societies (SOCAN and CMRRA in English Canada, SODRAC in Quebec).

2.1 Collective Management organisations

Due to Canada's bilingual, multi-cultural reality, one always has to take into account that there is a general duplication of societies and activities in Canada, between the Anglo- and Franco- counterparts. As such, we find the following PRO's.

ACTRA Performers' Rights Society – ACTRA PRS (www.actra.ca/racs)

As a division of ACTRA PRS, ACTRA Recording Artists' Collecting Society (ACTRA RACS) is a not for profit organization that has been collecting and disbursing equitable remuneration for eligible recording artists for over ten years. Equitable remuneration monies are received through certified tariffs, including private copying and reciprocal agreements.

ArtistI (<https://www.artisti.ca/tag/uda/>):

ArtistI is the collective society of the Union des artistes (UDA) for the remuneration of performers' rights.

Canadian Musical Reproduction Rights Agency – CMRRA (www.cmrra.ca):

CMRRA is a Canadian centralized licensing and collecting agency for the reproduction rights of musical works in Canada. It represents over 6000 Canadian and U.S. publishers who own and administer approximately 75% of the music recorded and performed in Canada. Licensing is done on a per use basis.

CMRRA-SODRAC INC – CSI (www.cmrrasodrac.ca):

CSI, a collective society incorporated in 2002, is a joint venture of the Canadian Musical Reproduction Rights Agency Ltd. (CMRRA) and the Society for Reproduction Rights of Authors, Composers and Publishers in Canada and SODRAC 2003 Inc. (SODRAC). These collectives have granted CSI an exclusive mandate to license the reproduction of musical works in their repertoires for certain uses to various music users, including radio stations, background music services or online music services. CSI licenses its repertoire by way of tariffs certified by the Copyright Board of Canada or by way of privately negotiated agreements.

Together, CMRRA and SODRAC represent the vast majority of songwriters and music publishers whose songs are active in the Canadian marketplace. CSI's role is to provide a convenient one-stop licensing shop to access a worldwide music repertoire for use in Canada.

Connect Music Licensing – AVLA – (<https://connectmusic.ca/>):

Formerly known as Audio-Video Licensing Agency, Connect Music Licensing – AVLA administers licenses in Canada for the reproduction of sound recordings, and the reproduction and broadcast of music videos on behalf of the copyright owners (usually the record companies). Its members, which consist of all the major record companies, many independent labels, as well as artists and producers, own or control the vast majority of the copyright of all the sound recordings and music videos produced and/or distributed in Canada. Connect Music Licensing also distributes royalties to its members for the communication, public performance or private copying of their eligible sound recordings.

Musicians' Rights Organization Canada - MROC (<https://musiciansrights.ca/en/>):

MROC is a non-profit copyright collective that collects and redistributes to its musicians royalties and remuneration flowing from Re:Sound and similar societies around the world. Those monies arise out of the radio airplay, public performance and private copying (the blank CD levy) of sound recordings on which musicians have performed.

Re:Sound Music Licensing Company - Re:Sound (<https://www.resound.ca/>):

Re:Sound (formerly known as the Neighbouring Rights Collective of Canada) is the Canadian not-for-profit music licensing company dedicated to obtaining fair compensation for artists and record companies for their performance rights. On behalf of its members, representing thousands of artists and record companies, Re:Sound licenses recorded music for public performance, broadcast and new media.

Re:Sound is also a member of the Canadian Private Copying Collective, created to receive private copying levies from the manufacturers and importers of blank audio recording media.

Société de gestion collective des droits des producteurs de phonogrammes et vidéogrammes du Québec – SOPROQ (<https://www.soproq.org/>):

SOPROQ is a non-profit copyright collective society founded in 1991 whose mission is to ensure that the Quebec makers of sound and video recordings maximize the royalties they are owed in virtue of copyright legislation in Canada and other foreign countries.

Society for Reproduction Rights of Authors, Composers and Publishers in Canada – SODRAC (<https://sodrac.ca/en/>):

The Society for Reproduction Rights of Authors, Composers and Publishers in Canada (SODRAC) manages the reproduction rights of musical works of some 6000 Canadian authors, composers and music publishers as well as of the musical repertoire of over 90 countries. To facilitate the use of these works in all distribution platforms and to ensure a fair compensation to the authors, composers, publishers it represents, SODRAC negotiates collective and individual agreements with users, licensing its repertoire by way of tariffs certified by the Copyright Board of Canada or by way of privately negotiated agreements. In this context, SODRAC collects royalties for the use of the works

and redistributes them to the rights holders. It therefore controls all reproduction of its members' works on any type of audio, audiovisual, visual or digital media, as well as the use of recordings on these media. SODRAC members are represented in nearly 100 countries and territories.

Society of Composers, Authors and Music Publishers of Canada - SOCAN (www.socan.com):

The Society of Composers, Authors and Music Publishers of Canada (SOCAN) is a performing rights society that administers performing rights in musical works on behalf of Canadian composers, authors and publishers as well as affiliated societies representing foreign composers, authors and publishers.

NB: "In May 2016, SOCAN acquired the Seattle-based company Medianet Digital; the organization planned to leverage the company's software and database of rights metadata to assist in the calculation and distribution of royalties for works on digital music streaming services¹. In July 2016, SOCAN acquired Audiam, a U.S. startup created by TuneCore founder Jeff Price that specializes in managing the distribution of royalties for songs used on digital services such as YouTube, using a database of song recordings and metadata for identification^{2, 3, 4}

2.2 Music industry trade bodies and unions

From the recorded music industry side, we find two main phonographic producer organizations, the former **Music Canada** (<https://musiccanada.com/>), formerly known as CRIA - Canadian Recording Industry Association; and the aforementioned **CIMA - Canadian Independent Music Association** (<https://cimamusic.ca/>). Both publish useful reports on the Canadian music industry.

From the live music industry side, we find the **Canadian Live Music Association** (<https://www.canadianlivemusic.ca/>). Their publications include reports on Music Cities, Economic Impact and Live Music Facts.

On the publishing arena, **Music Publishers Canada** (<https://www.musicpublisher.ca/>) is the main trade association in Canada.

Other: Besides these trade bodies, there are several other organizations representing different interest groups, organized around certain sub-sectors of professionals in the music cluster, and also around different music genres such as Folk Music Canada.

2.3 Music conventions

Canadian Music Week (<https://cmw.net/>) is the biggest conference and showcase festival event. Other important trade fairs and showcase events are:

- Indie Week (<https://www.indieweek.com/>)
- BreakOut West (<https://breakoutwest.ca/>)
- Canadian Country Music Week (<https://ccma.org/country-music-week/>)
- East Coast Music Week (<https://www.ecma.com/>)

Live at Heart Newfoundland (<https://www.liveatheartnl.ca/>) is a Canadian edition of Swedish showcase festival and conference.

1 <https://www.theglobeandmail.com/technology/socan-acquisition-to-help-canadian-musicians-collect-royalties/article29989718/>

2 <https://www.billboard.com/music/music-news/socan-acquires-audiam-7445889/>

3 <https://www.wsj.com/articles/BL-VCDB-14106>

4 Wikipedia: https://wiki.alquds.edu/?query=SOCAN#cite_note-billboard-audiam-4

3. Live music industry

Key elements

For the Canadian market to become relevant for European artists, a certain degree of artist notoriety needs first be achieved via a significant impact on the Canadian market; international artists would not reach those markets on a first visit (unless for example they were paired up with Canadian touring artists). Many of these festivals and venues are members of Live Music Canada, the main trade body for the Canadian live industry.

It is recommended that Canadian showcase events like M and CMW be used to procure partners and build teams, while the first touring should be done in partnership with local artists, opening for or double-billing with Canadians. Exchange tours can and should be utilized as a strategy. Also, US agents are active in Canada and there can be cross-over optimization of resources should a given European artist be entering both markets.

3.1 Live music industry revenues

The Canadian live industry is responsible for 20 000 jobs, generating €914,5 million to Ontario's economy alone. Live music companies in Ontario generated €478,58 million in revenue from live music activities in 2013 as well as profits of €109,74 million.

Ticketing companies:

Ticketmaster, Ticketwindow, Eventbrite, are some of the ticketing platforms in Canada, along with newcomers Ticketfly and Ticketbreak.

Bill 166 has created the Ticket Sales Act, which bans the use of ticket bots and sale of tickets through a bot, caps the resale price of tickets to 50% above face value, and establishes new enforcement measures⁵.

3.2 Consumption patterns and live music scenes

In 2016, 55% of Canadians' expenditure on music was dedicated to live events. Nielsen's data suggests that more Canadians (59%) attended live events in 2017 compared to 2016. The rate is higher (70%) among those aged 18–34⁶.

3.3 Venues and infrastructures

Canada benefits from a healthy club venue circuit, with several small venues per town (even if by all reports most cities are losing venues that have been closing down for the last few years). Besides the club and small venue circuit, there are arenas as well as arts centres and small auditoriums or small theater venues across the country. Most small venues charge covers of between €3,20 – €6,4 in small towns, to €6,4 – €16 for major venues in large cities (ex. Toronto's Horseshoe Tavern). Besides the venue circuit, there are several commercial as well as non-profit festivals across Canada.

⁵ <https://www.cbc.ca/news/canada/toronto/scalper-bot-law-1.4447388>

⁶ <https://www.nielsen.com/insights/2017/consumers-in-canada-are-turning-up-the-volume-on-music/>

Main venues

Secondary markets allow artists to extend tours from 6 to 8 dates to 12 or 16; with towns of less than 125 000 having arenas for 5000-person range. There are hockey arena networks also used for concerts throughout Canada, as well as some excellent soft-seat theater and performing arts centres in major cities. Small to mid-size communities like Medicine Hat or Prince Albert, who choose to invest in theaters, have been able to attract world-class talent.

3.4 Promoters and booking agencies

Live Nation

Live Nation Canada is the largest concert promoter; it also owns Ticketmaster. It promotes annually 1300 to 1500 shows in more than 200 venues in more than 50 cities. Foreign to domestic ratio is 4 to 1. Biggest tours: U2, Coldplay, Guns n Roses, Bruno Mars, Metallica, Lady Gaga; biggest Canadians: Drake, The Weeknd, Michael Bublé, Arcade Fire and Shania Twain. Live Nation rule mid to large level shows, Collective Concerts more localized

Evenko

Evenko is the most important independent promoter, presenting more than 1200 musical, family and sporting events annually in Quebec, Atlantic Canada and eastern US; It is based in Montreal.

Other promoters

Montréal: L'équipe Spectra, Greenland Productions, Neon Productions

Toronto: Collective Concerts, Embrace Presents, Fource Ent

Vancouver: Paul Merchs Concerts, MRG

Edmonton: Concertworks

APA, formed out of the dust of the Agency Group

3.5 Festival network

- Wayhome Music & Arts Festival was named the top major festival of 2016 at Canadian Live Music Industry Awards (promoted by The Republic)
- Toronto Urban Roots (promoted by Collective Concerts) best mid-sized festival
- Live Nation acquired the festival portfolio of Union events: X-Fest Calgary, Chasing Summer, Sonic Boom Edmonton.

Many festivals are non-profit: Calgary Folk Festival, Edmonton Folk Music Festival, Winnipeg Folk Festival, Hillside Guelph, RBC Bluesfest Ottawa.

Focus: classical and contemporary music

The national association Orchestra Canada provides very useful information concerning the landscape of orchestras and Classical & Contemporary repertoire. Each year, Orchestras Canada collects and collates financial information and audience numbers from member orchestras and produces a detailed Comparative Report which is then shared among all the participating orchestras. The 2017/18 Comparative Report⁷ contains information from 73 orchestras, including all member orchestras with budgets over EUR Million 1, and almost all orchestras with budgets over €30 000. There is also a website dedicated to Opera.

⁷ The Comparative Reports can be found <https://oc.ca/en/resource/comparative-report-archives/>

3.5 Visas and taxes

Visas policy and trade regulations

Performing Artists do not require visas in Canada. There are exceptions, however, when an “employment relationship” develops with a Canadian entity.

The Canadian Federation of Musicians (CFM), an organization of the American Federation of Musicians of the United States and Canada, has issued an information sheet for the benefit of foreign artists working in Canada. The document covers the hiring of Temporary Foreign Workers (TFW) in entertainment and film and the applicability of a Labour Market Impact Assessment (LMIA) from Employment and Social Development Canada (ESDC)/Service Canada or a work permit from Citizenship and Immigration (CIC) in order to work in Canada.

Taxes

Since 2018 there is a simplified taxation method for foreign artists working in Canada. This process allows non-resident artists to seek a waiver of regulation 105 withholding tax through the Canadian payer (i.e., the presenter), with no advanced approval from the CRA, as long as they earn no more than CA\$15,000 during the calendar year. Moreover, non-resident artists who file a waiver under the simplified process will generally not be required to file a Canadian income tax return. A similar waiver scheme is in place in the UK and in the Netherlands, for example.

Revenues and status of artists

The Canada Arts Council provides a clear definition of a “professional artist”. A professional artist is someone who:

- has specialized training in the artistic field (not necessarily in academic institutions)
- is recognized as a professional by his or her peers (artists working in the same artistic tradition)
- is committed to devoting more time to artistic activity, if possible financially
- has a history of public presentation or publication.

The Canadian Arts Coalition is spearheading an advocacy agenda at the federal level on behalf of artists with regards to taxation and other issues.

4. Publishing

Key points

It is recommended that European artist-authors find a Canadian sub-publisher via their European publisher, so as to procure songwriting camp and co-writing opportunities as well as syncs.

Should a particular strategy be implemented for a more permanent presence in the Canadian market, any European record labels setting up Canadian companies should also join Re:Sound for their performing rights / neighboring rights collections.

A “Radio Promotion” fund could be set up in Europe to assist European publishers with active radio promotion in foreign territories. In order to maximize their publishing revenue, European artists can also procure Canadian syncs via the music supervision companies in Toronto and Montreal: the CMW sync summit is a good place to start meeting these professionals.

4.1 Copyright law

The Copyright Act of Canada which was first passed in 1921 and amended in 1988, 1997, and 2012. After becoming a signatory country of World Intellectual Property Organization Internet Treaties in 1996, Canada implemented its terms in 2012 with the passage of the Copyright Modernization Act. The 2012 act focuses on anti-circumvention provisions for technical protection measures, the protection of authors' rights, and the public's rights concerning the copying of legally obtained materials.

Under the conditions of the Trans-Pacific Partnership trade agreement signed by Canada in February 2016. Should the treaty be ratified and enacted in its present form, Article 18.63 of the intellectual property rules requires an extension of copyright duration to the following minimum term-lengths: on the basis of the life of a natural person, a term of life plus 70 years; and otherwise 70 years from the first authorized publication, or, if not published within 25 years of its creation, 70 years from its creation.

As of May 2018, Canada had successfully argued against the extension of copyright in the TPP, holding to the Berne Convention standard, which is life of the author plus 50 years.

The Canadian Copyright Act contains safe harbours where "exceptions" arguably end up working as subsidies for digital platforms; similarly, the Radio Royalty Exemption was added to Canadian copyright law by the 1997 Copyright Act amendments. "In its 2005 Commercial Radio decision, the Copyright Board described the \$1,25 million exemption as a 'thinly veiled subsidy'".

A "Sound Recording" used in television and film soundtracks also does not generate neighbouring rights. (Unlike in 44 countries in the world including the UK and France). CIMA works with the government in an effort to initiate much needed changes to Canada's copyright legislation. Launched in 2010 as Bill C-32, this copyright reform initiative has proven to be complicated and even controversial. CIMA is working with the Canadian government to help smooth out the wrinkles in Bill C-11, the Copyright Modernization Act.

4.2 Collecting society figures

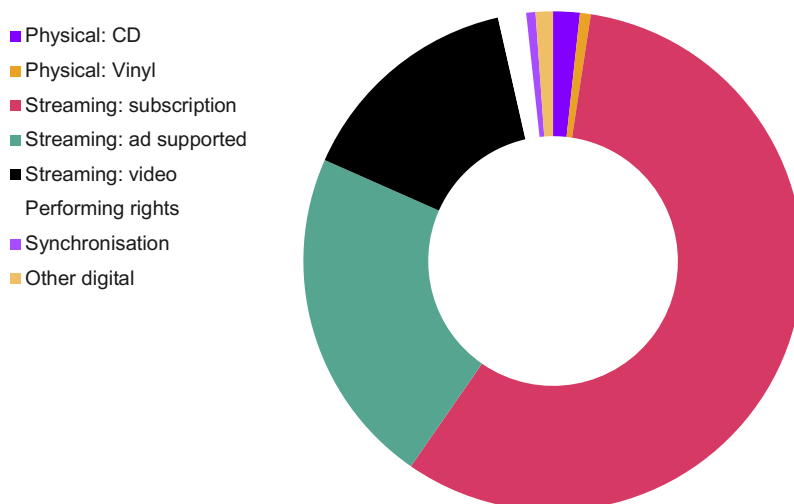


Figure 1. Royalties Generated by the Board's Tariffs in 2017 by CMOs.

Source: Copyright Board Report 2018⁸.

⁸ <https://cb-cda.gc.ca/sites/default/files/inline-files/Copyright%20Board%20Annual-2018-2019-e.pdf>

SOCAN has an increasing revenue from royalty collection and distribution since 2010. In 2017, SOCAN's total revenue was €248,7 million, an increase of 7% over the previous year. Gross Expenses were €33,8 million, also a 7% increase, commensurate with growth, and lower in constant dollars than they were 10 years ago. Royalty distributions to members were €208,42 million, an increase €4,2 million from the previous year. It makes SOCAN one of the top music rights organizations in the world. The revenues are distributed to tens-of-thousands of Canadian songwriters, composers, and music publishers, and the millions of rights holders the SOCAN is representing in Canada via agreements with 104 societies in 214 countries and dependent territories.

Domestic revenues, inclusive of performing rights and private copying rights, totalled \$262 million in 2017 (2016 - \$263 million).

Performing rights collections from licensing the use of global repertoires in Canada remained constant at €184,5 million in 2017. In 2017, revenue from traditional sources (TV, Cable & Radio) stabilized at €117,9 million, representing a 2,8% decline from the previous year.

Internet revenue continues to exhibit impressive growth, reaching €34,3 million due to very strong growth from existing licensees and new service providers entering Canada. Satellite Radio has continued to show steady growth, with 2017 revenue amounting to €11,2 million general & concert revenues experienced a strong year, reaching €33 million, as the live music industry remains strong in Canada.

In 2017, a hearing with the Copyright Board was completed for Pay Audio Tariff for the licensing periods from 2010 to 2016. The licensees have proposed lower rates under this interim tariff. While the decision from the Copyright Board is pending, SOCAN may be required to refund license fees previously paid. As such, SOCAN included \$13,9 million as an accrued liability – a reduction to revenue.

4.3 Publishing revenues and market share

In 2015, the Canadian sound recording and music publishing industry generated €104,8 million in total music publishing royalties and rights. From this amount, €51,02 million stemmed from performing rights (48.7%), €14,9 million (14.2%) from mechanical rights, and €14,01 million from synchronization rights.

4.4 Synchronization

There are several sync agencies and music supervision companies in Canada. In Toronto, for example, Michael Perlmutter, Vapour Music, the Supergroup and others; the CMW sync summit is a good starting point to meet the Canadian music supervisors and sync experts.

5. Media

Key points

It is recommended that European artist-authors find the right promotion and radio plugging partners in Canada. A “Radio Promotion” fund could be set up in Europe to assist European publishers with active radio promotion in foreign territories; as well as a “Music Promotion” fund for PR & communications. A visit to Canadian Music Week’s international market place at CMW could be a starting point for finding the right PR people for any given project in English-speaking Canada. Finally, college radio (colleges and universities) is worth investing into so as to assist with touring that college and university circuit as well. There are some cross-border college radio promotion companies from the US that also work in Canada (ex. US-based Planetary PR), and vice-versa.

5.1 Social media

According to the Canadian Internet Registration Authority (CIRA), 74% of Canadians spend at least 3-4 hours online per day⁹. The third most popular online activity is engaging on social media (67%). According to SOCIALscape Facebook is by far the more popular social media, followed by LinkedIn and Google+, Instagram, Pinterest, Twitter, YouTube, Snapchat, Reddit, Tumblr, Meetup and Flickr¹⁰.

According to Vince DeGiorgio, President of the CMPA, music promotion still requires a highly proactive approach and is quite costly: “A foreign music publisher coming into this market, who has an artist for whom they are desperate to get some attention, has got to put two to three thousand dollars into marketing a record through radio because the majors may never get to your music. [...] The hardest thing for me to accomplish is to get a record on Canadian radio. I can afford the budget for the promo people who handle that aspect. [...] Pro-activity is the lifeblood of the independent publisher. If you don’t have the ability to provide opportunities for your writers by sending them to foreign territories, you will never make an impact here.”

5.2 Radio

The radio market is becoming more and more concentrated in Canada. Most of the smaller stations have been acquired by large media conglomerates whose profits from radio have ballooned over the ensuing years. In the 1990s, the top ten commercial radio groups claimed just over half of the industry’s revenue share. By 2015, their share had grown to 82%. From 1996, the radio industry’s net profit before taxes was equivalent to €3,8 million and one year after the exemption was enacted, in 1998, it had ballooned to €53,9 million. It has continued to increase steadily until 2016, at approximately €280,41 million. Media companies like Bell and Rogers have transformed into huge, vertically integrated conglomerates. Today, they control not only the pipeline through their telecom and cable networks, but much of the content that flows through it via television networks, radio stations and other media properties they own.

⁹ <https://www.cira.ca/resources/corporate/factbook/canadas-internet-factbook-2019>

¹⁰ <https://www.pollara.com/wp-content/uploads/2017/12/Pollara-SOCIALscape-2018June-Rpt.pdf>

Canada has one national public broadcaster, one satellite service, and thousands of radio stations. The CAAMA report provides a select listing of radio networks / groups and stations in key markets.

Most Canadian Universities and Colleges also have their own campus radio, sometimes online but also often with FM transmitters.

5.3 Print media

Exclaim! is now Canada's only nationally distributed general interest music magazine operating as a print publication.

Canadian Musician magazine is Canada's magazine for professional and amateur musicians. Published since 1979, the magazine covers prominent Canadian artists, the latest gear, technique and the business of music. Published bi-monthly, Canadian Musician features regular columns on Guitar, Bass, Keyboards, Percussion, Brass, Woodwinds, Vocal, MIDI, Business, Songwriting, Live Sound, Recording and On-Line Music. Also included are classified ads, opportunities for musicians, new releases and new products.

Published by NWC, Canadian Musician is distributed across Canada through newsstands, music stores and record stores and by subscription across Canada and internationally. (<http://www.canadianmusician.com>).

FYI Music News (ed. David Farrell) is the most well known online trade magazine. The website Feedspot has a comprehensive list of 70 music blogs who cover a wide range of genres which is regularly updated.

Focus on classical music media

There are three commercial radio stations in Canada offering a classical music format:

- CFMZ 96.3 FM, Toronto/103.1 FM, Cobour
- CJPX 99.5 FM, Montreal
- CKCL Classic 107 FM, Winnipeg

The community CKUA radio network in Alberta also airs some classical music programming, as do some campus radio and community radio stations. All radio stations in Canada are required by the Canadian Radio-television and Telecommunications Commission (CRTC) to meet Canadian content targets. For classical music stations, the requirement is 20% Canadian content.

Music publications:

- La Scena Musicale magazine (Montreal)
- Musical Toronto magazine (Toronto)
- The Wholenote magazine (Toronto)
- Opera Canada magazine
- Musicworks magazine
- Strut Entertainment, Paula Danleyvich, for PR

6. Funding schemes

Lessons learnt from the Canadian approach to supporting music

FACTOR – the Foundation to Assist Canadian Talent on Record is a great blueprint for how the 2021 Culture programme in Europe can address the different needs of the music sector:

- Creation or Co-Creation Support
- Album Release & Promotional Support
- Showcasing Support
- Touring Support
- Professional Travel Grants to Conferences
- Label Grants
- Publisher Grants
- Festival Support (For EU Showcase Festivals associated with each country's export offices)

Canadian Heritage has a programme that can provide funding to Canadian Music Publishers to the amount of 50 000 per year. (ex. Songwriting Camps, Co-Creation, Sub-publishing cross-border)

Also, the Radio Starmaker Fund was created in the fall of 2000 on the initiative of the Canadian Association of Broadcasters and approved by the CRTC. It is a private fund which has as its stated purpose to “make a substantial and discernable difference to the careers of Canadian artists” by providing substantial incremental investment where the artist has established a proven track record and his or her label is making a significant investment in their future career.”

There are many support mechanisms for music and for artists in Canada: both on a national as well as a provincial level, and also aimed at different sub-sectors within the music industry, Canada is amongst the world leaders in terms of music support and funding mechanisms. From the federal or national level to the Provinces, we find additional support mechanisms for music artists and companies in each province. In the Province of Ontario, just to give an example, the Ontario Media Development Corporation has rebranded itself as Ontario Creates, and re-structured its programs around each sub-sector, creating for example the Ontario Music Fund, a \$15 million fund.

Canada Arts Council – The Canada Arts Council, organizes its support into 6 strands. For example, it has programs aimed at supporting artists with their professional and artistic development as well as representation and promotion abroad.

These Arts Council programs are not, however, specific to music. However, the federal programme Canada Music Fund is: the Canada Music Fund (CMF) aims to increase the creation of and access to a diversity of Canadian music for audiences everywhere by enhancing the sector's ability to compete in domestic and international markets.

A highlight among these programmes is the MEC programme: which aims to ensure that Canadian music entrepreneurs build a strong and competitive industry capable of contributing to the Canadian musical experience over the long term through a diverse range of compelling Canadian choices.

“The sub-component Aid to Canadian Music Publishing Firms is intended to strengthen music publishing firms’ ability to develop Canadian songwriters and composers and to promote new Canadian musical works in Canada and abroad.”

The type of funding available varies, but for example Canadian Music Publishers can be funded “up to 50% of their eligible expenses or up to a maximum of \$75 000 per fiscal year” under the MEC program.

FACTOR – Perhaps the premier example of an advanced, yet accessible, funding mechanism that helps drive the industry’s growth as well as export activity is FACTOR : Foundation to Assist Canadian Talent on Record. In fact, FACTOR’s several programs don’t just exemplify Canada’s well-developed rationale towards the promotion of its musical artists; it provides the perfect blue-print for best practices in music export in general. Its programs aren’t just aimed at support, but also capacity-build new artists and professionals propelling them along a well-structured, graduated support system that helps to professionalize young talents from an amateur level to a professional level should the manage to develop along FACTOR’s several “artist levels”, unlocking new funding mechanisms along the way.

FACTOR is structured around 13 targeted programmes for the music sector:

- Marketing & promotion for sound recordings: provides annual funding for business development initiatives that supports the marketing and promotion of the company and its services, and staff business travel to support the company’s development objectives. It offers up to \$7500 / \$20 000 depending on company rating per year.
- Songwriter’s Workshop Support Programme: Songwriting camps Helps Canadian professional songwriters (i.e., primarily writing for other performers) pay for the cost of attending domestic and international songwriting workshops and seminars on the craft and business of songwriting. It covers up to 75% of total budget to annual maximum of \$750, with a lifetime maximum of five grants
- Other forms of support include: Comprehensive support programmes for music companies; Live performance; Sponsorship; Videos; Artist development

All programme details are available on: <http://www.factor.ca/our-programs/our-programs-overview/>

CIMA – The independent, Canadian-owned music industry generated an average \$1,22 return in taxes for every \$1,00 in support from the federal and provincial governments.

Currently, CIMA is working with the government regarding the renewal of the Canada Music Fund (federal Dept. of Heritage), the proposed Ontario Music Fund, the Ontario Sound Recording Tax Credit and the development of a music export office.

In the past, CIMA has worked with Radio Starmaker Fund, Harvard Broadcasting, Audio Visual Licensing Agency, SOCAN, Canadian Music Week and other public, private and collective partners in their efforts to secure funding and opportunities for Canadian Independent music.

