

Remarks by Margaret McGuffin to the House of Commons Finance Committee

October 19, 2017

Thank you for the opportunity to take part in these consultations. More than that, I would like - on behalf of Canada's music publishers - to commend the government for the new #CreativeCanada framework.

### **Who we are**

We are a membership-based organization committed to creating opportunities for our music publishers and to promoting their interests and those of their song writing partners. These companies all represent and invest in thousands of Canadian songs and songwriters who are heard daily on the radio, on streaming services, in video games and in film and television productions around the world.

By combining this country's talent, entrepreneurial expertise and global reach, we strive to advance the music publishing industry and our song writing partners by providing a competitive edge both at home and abroad.

Indeed, music publishing in Canada has recently grown to \$280 million per year in revenues, and is transforming itself into an increasingly export-driven endeavor.

Today two thirds of our revenues are from foreign sources.

### **Supporting sector growth**

We are asking the government to contribute to the ongoing growth of the music publishing sector.

Minister Joly recently announced investment of \$125 million for Canada's first **Creative Export Strategy**. CMPA welcomes the funding which will go a long way to help small and medium-sized music publishers. We recommend that \$10 million per year of this future trade money be directed to a fund that benefits all music companies, including music publishers who are driving this growth. In our ongoing discussions with Canadian Heritage, we continue to stress that our needs are different from others in this sector.

Government must look to increase support to the **Canada Music Fund**. At the same time, we have recommended that the Canada Music Fund increase its support to Canadian entrepreneurs, including music publishers, to finance the development of their companies and the creators they invest in - from approx. \$24 million to \$30 million a year.

Modernization of the Fund is also important, and news that it will be is most welcome. The music publishing industry is the focus of increased global competition and the Canadian sector is very much in need of better access to capital to compete internationally, particularly for the acquisition of catalogues of musical works that are a key to revenue generation.

Specifically, we would like to see the Music Entrepreneur components of the music fund enhanced. Despite our strong track record, the maximum annual contribution a publisher can receive is currently out of step with what others across the sector may receive.

This same comment applies as it relates to access to other federal programs that provide much needed capital that will allow publishers and their song writing partners to grow and compete on a global scale.

Finally, we continue to seek enhanced support for **Canadian content**. Our members have recommended the federal government base its policies for today's digital world first and foremost on the need to encourage the creation and discovery of new Canadian content.

### **Wide ranging review of Copyright Act needed**

We also welcome support for the protection of creators' intellectual property and fair compensation for those who help contribute to Canadian cultural content. Changes to the Copyright Act to ensure Canadian works are competitive with international standards and reform of the Copyright Board are essential to a thriving music publishing industry. The government needs to act quickly to allow us to remain globally competitive.

We seek a wide-ranging review of the Copyright Act and hope to see a detailed commitment to reform of the Act from Innovation Minister Bains and Minister Joly soon. Initial signals have been positive and we appreciate that our voices are being heard.

### **Opportunities abound**

Thanks to our partnership with the federal government, we were able in the past year to sponsor trade missions to LA and Germany, the Canadian Music Café which showcases our country's talent to the screen-based industry and our Music Tech Summit. These projects have been a success and are greatly enhancing global opportunities.

Our goals are closely aligned with the government's cultural and economic strategies. We are convinced, as Minister Joly has stated, that Canadian creative industries represent a key innovative economic sector.

We hope we will be able to continue working with the government - and each of you on this committee - to expand and improve Canada's music publishing industry and take full advantage of the progress Canadian publishers and songwriters are already achieving internationally.

In closing we hope to see you all in meetings in Ottawa on Nov. 6-8 as our global partners discuss copyright, sector growth and much more.

I am happy to answer your questions and thanks again.

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