



**THE VOICE OF LIVE  
MUSIC IN CANADA**

450 Churchill Ave. North  
Ottawa, ON, K1Z 5E2

**LA VOIX DU SPECTACLE  
MUSICAL AU CANADA**

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August 2, 2018

Standing Committee on Finance  
Sixth Floor, 131 Queen Street  
House of Commons  
Ottawa ON K1A 0A6  
Canada

Attention: David Gagnon, Clerk of the Committee

[FINA@parl.gc.ca](mailto:FINA@parl.gc.ca)

**Ensuring Canada's Competitiveness by Investing in Canada's Growing  
Live Music Economy**

To the members of the Standing Committee on Finance;

Music Canada Live is the trade association representing “the people behind live music” – concert promoters, venues, festivals, clubs, performing arts centre, agents (who represent the artists) and others who supply goods, services and support to Canada’s thriving live music sector. Our members are small, medium and large companies and organizations – both for and not for profit. They are located from coast to coast to coast, and they are *the* connector between our incredible artists and their loyal fans. They are fundamental to the career development of artists, play a major role in attracting tourists, and spending, and are a key part of any city’s healthy business ecosystem.

As “the people who stand behind the people behind live music,” we would like to thank the government for your increased support to both the Canada Council for the Arts as well as former Canadian Heritage Minister Joly’s recently announced Creative Export Strategy.

Live music in Canada is one of our most important, natural, renewable, culturally-vital resources. It’s impacts – economic, social and cultural – reach well beyond the stage, and into our communities, our cities – here at home and around the world.



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In *Live Music Measures Up*<sup>1</sup>, which both considers the economic impact of Ontario's live music industry and evaluates growth potential, the research shows that the live music sector contributed \$1.2 billion to provincial GDP and created 20,000 jobs in 2014. In the recently released (May 2018) *Here, the Beat: The Economic Impact of Live Music in British Columbia*<sup>2</sup>, live music was found to contribute \$815.8 million to provincial GDP while creating 7,400 jobs. Both studies indicated that over 80% of companies and organizations were predicting revenue growth and expecting to hire more workers.

*A vibrant music economy drives value for cities in several important ways. It fuels job creation, economic growth, tourism development and artistic growth, and strengthens a city's brand. A strong music community also attracts highly skilled young workers in all sectors for whom quality of life is a priority. This in turn attracts business investment.*<sup>3</sup>

The Canadian live music industry adds *substantial* artistic, economic and cultural value to the global economy. Canadian artists such as Drake continue to lead the way, shining the ultimate spotlight on Canada – enhancing our national brand and encouraging consumption of Canadian cultural (and other) products, as well as tourism. Artists like Arcade Fire got their start in clubs and concert halls, and at festivals here in Canada. The importance of those stages to the career development of ALL Canadian artists cannot be overstated. It is with the growth and development of Canada's concert sector, and its limitless potential to ensure Canada's competitiveness in mind that we make the following recommendations.

*Evidence-based research demonstrates that creative and innovative people are attracted to vibrant music scenes. The presence of a rich ecosystem of music sellers, performance venues, music press and, most importantly, working musicians in close contact with one another is one of the key determinative factors in attracting high-tech employers and employees. ICTC confirms, based on its significant research in the ICT ecosystem, that there is a strong correlation between vibrant music scenes and tech clusters. This leads to the conclusion that governments and organizations that support rich cultural environments are*

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<sup>1</sup> [Live Music Measures Up](#), Dec 2015

<sup>2</sup> [Here, the Beat](#), May 2018

<sup>3</sup> Amy Terrill, [WIPO Magazine](#)



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*better positioned to attract employers in the high-tech sector, thus providing more high-paying, skill driven jobs for their citizens.*<sup>4</sup>

**Recommendation 1:**

*That the government establish a new funding program in the amount of \$40 million per year specifically dedicated to the growth of Canada's concert and festival sector with a capacity to generate increased music tourism and economic activity.*

Canada's concert sector generates billions of dollars in tax revenue and contribution to GDP. It creates thousands of jobs. Revenues from festivals of all sizes have continued to increase annually and reinforce the importance of "live" in today's broader music industry. According to the research firm IbisWorld, the U.S. concert and event promotion industry is expected to generate \$28 billion in revenue this year alone.

Canada's concert industry is positioned to be the country's greatest "new resource". It's ability to impact and influence has long flown under the radar, but now the sector is organized. With strategic investment will come stronger, more compelling offerings and assets (and the ability to compete even more effectively on the world stage), especially where music tourism is concerned. Promoters and festivals know their markets and know how to grow them. A more robust investment strategy will enable them to go further.

Live music events bring in valuable revenue for their host cities each year, but the tourism industry as a whole has yet to work strategically with the music industry to create valuable products and experiences for live music lovers.

A new program will:

- Drive music tourism and position Canada as a premier global destination for live-music and music tourism.
- Support the develop a national live music brand to promote Canada's live music sector to boost concert attendance, visitor spending, and economic impact.
- Foster grassroots development and expand live music opportunities for musicians to perform and thrive across Canada.
- Create opportunities to promote music through measures such as new online resources.

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<sup>4</sup> [The Next Big Bang](#), Music Canada 2013



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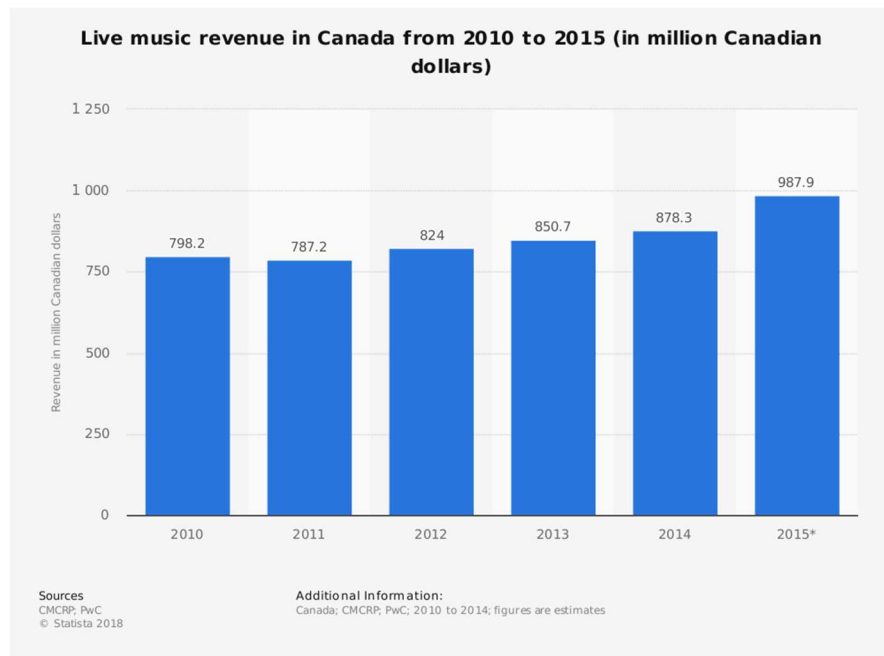
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- Will increase the quality of life, vibrancy and overall liveability of Canadian cities and towns, attracting more skilled workers.

Music Tourism:

American cities like Nashville and Memphis, Tennessee, Austin, Texas and New Orleans, Louisiana demonstrate how music can help fuel a booming tourism economy. According to Travel Weekly, “what these successful music tourism destinations have shown is that fostering a thriving music scene ultimately feeds into improved tourism experiences in other areas, as well, such as dining and the arts, and vice versa.”<sup>5</sup>



Cities that aren't currently known for their music scene can position themselves as so with the help of a successful live music events.

In 2016, Canada's live music revenue reached a new high of 988 million Canadian dollars in 2015, up from 798 million Canadian dollars in 2010. Like the United States, admission to live music concerts was reported to account for the largest portion of expenditures on music related activities among Canadian consumers.<sup>6</sup>

A new dedicated program for live music companies and organizations would ensure Canada's competitiveness by increasing tourism, creating more jobs and generating more economic activity as well as impacting other sectors (such as the technology

<sup>5</sup> Advance Travel Weekly, <https://www.advancetravelandtourism.com/musics-growing-influence-tourism-industry/>

<sup>6</sup> Statista, <https://www.statista.com/statistics/686785/live-music-revenue-in-canada/>



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sector). Funding should be strategically focused on capacity building, business development, job creation and marketing. This new money could be administered through the existing Canada Music Fund, managed by the Department of Canadian Heritage and Multiculturalism or through the Department of Minister of Small Business and Export Promotion.

**Recommendation 2:**

*That the government increase the budget of the Canada Arts Presentation Fund (Professional Arts Festivals and Performing Arts Series Presenters component) in the amount of \$30 M;*

*→ Department: Canadian Heritage and Multiculturalism*

Music Canada Live supports an increase to the incredibly important and successful CAPF program. Building live music and touring across Canada helps to ensure our country to create the stars (and the fans) of tomorrow. Referring to the example of Drake (or Shania Twain, Jann Arden, Sarah MacLauchlan, Justin Bieber, Gordon Lightfoot and many, many others....), touring is the most essential component of an artists career development. The CAPF program facilitates access for Canadians to see and interact with our (emerging, mid-career and senior) artists, and helps to connect our vast country through music. An increase to the CAPF program will ensure Canada's arts presenters and festivals can grow their programming and activities, helping to define Canadian live music on the global map.

Music Canada Live supports the brief submitted by the Canadian Arts Coalition and echoes its rationale and recommendations.

**Recommendation 3:**

*That the government provide additional funding in the amount of \$10M for the Communities at Risk: Security Infrastructure Program (SIP) and expand the program criteria to include all Canadian live music producers and venues.*

*→ Department: Public Safety Canada*

Sadly, live music events have been targeted by terrorism and hate, forcing the industry to navigate next-level security concerns and develop and implement best practices. While most of the extreme events have taken place in other countries, Canada needs to be ready. We are recommending the government both increase the funding available



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through the SIP and ensure the *broader live music sector* can apply to ensure that those who risk being victimized by a hate-motivated crime can be prepared and protect fans and audiences by **improving security infrastructure**. A very large percentage of Canada's live music events are produced by for-profit companies. Any one business model should *not* determine whether or not we can keep Canadians safe. We urge the government to extend this program to live music companies *and* organizations, making them eligible to apply and work to ensure the very best practices known are being activated and leveraged across the entire industry.

We thank the Government of Canada for the opportunity to submit this brief and we welcome the opportunity to discuss the contents in detail at any time, and/or further extrapolate on how the Canadian live music industry can further the government's priorities of ensuring Canada's competitiveness, at home and around the world.

Sincerely,

A handwritten signature in black ink that reads "Erin Benjamin".

**Erin Benjamin**

Executive Director

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