Canadian Content in a Digital World

Topline Summary Montreal

October 28th 2016

Event Details

This is a flash summary of key themes and discussions emerging from the Canadian Content in a Digital World Roundtable session held in Montreal on October 28th, 2016 at the Maison Symphonique at Place des Arts.

The session consisted of a half-day discussion in which participants were invited to provide their views and perspectives on three broad questions related to the ongoing Canadian Content in a Digital World consultation namely:

> o What does a cultural system that supports creators and respects citizen choice look like to you?

> o How do we support Canada's artists, content creators and cultural entrepreneurs in order to create a cultural ecosystem in which they thrive and that will benefit the growth of our middle class at home, and help them reach beyond our borders?

> o How can we meet the challenge of promoting Canada's creativity in the digital world, and how can we use Canadian content to promote a strong democracy?

- During the session each question was given an equal allotment of time. Given the overlapping focus of these questions and the organic nature of the conversation, many of the themes coming out of the discussion is applicable to different subject areas within each question. In order to avoid repetition, this topline summary has been organised to best represent the themes discussed.

- The session was facilitated by Marc Beaudoin and each at table discussion was led by an Ipsos facilitator.

- A total of **61** individuals participated in the discussion. All roundtable participants were identified by PCH and recruiting was a combined effort between the department and Ipsos.

- The Minister of Canadian Heritage as well as PCH Policy representatives were on hand to listen to feedback first-hand and provide additional context as needed.

Key Takeaways

- There was no consensus between participants on the definition of Canadian content. Many felt that a better definition for who qualifies as a *Canadian creator* and what constitutes *Canadian content* is needed to allow for them to be truly protected and supported.
- Improve funding public models by streamlining them to facilitate access to a broader community of creators and a more diverse body of work and foster innovation.
- Revisit the criteria for awarding funding to strike a better balance between cultural value and profitability and to encourage collaboration between sectors. Some felt the emphasis should be on profitability while others said that there was currently too much focus on commercial viability leaving little room for creations driven by cultural value.
- Raise awareness and educate the public on the value of Canada's cultural sector and its creators to generate respect and support for investing in it. This includes, cultural value, economic benefits and the role culture plays in seeding innovation in other sectors.
- Invest in developing our creators by providing them with access to tools and supports to enable them to build sustainable careers and business that contribute to our economic growth. In particular, access to data on audience metrics should be provided to creators provide them with insight into consumer demand drive more successful creative development.
- Develop a new approach to distribution that leverages platforms (either new or existing) to better promote Canadian content and find ways to ensure that the financial returns generated by it remain in Canada through IP ownership, revised copyright laws and private sector reinvestment in Canadian creators.
- Ensure a diversity of voices in Canada's cultural sector to strengthen democracy and resume and invest in local capacities for reporting.

Detailed discussion

What does a cultural system that supports creators and respects citizen choice look like to you?

Overall, there was agreement that respecting citizen choice is less of an issue with the advent of the digital age. However, most also agreed that creators need to be supported in the development of cultural content that can compete in this new crowded and competitive space and that there is a role for governments to play in ensuring that Canadians are exposed to the breadth of Canadian content being produced.

Supporting Creators

Public sector funding creators was at the centre of the discussion.

- Some participants disagreed with the characterization of the cultural sector as a system. While they acknowledge the merits of this approach, they felt that it should instead be viewed as in industry that needs investment to create innovative ideas and support Canadians working in cultural enterprises. Some viewed Canadian content as a service to be provided to Canadian citizens, especially with respect to the dissemination of information.
- Many discussed the challenges associated with being closely linked with the United States, requiring that Canada protect its creators and content. Others felt that protection of Canadian content is driven by fear which jeopardizes innovation.
- For some however financial support for these cultural enterprises needs to be a higher priority than citizen choice, arguing that what is commercially viable or popular does not necessarily reflect a diversity and equality of voices and opinions.
- Some felt that in order to foster creativity within the cultural system, risks need to be taken, which may not lead to immediate financial success but rather support a diversity of expression and a diversity of experiences. Metrics used to evaluate works for support and funding should not be based solely on financial merits but also creative merits of the project as well.
  - That said, others felt that projects with commercial merit should have priority.
- Others called for providing creators with user access data to provide them with insight into areas of opportunity for development.
- Several participants also felt that the current model hinders the development of franchises as the creation needs to be innovative to gain funding. They felt that on the heels of a successful project, they can not get funding to build on that success, which prevents the development of ongoing series in video gaming for example.

Private industries and funding sources outside of government should be fostered.

- ISPs and digital distributors (such as Netflix) also garnered some attention, with many indicating they should be further encouraged to invest in Canadian content (perhaps through the CMF), contribute to Canadian taxes and be incentivized to keep money in Canada.
- Similarly, government departments need to work together in a coordinated effort on innovation, industry and culture as the cultural industry is not in isolation. Microfinancing for innovative ideas, similar to the tech and start-up industries, was also suggested as a means for investment that would assist in building the sector.
- Some participants suggested increasing the tax credits for creators, including for spending on promotional and marketing initiatives.
- Other suggestions included a tax on non-Canadian content within Canada, using Canadian quota regulations online, similar to what are in place on traditional media and introducing a fund created by revenues taken from Netflix.
- Some felt that Canada's national institutions mandates, relationships and coordination between these institutions needs to be revisited. They suggested a model that allows for greater collaboration between institutions and with the public and private sectors.

In addition to the funding of creative content, participants identified other supports that are needed to underpin the creative sector in Canada.

- The importance of investment in creative and cultural spaces on developing innovation in other sectors was further discussed. Investment in infrastructure for creators, including creator commons or spaces for production was also discussed. This would allow for mentorship between established, emerging and new creators as well as encourage interaction and sharing of ideas.
- Participants felt that French language creators are at a disadvantage in the cultural sector. Young Francophones migrate to English language content. The funding and audiences available for creators in English Canada and English markets internationally is much larger. English Canadian creators have a National audience to draw from, while the Francophone market is considerably smaller.
- Many also talked about the need for supporting creators in distributing their content and marketing it both at home and abroad.
- Participants also felt that training in business and entrepreneurship as well as support through services and counselling would allow creators to build a better and more sustainable "business" with their content. A focus on youth was also seen as a priority.

Some felt that there is a need to redefine what is meant by creator.

- Support is currently concentrated around producers, platforms, publishers and others at the end of the value chain, while technology has collapsed the traditional model, allowing more creators to own the production and publication processes. Newer models also challenge this framework for support, as mediums such as video games involve producers and publishers in creation.

Most also agreed that creating culture of valuing Canadian cultural content was key to supporting creators.

- Many felt that the public needs to be educated on the need to invest in this type of content, that it is not free to produce and distribute content.
- Many viewed younger people as being disconnected from Quebec's and Canada's cultural scene because they are mostly exposed to American culture.
- Another key aspect of this discussion is digital literacy. While some acknowledged that the current system has begun teaching children the skills they will need, similar efforts need to be made for young adults and even those with established careers.

Many expressed that regulation around IP and copyright need to be revisited in order to ensure that the artists/creators can own their own IP and keep it in Canada.

- In many industries, those who are seen as successful Canadian creative exporters are viewed as having American backers, be they producers or labels. This benefits the Canadian brand but there is growing concern that the revenue and benefits are not flowing back to Canada. One participant challenged legislators to create the best Intellectual Property rules in the world to better support Canadian creators. They felt this would enable the increasing trend in digital streaming to directly financially benefit the creators.
- Some felt that Canadian content produced with public funding should be readily accessible to Canadians, especially archived or historical content that has had an impact on Canadian culture and identity.

Citizen Choice

Discoverability, the ability of citizens to discover new content and have readily accessible platforms to reach this content in a digital world, was seen as an important aspect of respecting citizen choice.

- The digital shelf space is unlimited, so there needs to be an incentive to focus on quality content as some participants questioned if we have reached "peak content", where there is almost too much available.
- Many participants felt that there is too much free culture and that it undervalues the cultural sector. These participants felt that prices should increase and appropriate education should be offered to explain the value of culture and justify the price. Some further suggested that there should be a fiscal incentive to being a consumer of art.

Distribution of content was a key concern for participants.

- Some felt that while Canada has top notch talent, distribution also needs to be kept in Canadian hands in order to ensure revenue can be reinvested into Canadian content. Many felt supporting Canadian innovative

platforms and digital infrastructure companies is an important part of promoting Canadian content. The issue of online algorithms and metadata in discoverability of content and the implications on net neutrality were discussed.

- Some felt that there needs to be more support in place to improve Internet access among those disconnected (rural and low-income audiences).
- A unique perspective shared in Montreal regarding public access to Canadian content related to archived materials subsidized or funded by past government initiatives, including the archives of the CBC. Some felt that this content should be accessible to the public, at minimum students and young people, in an affordable format.

How can we meet the challenge of promoting Canada's creativity in the digital world, and how can we use Canadian content to promote a strong democracy?

Meeting the challenge of promoting Canada's creativity in the digital world was explored at length in the previous discussion. As such, participants used this time to focus on the issue of what constitutes Canadian content and who qualifies as a Canadian creator.

- Current content definitions were seen to undermine Canadian content by placing additional regulatory burdens on content created in Canada. Some felt that this devalues Canadian content and puts further advantage on content produced abroad.
- Participants identified two forms of digital content: content created with digital in mind and content created offline and then diffused online. Each presents different challenges in distribution, promotion and innovation.
- Some felt that investing in Canadian businesses and employers within the cultural sector was more important than investing in distinctively Canadian content. These participants were of the opinion that Canadian culture and a Canadian perspective would be included organically in any content developed by these creator organisations.
- Building a strong brand for Canadian content at home was seen as a key measure for promoting Canada's creativity globally. Conversations in Montreal focused less on storytelling and more on infrastructure and innovation in the cultural sector.
- Another consideration for defining Canadian content in contemporary Canada was the role of foreign investors in the cultural space. The video game industry was often referenced by participants as an example of success.

The impact of the cultural sector on democracy was discussed in the context of representation, diversity, access to information and participation.

- Some participants were concerned that an increasing pressure to meet citizen demand would lead to less diversity of voices. Content would be tailored for the masses and some opposing ideas may be lost, impacting Canadian democracy. Citizen choice needs to be respected but it should not dictate creation of content. There exists a need, especially in terms of news, to report on issues and topics that challenge citizens.
- Many suggested that the public's role in sharing hyper- localized information has grown over the last decade and is increasingly becoming a part of traditional journalistic coverage as well as a source of information for other members of the public.
- While some welcomed this and felt the production of local content by individual creators should be encouraged and perhaps facilitated with the creation of local public networks, others stressed the expertise and scrutiny of journalists is required for factual delivery of news and should be supported at the local level as well as regional and national.
- Most also agreed that diversity and inclusion in terms of region, gender, colour, inclusion of the LGBTQ community, Indigenous communities, immigrant communities and a diversity of opinion are each important to informing Canadians about each other and different aspects of local, regional, national and international events.
  - Some felt that this could be achieved through stronger national institutions, while others felt it important to invest in niche or audience specific channels, such as Indigenous newspapers or ethnic magazines.

How do we support Canada's artists, content creators and cultural entrepreneurs in order to create a cultural ecosystem in which they thrive and that will benefit the growth of our middle class at home, and help them reach beyond our borders?

Canadian content needs to be highlighted and allowed to shine before encouraging foreign competition. Keeping control of platforms for distribution within Canada was a key topic discussed.

- Many suggested the need for a strong Canadian brand and posited that the recent change in government combined with several other events in Canadian culture are currently presenting a window of opportunity to invest in this area.
- The general consensus was that Canada needs to take advantage of this opportunity to establish a strong awareness and connection to the Canadian identity at home and then look for ways to take our story to the international arena
  - They believed that chances of success abroad were far slimmer and that without having a solid industry here in the first place, a strong focus on exports would only cause further dislocation and encourage failure.
- For many, there needs to be a sustainable plan in place to encourage partnerships and engage in a global community of creators through co-production support.
- While some resisted the Over-the-top content (OTT) distribution model (i.e. Netflix, Spotify), others felt that Canadians need to embrace it.
- Participants tended to agree that the CRTC needs to be re-imagined or abolished in order to address the ongoing challenges of the digital marketplace. They stressed that the CRTC was created for the media and cultural sector of the 1980s and has not kept pace.
- There was disagreement over the importance of promoting exports. Some felt that it was more important to focus on success here first, then on success abroad.
  - For Montreal participants, the need for provincial support as well as national support was highlighted as necessary ahead of international promotion. Many thought that Quebecois creators are isolated from creators across the country as a result of a perceived separation of the markets by language.