



# Canadian Content in a Digital World

## Topline Summary Toronto

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October 12th 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 Toronto on October 12<sup>th</sup>, 2016 at the Art Gallery of Ontario.

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:

- What does a cultural system that supports creators and respects citizen choice look like to you?
  - 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?
  - 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 are 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 **52** individuals participated in the discussion. All roundtable participants were identified by PCH and recruiting was a combined effort between the Department and Ipsos.
  - A list of participants for the event is available online at [www.canadiancontentconsultations.ca](http://www.canadiancontentconsultations.ca)
  - 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. Offer more flexible funding arrangements that allow for longer term funding, loans and funding at different points in the development process.
- 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.
- Many viewed a digital hub as fostering a community of creators and citizens sharing content; the digital shelf space is unlimited, so there needs to be an incentive to focus on quality content. Consider broadening the scope of the Canadian Media Fund to include digital platforms or consider a placing a levy on Internet access.
- 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?

The discussion in Toronto focused on the overall importance of innovation and creativity. Participants in Toronto acknowledged that the needs of creators and the needs of citizens are different and therefore require different supports. A cultural system that supports creators incubates them through funding and education but also through other supports through infrastructure and the broader ecosystem. It promotes a national cultural pride in our creators.

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; that we need to acknowledge that many citizens are going to gravitate to American content. In order to achieve this, citizens need to have access to a diversity of content as well as great stories. The key challenge is creating a demand domestically as well as abroad for Canadian products and recognizing that culture and business are not mutually exclusive.

### Supporting Creators

*Overall participants in Toronto felt that investment in quality and internationally competitive content was important.*

- There was significant discussion of public investment that ranged from how funding agencies decide which projects to fund to how that funding should be distributed.
  - Creators need to be able to count on funding being available for the duration of their project in order to hire the resources required in some cases. Long-term security allows for more risk taking than a one shot deal and helps to provide stability to employment in the sector.
  - Criteria for funding decisions needs to be more flexible – many said that the prescriptive nature of the criteria limits creativity and innovation and does not offer opportunities for new mediums and cross-sectoral collaboration.
  - Several also cautioned that investment is often too focused on profitability rather than cultural value. The evaluation of proposals should balance both cultural merit and commercial value to encourage a diversity of voices.
  - It was also suggested that the rules on how funds are to be spent be broadened to allow for investment beyond the traditional streams for promotion, equipment/tools and other important elements of a successful creative enterprise.
  - Funding mechanisms and the application process need to be simplified – many described them as overly onerous and difficult navigate. Several also suggested that funding opportunities need to be better communicated, particularly to young creators.
- In addition to discussing investment through public funding, most agreed that private industry investment and non-governmental funding sources should be fostered.
  - Incentivizing private sector investment in diverse content, inter-sector collaboration and cooperation with international producers through taxes or subsidies was suggested.
  - Consider ways of encouraging multinational corporations (e.g. Netflix) to invest in Canadian content and pay taxes for access to the Canadian market.
- While direct investment in the creation of content was a key theme, participants also discussed investment in the sector that could serve to bolster the financial sustainability of the sector, enabling the ecosystem to flourish and grow over the longer term.
  - 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. These services would put more of the control in the hands of the creator.
- Many also raised the importance of developing Canadian creators – Canada needs to invest in developing the talent and workforce needed to deliver high quality, competitive content.
  - The development of artists and creators as a sustainable career option needs to begin with young artist education.
  - Many also emphasized the need for education for creators, assistance with education to stay on top of the latest tools for storytelling with training for their use. Education in the sector should also include business skills so that graduates can translate their creative skills into sustainable careers.

- The importance of investment in creative and cultural spaces focused on 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.

*Ensuring that the return on Canada's investment in cultural content benefits Canadian creators was seen as essential to long term success.*

- Ownership of intellectual property was seen as a concern given the influence funding support and producers can have on the outcome of how a story is told. The distribution needs to be kept in Canadian hands so the sustainable revenue stays at home and can be reinvested in Canadian content.
- 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.
  - They suggested that, in many industries, those who are seen as successful Canadian creative exporters are viewed as having American backers. This benefits the Canadian brand but there is growing concern that the revenue and benefits are not flowing back to Canada.
  - Some participants were frustrated that in Canada, IP needs infrastructure, suggesting that in other jurisdictions infrastructure is not required.

*Another key to supporting creators identified by participants was the notion of promoting the value of culture among Canadians.*

- Participants suggested that citizens should be encouraged to seek out Canadian content and stories. Some suggested that raising public awareness of what goes into the creative process as well as the social and economic impact of cultural content would help to build respect and support for investing in the sector with some calling for specific efforts in communicating the benefits of multidisciplinary collaboration for innovation.
- Some suggested that revisiting the copyright act would assist in encouraging the public to understand the importance of intellectual property and paying for content.
- Some expressed a need for more indigenous creators. There needs to be a level playing field for creators across genders, cultural backgrounds, and viewpoints

### Citizen Choice

Many felt that the Internet provides a wide variety of choice, and that should not be changed. However, some participants felt that choice and access to content came down to citizens' ability to discover new content as well as have readily accessible platforms to reach this content in a digital world. The digital shelf space is unlimited, so there needs to be an incentive to focus on quality content.

While some were comfortable with the current CanCon regulations and felt they could remain where they are currently applied, others felt these need to be revised for digital content to allow for more collaboration and innovation.

*Participants agreed that distribution should be an area of focus.*

- 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. Others felt that platforms can be made to condense the system so that creators do not require a distributor in the traditional sense.
- This led to a discussion of the implications of platforms/distributors and whether this group of technology innovators could also be considered creators, even if they are not directly creating digital content.
- Many felt supporting innovative Canadian platforms and digital infrastructure companies is an important part of promoting Canadian content.
- Participants suggested looking at the Danish One Vision system, a hands-off, showrunner-based system that encourages a longer incubation and gestation period, with better success – both in the country and in terms of export.
- Many also said that creators need to become platform agnostic and be given the tools to allow them to promote themselves across a broad range of audiences, allowing for more citizen choice.
- Regardless of the distribution model, many called for marketing support for creators. This includes support with the business aspects of connecting with an audience.
  - The current model is seen to restrict control and audience access to a limited number of gatekeepers who unintentionally define culture through their own filter. A more open playing field for creators would

allow for acknowledgement of streams outside of the traditional models to be supported and encouraged.

- Some participants acknowledged the role of Canada's national institutions in promoting Canadian content and providing access.
  - The CBC and the NFB were both praised for their work in this area, however some felt that a more cohesive infrastructure is required to support access to Canadian content both nationally and internationally.

## 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?

*Building a strong brand for Canadian content at home was seen as a key measure for promoting Canada's creativity globally. Conversations focused less on storytelling and more on infrastructure and innovation in the cultural sector.*

- For some, Canadian content is content created by Canadians, for others, the content must communicate a Canadian perspective.
- Some felt that investing in Canadian businesses and employers within the cultural sector was more important than investing in distinctively Canadian content.
- While some advocate for keeping current Canadian content restrictions on mediums like TV and Radio, others felt that we should remove restrictions and potentially allow for more innovative and collaborative creations.

*Most participants agreed that a diversity of voices and perspectives was the key to strengthening quality information and promoting democracy.*

- 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.
- Some suggested that Canada needs to build, create, distribute and consume its own content in order to maintain this unique world view, not just at a national level but also individual as citizens.
- There was general discussion concerning the media's lack of resources to cover Canadian and local content. Some argued that it is still important to share local and regional identities and information, suggesting that increasing support for the CBC is essential.
- Participants further stressed the need to resume local capacities for reporting. Some posited that news writers should be acknowledged as a cultural creative talent.
  - Others felt that local news and information is a demand problem, that citizens are not looking for the content and instead we need to focus efforts on boosting their interest in their local environments first, before reengaging with local content.

## 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?

Many participants already see Canada as a cultural and digital content leader, while others saw the potential for Canada to expand in this area. Many participants felt that Canada's competitive advantages need to be identified in order to build networks and relationships to facilitate sharing content in a global community.

- Canada needs to invest in a larger number of projects, both large and small, acknowledging that some will fail economically.
- Canada needs to be proactive in promoting Canadian content worldwide and being proud of prominent Canadians who speak to Canada's voice.
- The current system deincestivizes Canadian broadcasters from investing in promotion and export of Canadian content due to the spending requirement that results in a breakeven rather than the ability to generate further return on that investment. Some suggested that a sustainable plan to encourage partnerships would ensure that broadcasters foster Canadian content rather than comply with Canadian content regulations in order to reach the market.

*Canada's cultural institutions were seen as one piece of the overall system. While many felt it important to strengthen these institutions and/or their Canadians content regulations, a few questioned the infrastructure in place to support creators in reaching them.*

- Some argued that the mandate for the CBC needs to be continued and better promoted among Canadians, stating that the current digital footprint for the CBC is cumbersome. Some suggested removing revenue pressures from the CBC to ensure they can focus on filling in gaps in information provided and focus on championing Canadian content.
- Some felt that the structure and interaction between Canada's national institutions needs to be revisited. They suggested a model that allows for greater collaboration between institutions and with the public and private sectors.
- Another suggestion was to include Canadian Films as a part of the Canadian Council for the Arts because they feel it is closer to an expression of art than production for market as well as promoting Canadian films through regular CBC showings.
  - Others felt that the CRTC needs to be re-imagined or abolished in order to address the ongoing challenges of the digital marketplace.

### **Promoting Canadian content globally**

- A number of participants felt that Canada already excels at exporting within the cultural sector. Many indicated that Canada needs to do a better job of promoting Canadian content, values and identity both domestically and internationally.
- Many felt that there needs to be a sustainable plan in place to encourage partnerships and ensure that broadcasters foster Canadian content rather than comply with Canadian content regulations in order to reach the market. Engaging in a global community of creators through co-production support was also suggested.