

# MUSIC: THE [HEART] BEAT OF CULTURE

A Submission from the Ontario Live Music Industry Working Group  
and Music Canada Live

Ontario Culture Strategy, December 7<sup>th</sup>, 2015



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Contents

**Introduction and Background** ..... 2

**Music Cities**..... 4

**Music Tourism** ..... 4

**The Specific Benefits of Live Music: Economic**..... 5

**The Specific Benefits of Live Music: Social, Cultural** ..... 6

**Conclusion: How the Province Can Leverage Music to Meet its Cultural Goals** ..... 7

## Introduction and Background

The music industry, including live music in all its extraordinary shapes and sizes, has a major place at the heart of Ontario's new culture strategy. It brings Ontarians together... its stakeholders facilitate access to music for fans and audiences in our cities, towns and villages, generate opportunities for artists, create jobs, bring neighbours and communities together, and help to drive regional and provincial tourism and local economies.

Premier Wynne, when announcing the renewal of the Ontario Music Fund, said we need "music to make the earth move", and Ontario's music sector brings us to our feet over and over again in creating incredible memories for millions of fans and visitors, right across the province. The industry is well-positioned to support the Ministry in meeting its cultural priorities. The Ontario Live Music Working Group and Music Canada Live are natural partners and we thank the Minister for the opportunity to submit this brief for your consideration.

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The music industry in Ontario has been especially active during the past 4 years, building momentum and establishing its place as a major economic and cultural contributor to the province. Some examples of key activities/initiatives that demonstrate leadership, innovation, and cutting edge research include:

- January 2012: **Coalition Music** launches Toronto's Music Incubator program;
- October 2012: CIMA launches **Music Ontario**;
- January 2013: stakeholders involved in development of **Ontario's Live Music Strategy**: a plan that will strengthen the province's position as a global leader for live music;
- March 2013: **The Next Big Bang**, A New Direction for Music in Canada, Music Canada report launches, identifies programs and policies designed to stimulate the development of Canada's commercial music sector. Makes 17 recommendations including enhancing the capacity of the live sector in the immediate future;
- June 2013: stakeholders involved in launch of **4479 Toronto: Music Meets World** initiative;
- October 2013: **Toronto-Austin Music City Alliance** formed;
- October 2013: stakeholders involved in establishment of the **Ontario Music Fund and the Ontario Music Office**: aimed at strengthening and stimulating growth in Ontario's music companies and supporting this growing sector;
- December 2013: stakeholders involved in creation of the **Toronto Music Advisory Council**, which provides a forum for the discussion of opportunities and challenges, exchange of ideas, input and advice, and development of the music industry;
- March 2014: stakeholders participate in critical consultation with the **Standing Committee on Canadian Heritage** as they engage in their "Review of the Canadian Music Industry";
- September 2014: **Ontario Live Music Portal** – the brand for Ontario's live music, is launched;
- September 2014: **Music Sector Development Officer** position created as part of the City of Toronto's new Film and Entertainment Industries section in Economic Development & Culture;
- April 2015: **Ontario Music Fund renewed** with annual funding of \$15m;
- May 2015: **Music Canada Live** officially launches at CMW in Toronto, becoming Canada's first-ever live music trade association (and one of the few found around the world);
- May 2015: Music Canada launches "**Mastering of a Music City Report**" in Brighton, UK;
- June 2015: CIMA announces its "**Road Gold**" program, a certification program to honour touring musicians in honour of their impressive 40<sup>th</sup> anniversary;
- October 2015: CMW and MCL announce first-ever **Canadian Live Music Awards** in 2016
- November 2015: OLMWG/MCL launch historic live music **collaborative marketing initiative** in Ontario;
- December 2015: Music Canada and Music Canada Live launch "**Live Music Measures Up**", Ontario's first live music economic impact study;
- By December 2015 there are city-managed **music/creative industries offices** in Hamilton, London, Kitchener/Waterloo, Toronto, Ottawa and Barrie.

## Ontario Live Music Working Group

Like the Cultural Strategy, Ontario has developed a **live music strategy** to strengthen the province's position as a global leader for live music. As a result of the strategy, we have seen increased global profile and recognition of the status of Ontario as a leader in this sector.

Working together with music industry partners and the Ontario Media Development Corporation, the Ontario Arts Council and the Ontario Tourism Marketing Partnership, the government's live music strategy is:

- Promoting Ontario's live music sector to boost concert attendance, visitor spending and economic impact
- Developing a co-ordinated live music marketing and promotions plan
- Leveraging existing resources
- Creating opportunities to promote music through measures such as new online resources
- Positioning Ontario as a premier global destination for live music and music tourism through the province's international marketing initiatives.

The Ontario Live Music Working Group is an industry-government partnership and includes representation from the recording sector, the independent music sector, tourism, industry associations, artists, the Francophone music community and others who together reflect the broader music industry.

We recognize, despite all of the achievements of the last several years, there is still much more work to do to capitalize on the opportunities creativity and innovation, quality of life and economic development, diversity and inclusiveness afford the Province. Live music is well-positioned to provide the government with the research, tools and support to meet its strategic goals in the coming years.

## Music Canada Live

Music Canada Live, a non-profit membership-based trade association, is the voice of Canada's live music industry, advancing and promoting its many economic, cultural and social benefits. Members of Music Canada Live, including concert promoters, festivals, venues, clubs, non-profit presenters, agents, ticketing companies, suppliers to live and others help to position the Province as a leading global live music destination and work to ensure a sustainable, expanding music sector.



Minister Coteau with Music Canada Live Board Chair Jesse Kumagai and Executive Director Erin Benjamin, Roy Thomson Hall - June 2015

## Music Cities<sup>i</sup>

The release of the recent “Mastering of a Music City” report by Music Canada is a blueprint for music industries large and small, from right across the province and “represents a roadmap that communities of all sizes can follow to realize the full potential of their music economy”. Several Ontario cities have already embraced the framework, as we see (for example) new music/creative industries development offices opening in London, Kitchener-Waterloo, Hamilton, Barrie, Ottawa and Toronto. This report is a significant catalyst for dialogue, finding that cities with vibrant music economics generate a wide array of local benefits, from economic growth, job creation, and increased spending to greater tax revenues and cultural development.

The report has been heralded world-wide, and the effort underway in Ontario signifies the role music can play at both municipal and provincial levels. The music cities framework should be a central component of the cultural strategy, as a catalyst to engage municipal governments and a reason for our communities to see themselves connected to broader cultural, economic and tourism policies and priorities.

## Music Tourism

The goals of the Ontario Live Music Strategy, the recent Music Cities report, the Canadian Heritage Standing Committee’s 2014 analysis of the Canadian Music Industry and many other papers and studies underscore the opportunities thriving local music industries present. *“Cities like Nashville, Austin, Melbourne and Berlin have tapped into the power of music tourism – marketing to, and building product to appeal to the “Music Tourist” – and generating millions of dollars for their local economies. What is the opportunity in Ontario? What efforts are underway to capitalize on the music scene that has been built here by our vibrant music community?”<sup>ii</sup>*

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***Music tourism is the act of visiting a city or town, to see a music festival or other music performances.***

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As the statistics in the Ontario Arts and Culture Tourism Profile indicate, arts and cultural experiences make a valuable contribution to tourism in Ontario, generating 9.5 million overnight visitors or over one fifth of all overnight tourists in 2010 (22%). They spent \$4.1 billion or 36% of all overnight trip spending in the province. Compared to typical overnight tourists in Ontario, arts and culture visitors spent twice as much money per trip, spent more nights in the province and made more extensive use of Ontario’s hotels.<sup>iii</sup> As impressively, Music Canada’s recent findings in their 2015 Live Music Measures Up report indicate that:

- ✓ *Live music festivals attracted an estimated **1.4 million people** to the Province*
- ✓ *The total economic impact of live music on tourism is **\$609 million (GDP)***
- ✓ *72% of festival attendees are considered local, with 17% considered to be from elsewhere in Ontario*

We agree with the findings of the 2014 PCH review which states that “the Committee recommends that the Government of Canada work with stakeholders from the Canadian music industry and the Canadian tourism industry to make music tourism in Canada a focus of marketing campaigns”.<sup>iv</sup> With coordinated effort between MTCS and the music industry (and building with tools such as **OntarioLiveMusic.ca**), complementary goals in the Live Music Strategy and Culture Strategy will be achieved, and Ontario can reach its potential as a global music destination, creating value and impact for locals and visitors alike.

## The Specific Benefits of Live Music: Economic<sup>v</sup>

Live music benefits us as a society in many ways. The recently released *Live Music Measures Up* economic impact report (Dec 2015) from Music Canada indicates the **powerful** economic opportunities live music represents:

- ✓ *Live music companies in Ontario generated **\$628 million in revenue** from live music activities*
- ✓ *Live music generated **profits of \$144 million** in 2013*
- ✓ *The total combined economic impact of live music and tourism was **\$1.2 billion (GDP)**, with **20,000 full time jobs***
- ✓ *Live music contributed **\$180 million** in taxes provincially*
- ✓ *Ontario live music venues have a combined capacity of 3.6 million people*
- ✓ *Ontario has **558 live music festivals** annually, which in 2013 sold **15.7 million tickets** representing 13.7 million unique visits. They range from niche, community events to huge festivals attracting tourists and local audience*
- ✓ *There are 1240 companies operating in live music in Ontario*

The live music cluster in Ontario represents an important, **growing opportunity** for the Province:

- 51% of companies surveyed indicated they were expecting between 1% and 14% revenue growth over the next two years while 20% **predicted growth of 25%** or more over the same period
- 47% of live music companies predict and **expansion** of their business

Growing businesses that thrive in today's climate are innovative. They adapt to change, they push the boundaries and forge new models. They create. Most of all, successful businesses understand their audience and how to work with and for consumers to provide the kinds of experiences they, we all, seek.

## The Specific Benefits of Live Music: Social, Cultural<sup>vi</sup>

The 2013 CAPACOA “The Value of Presenting” study adds that that performances provide benefits for individuals, communities and society as a whole:

- ✓ *Entertainment, fun, intellectual stimulation*
- ✓ *Exposure to different cultures*
- ✓ *Social opportunities*
- ✓ *Health and well being*
- ✓ *Quality of life*

- ✓ *Understanding between cultures*
- ✓ *Pride and belonging*
- ✓ *Community safety*
- ✓ *Civic engagement*
- ✓ *Social cohesion*
- ✓ *Promotes volunteerism*

Complementary to the CAPACOA findings, Arts Victoria (Australia)<sup>vii</sup> released a report on the economic, social and cultural contribution of *venue-based live music* in Victoria in 2011. It found that for **artists and audiences**, live music nurtures creativity by providing scope to perform original music. The opportunity to perform live in music venues plays a crucial role in developing music careers and **incubating talent**. Live music performance is especially important in terms of building a profile and developing performance skills, ensuring that performers have the fan-base and stagecraft to sustain them through each career phase. Live music in venues makes an especially strong **social contribution** in providing an opportunity for performers and fans to develop their social networks – this has particular resonance for **young people**.

**Small clubs and venues across the province are fundamental** to the touring ecology in Canada, and have a broad impact on local tourism, economies and social and cultural scenes in Ontario’s cities and towns. They create places for artists to play, work for others in the industry and foster an appreciation of local talent. Grassroots music venues, as festivals, should be an important consideration in any culture strategy.

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*“Live music changes lives, and access to music - be it education, attending a concert, or creating expression through music, are vital to young people in becoming well-rounded and productive individuals within society.” [musicchanginglives.org](http://musicchanginglives.org)*

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## Conclusion: How the Province Can Leverage Music to Meet its Cultural Goals

Live music connects perfectly with many of the guiding principles outlined for the culture strategy - creativity and innovation, quality of life and economic development, diversity and inclusiveness. As the rate of technological advancement increases, our economy is more and more dependent on innovation to fuel growth. Innovative businesses increase productivity, solve pressing problems and create valuable new products and services that enrich our lives and stimulate consumption of all kinds. They are a critical part of the cultural food chain in the province that create and deliver unique and rich arts and cultural experiences for audiences.

The music industry is more organized than at any other time in its history. Industry leaders are able to work together to examine, analyze, forecast and articulate the value of their work and the broad implications for audience, artists and governments. Live-music stakeholders are also now successfully engaging and working with all three levels of government, effectively communicating the tremendous positive impact of their sector on other sectors and on communities across the province. The men and women working in live are hard-working, expert, driven, passionate business people - often artists and *always* music lovers. Research efforts, including those studies sighted in this submission and many others that are pending, are critical tools for the sector and its partners.

Global evidence suggesting music benefits our society, from local economies to quality of life, education and health, is mounting. Our sector represents the kind of partnership opportunities that are the essence of private/public sector collaboration – all while consumers are voting with their feet and hard earned dollars. Millions of Ontarians who bought, listened to and/or attended a concert say that music matters to *who they are*.

The existence of Music Canada Live and the Ontario Live Music Working Group indicate important growth in the music industry. We welcome the opportunity to assist the Ministry as it situates music into its new cultural strategy – leveraging the sector and its ability to innovate, enhance quality of life and bring people from all cultures and backgrounds together.

Resources such as the \$15 million Ontario Music Fund, programs at the Ontario Arts Council and other agencies are fundamental building blocks in this new era – **a major renaissance** that's seeing the significance of music and how it changes our lives – skyrocket in the eyes, ears and hearts of Ontarians and our visitors.

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<sup>i</sup> The Mastering of a Music City: Key Elements, Effective Strategies and Why it's Worth Pursuing – Music Canada/IFPI, 2015  
<http://musiccanada.com/resources/research/the-mastering-of-a-music-city/>

<sup>ii</sup> Graham Henderson, key note, Tourism Industry Association of Ontario  
<http://www.ontariotourismsummit.com/ontariosmusictourismpitch>

<sup>iii</sup> Ontario Arts and Culture Tourism Profile <http://www.arts.on.ca/AssetFactory.aspx?did=8780>

<sup>iv</sup> Review of the Canadian Music Industry  
<http://www.parl.gc.ca/HousePublications/Publication.aspx?DocId=6661036&Language=E&Mode=1&Parl=41&Ses=2&File=69>

<sup>v</sup> The Mastering of a Music City: Key Elements, Effective Strategies and Why it's Worth Pursuing – Music Canada/IFPI, 2015  
<http://musiccanada.com/resources/research/the-mastering-of-a-music-city/>

<sup>vi</sup> The Value of Presenting: A Study of Performing Arts Presentation in Canada - CAPACOA, April 2013  
[http://www.capacoa.ca/valueofpresentingdoc/ValueofPresenting\\_Final.pdf](http://www.capacoa.ca/valueofpresentingdoc/ValueofPresenting_Final.pdf)

<sup>vii</sup> The economic, social and cultural contribution of venue-based live music in Victoria Arts Victoria - June 2011  
[http://musicvictoria.com.au/assets/Documents/DAE\\_Live\\_music\\_report\\_2011.pdf](http://musicvictoria.com.au/assets/Documents/DAE_Live_music_report_2011.pdf)