

The Empire Club Presents



**THE HONOURABLE
MÉLANIE JOLY, MINISTER
OF CANADIAN HERITAGE**

***WITH:* CREATIVE CANADA: A VISION FOR CANADA'S
CREATIVE INDUSTRIES**

**Welcome Address, by Barbara Jesson President of Jesson +
Company Communications Inc. and President of the Empire
Club of Canada**

October 12, 2017

Good afternoon, fellow Directors, Past Presidents, members and guests. Welcome to the 114th season of the Empire Club of Canada.

My name is Barbara Jesson. I am the President of the Empire Club of Canada and your host for today's luncheon, featuring the Honourable Mélanie Joly, Minister of Canadian Heritage, in conversation with Mr. Charles Falzon, Dean of the Faculty of Communication and Design at Ryerson University.

I now call this meeting to order.

Will you, please, remain standing while I respect the Club's tradition by saying grace: United by common interests and concerns, we have gathered here. We each, in our own way, express our gratitude. We are thankful for this time together, for the meal that we shall eat, for the people who have prepared it, and for the freedom of expression and information we share and have done since 1903. We are thankful for both this heritage and for today's gathering of the Empire Club of Canada. Please, join me in singing our national anthem.

[NATIONAL ANTHEM: O CANADA.]

One of the great traditions of the Empire Club of Canada is that we recognize our sovereign. Please, raise your glass to la reine du Canada. Please, be seated and bear with me as we conduct a draw.

Ladies and gentlemen, I should just say that we are going to diverge from our usual format at the Club, and we are going to have our speaker talk before we serve lunch. There will be some time before lunch is actually served. You look like you are getting hungry with your napkins on your lap, but you are going to have to sing for your supper.

Please, bear with me while we conduct a draw for our door prize, a year membership to the Empire Club of Canada and a bottle of Ripasso Bosan, sponsored by Cesari Fine Wines of Verona. The winner is Michael Morreale with the Toronto Symphony Orchestra (TSO).

Before our distinguished speakers are introduced today, it gives me great pleasure to introduce our Head Table Guests. I would ask each guest to stand for a brief moment and be seated as your name is called. I would ask the audience, please, to refrain from applauding until all the Head Table Guests have been introduced.

HEAD TABLE

Distinguished Guest Speaker:

The Honourable Mélanie Joly, Minister of Canadian Heritage

Guests:

Ms. Anne-Marie Applin, Founder and President, Applin Marketing; Director, Empire Club of Canada

Mr. Thomas Chanzy, Vice President, Public Affairs, Ontario Trillium Foundation, Director, Empire Club of Canada

Mr. Pierre Cyr, Director, Board and Stakeholder Relations, Canadian Blood Services; Director, Empire Club of Canada

Mr. Charles Falzon, Dean, Faculty of Communication and Design, Ryerson University

Dr. James D. Fleck, C.C., Chair, Canadian Museum of History, Canadian War Museum

Mr. Graham Henderson, President and Chief Executive Officer, Music Canada

Ms. Nona MacDonald Heaslip, Past President, Empire Club of Canada

Ms. Miranda Mulholland, Artist and Record Label Owner (The Roaring Girl), Prominent Artist Advocate

My name is Barbara Jesson, as I said. I am the President of Jesson + Company Communications and President of the Empire Club of Canada. Ladies and gentlemen, your Head Table Guests.

Have you noticed? When was the last time you read a story about Canadian identity? When was the last time anyone

asked you to define Canadian culture? I cannot put my finger on the moment. Perhaps, it was the election of our dashing young prime minister or the election of a churlish leader south of the border and the subsequent lurching from one astonishing situation to another, but no one seems to question anymore that Canada is unique and very special and that our culture and identity are benchmarks for countries around the world.

Early in January at the start of our sesquicentennial, a story in the Guardian in London described Canada as the first post-national country. Our identity is multicultural and, behaviourally, that shows up in our flexibility, our receptivity to change and our willingness to compromise. The irony is that none of this is new. There is this notion that Canada is a young nation. In many ways, we are. However, someone pointed out to me recently that, in fact, we are one of the oldest countries in the world, older than Germany and Italy, for example. In fact, we are older than most countries on earth, including India and China.

Scene through this lens, it does put an interesting perspective on things, does it not? The point is that youth is about outlook and attitude, not just chronology. Canada is constantly refreshed and renewed by waves of new immigrants who bring with them traditions and vibrant colours to help us constantly reinvent ourselves. This has a tendency to make us forget that Canada also boasts a rich and ancient past. It has little to do with culture or identity, but archeologists announced last month that the oldest evidence of life on earth was found right here on our east coast of Canada.

One of the west coast recent discoveries of a 14,000-year-old settlement is about to rewrite the story of North America. New finds of Viking occupation in Newfoundland also point to a much longer period of occupation than previously thought. These were just the first of the many immigrants to arrive in the land now called Canada.

I sit on the board of an organization called Theatre Museum Canada. Some frequently ask what kind of theatre history Canada has to cherish and nurture. We tend to forget that Aboriginal people were performing rituals and dramas as a part of ceremonies and celebrations hundreds of years before Europeans arrived. And the work of Tomson Highway is often based on First Nations mythology. The earliest known European theatre came to Canada in the late 16th century, about the time that a young fellow named William Shakespeare had just begun his life as a playwright. Today, we have the burgeoning summer festivals, the works by giants such as Robert Lepage, and if we do not capture this when the curtain drops, it will be lost.

The Empire Club of Canada, too, has a rich tradition. As I said earlier, we were founded in 1903 at a time when serious consideration was being given to Canada becoming part of the United States. Our founders were determined to prevent this. I must say what a debt of gratitude we all owe to them, today. Speakers at our podium have included giants of modern history: Thomas Edison, Winston Churchill, Henry Ford, the Dalai Lama, Bill Gates and many others. Why am I taking time to remind all of us of this today? Our guest, today, is Canada's

Minister of Heritage. She is charged with nurturing our arts and culture, our media and communications networks, our language and our multiculturalism. This requires a long view. We expect her ministry to preserve the richness of our past and pave the way forward to our future as a nation. It is a sacred trust, and we expect much of her.

Mélanie Joly is the Member of Parliament for Ahuntsic-Cartierville in Montréal. She is a lawyer by training and the author of *Changing the Rules of the Game*, which shares her personal vision for public policy and civic engagement.

Prior to her entering public life, she served as managing partner at the Montréal office of an international communications company. In addition to an Honours Bachelor of Law from the Université de Montréal, she holds a Magister Juris in European and Comparative Law from the University of Oxford.

Minister Joly will be adjoined here, today, by Charles Falzon, Dean of the Faculty of Communication and Design at Ryerson and Associate Professor of the School of Media. Mr. Falzon has had a distinguished career in the entertainment industry managing media enterprises in the UK, Japan, Latin America and Malta. He has produced award-winning television series and features as well as live events. He was founder and continues to act as Co-Chairman of CCI Entertainment.

Ladies and gentlemen, please, join me in welcoming to our podium, the Honourable Mélanie Joly, the Minister of Canadian Heritage, and Mr. Charles Falzon, Dean of the Faculty of Communication and Design at Ryerson University.

The Honourable Mélanie Joly and Charles Falzon

CF: Thank you very much, Barbara, and, thank you, everyone. Welcome to this fireside chat, although we do not have a fire. The discussion is certainly going to be an enjoyable one, which we are all looking forward to with the Honourable Minister Mélanie Joly, Minister of Canadian Heritage. Thank you all for coming today. Thank you, Minister.

MJ: Hi, Charles.

CF: How are you?

MJ: Fine. You?

CF: Good, good. There is a lot for us to discuss in a very little time about your vision for the creative industries.

I know people here are looking forward to hearing directly from you on it. I will say to everybody that the hashtag is #creativecanada, which is appropriate, and I invite everybody to use it. Please, I encourage you to tweet and let the world know what they are missing in here. You have had quite the year.

Before we go into the main topic, I just want to look at that year, ask you to look at it. In addition to meeting with all the creators in the creative industries, you have had to do this big party of Canada 150. You have worked with Indigenous cultures. You have worked with the Official Languages Act and so on. There has been all of that. Just maybe you can give us a sense of some of the stuff that stands out for you the most.

MJ: First, I am glad to be back in Toronto. Happy to see all of you. I know that my Parliamentary Secretary Arif Virani is here. I saw, also, Julie Dabrusin, who is a Member of Parliament in the region, and there is Peter Hahndorf, Claude Joli-Coeur. It is great to be back here.

I had a chance to visit production studios here and go and meet your students at Ryerson, Charles. It was my second TIFF this year. It is great to be Heritage Minister at this time of our history. It has been a big year for Canada, as you were saying.

CF: It has.

MJ: There are two things I see that are important in our sector that have been happening this year. First, we re-invested, in 2016, \$1.9 billion in arts and culture. It is one thing to say we are re-investing; it is another to see actually these investments trickle down and really see the impacts of these investments. Now, while we are doubling the budget of the Canada Council and putting \$550 million, we see artists benefiting from it. While we committed \$675 million to the CBC and Radio-Canada, we see more productions being done, more local news, also more journalists being employed, so we see that. Same for Telefilm; same for the NFB. That is one thing.

The other thing, of course, is Canada 150. When I launched, along with the Governor General in Ottawa, the Canada 150 celebrations on December 31st, I men-

tioned that our social contract—and Barbara was referring to that in her speech at the beginning—is based on three pillars. The first one is the importance of, actually, our official languages.

[Remarks in French] L'importance de nos deux langues officielles, le Français et l'Anglais.

We are right now working on a plan to support the vitality of our linguistic communities and support the importance of bilingualism.

[Remarks in French] Donc c'est un sujet qui est très important, c'est alors que je travaille très fort présentement.

Second thing is the importance of diversity. We made sure that multiculturalism and diversity are included in everything that we were doing in the context of Canada 150. We have done, also, an important appointment process, which is an open and transparent, but also makes sure to support the importance of different people from different backgrounds.

Finally, what we are working on, and what you were alluding to, is creating a full first, co-developed—with Indigenous people—legislation for Indigenous languages in our history, and that includes 90 languages which are not at the same state of vitality. We are working extremely hard on that. Yes, and we have been working, of course, on Creative Canada.

CF: Wow, quite the portfolio. Let us talk about Creative Canada, in particular. It was a year ago, here, at the AGO,

that you were announcing that you were going to be looking at the challenges and the opportunities of the creative industries and you were doing this national dialogue with the creative community. Why did you do that? What was it that made you realize that suddenly we have to have a new direction and a new discussion?

MJ: I think your question goes to, fundamentally, why has culture always mattered to Canadians and why should it matter now? Fundamentally, it is about us, who we are and who we want to be. This is why it is such a great time in our history to be tackling these questions. We know that we are a very small population spanned over a very large land mass. We are bound by reconciliation. We know—and Barbara also said that in her introductory speaking notes—that Indigenous people were here before settlers. We need to work on the work of reconciliation. We are rooted in our linguistic duality. I am a proud Francophone. We are 8 million Francophones that are in this country and surrounded by millions of English language speakers. We are a democracy. We defend and value the importance of equality and the protection of minority rights. Also, of course, we are a country that welcomes immigrants. We value the importance of diversity. It is funny to think that while we all have that, the government, in the past, has been creating an entire system over 80 years to protect and promote our culture. But there have never been, really, a way for government to wrap its arms around our creative industries.

While we know that this is so important, so key to who we are as a country, as a people, at the same time, we know that we are in a sector that is booming. Canada is really strong in that sector. Rather than taking bits and pieces and try to fix the system, we decided to actually have a holistic approach that was impacting all of our sector, but that would actually give the right levers to grow it and make sure that we are extremely competitive here at home and actually in the world.

CF: Of course, the big trust here is that we are, indeed, wrapping our arms around this with this big agenda. It was a couple of weeks ago that you introduced the government's new policy for growing the creative industries in Canada. Most of us have read, looked, analyzed whatever material we could get. Here is an opportunity, directly, to explain what it is and what is in it for the creative industries, for these people here and those people who are outside of here.

MJ: We all know that the sector is really important. There are 630,000 jobs and growing, and it is worth \$55 billion. As I said, there was no real strategy. This is the first creative industry strategy in our history. The objective is—and that is our vision—twofold. First, we want to be a leader in the world in terms of the quality of the content we create here, at home, and that is actually distributed around the world. We want to be recognized for the excellence of our content in French and in English.

The second thing is we want to be a pioneer in making sure that there is a space for national content on the web, a space for Canadian voices on the web. Bearing in mind that vision, we have three important pillars: The first one is the importance of production, the importance of our creators and their stories. The second one is the importance of promoting discoverability and distribution at home and abroad. The third one is actually strengthening our public broadcaster and also supporting local news.

CF: That is a lot. Of those, the thing that seems to have gotten a lot of attention is Netflix. I am just going to go right to that because I am going to be like everybody else and say that is all amazing, but I want to take a minute to ask you about Netflix. Perhaps, you could just set the record straight. What is it all about? What are the strengths? What are maybe some of the shortcomings that you are thinking of, if there are any? Tell us about it.

MJ: Before going there, Charles—because I will get there—I want to just explain what is exactly in these three pillars and everything we have done. Netflix is really important, but it is actually something that is part of our entire strategy.

When we did these public consultations, like you were referring to, 30,000 people participated. It is one of the biggest public consultations that the government did. Thank you to all that participated. What we heard

loud and clear was the importance of ideas, of actually making sure we would be supporting ideas at their core. Then, eventually, these ideas can become products, a film, a book, music, whatever. That is why that is a huge shift we are doing. We are actually focusing, now, on creators. This is the core of what we will be doing.

To do that, we will do that in different ways. For example, on the first pillar, we reinvested money in the CMF, in the Canada Media Fund, to make sure that, while we know that our broadcasters' revenues are declining and that the funding of the CMF is based on the broadcasters' revenues and government revenues, the government will be there to make sure that we stabilize the funding in the CMF. That is really important.

The other thing, also, is that we will be modernizing our programs to make sure that they are aligned with how people consume content in music and in books. We will be, also, making sure that we are looking at CAVCO. CAVCO is an issue for many. We want to make sure there is a one-stop shop with Telefilm and CAVCO, and we are reducing red tape.

We are also making sure that we are investing in early-stage development in the CMF. I told you about the importance of ideas. We need to be supporting more script writings and the development of production, eventually, but at its genesis.

Also, what we want to do is we want to support our creative hubs. There are great projects going on here.

Artscape Daniels Launchpad is one that is actually one I am the most fond of. We want to create the next generation of cultural spaces. We want to also make sure that the creative industries are not only at heritage; they are part of a government vision. We have a vision that our creative industries are part of our new vision agenda. Our creative sector will now have access to the development, the economy development fund, which is called the Strategic Innovation Fund to scale our creative industry's companies. That is really important.

Finally, we will be looking at the Copyright Act to make sure that the Copyright Act is modernized and that the focus is on creators. That is the first thing we are doing. That is for the first pillar and making sure that we are supporting our creators and their stories.

The second thing is, once we have the content, how can we market it? How can we distribute it? How can we make it discovered on digital platforms? We will be working with the CRTC to understand what the new players in the sector are and, also, how there can be new ways of supporting Canadian content. Meanwhile, we will also work on modernizing our entire toolkit. The Broadcasting Act—the Telecommunications Act does not take into account the Internet.

We need to make sure that we do that shift. Also, while we will be making sure to have a strong domestic market, because any domestic market is a launchpad for content we produce, we will be working with

our digital platforms, and that is why we did a proven investment on the part of Netflix. I will come back to that, but that is part of the strategy.

Finally, we launched our first cultural export strategy. We invested \$125 million over five years in making sure that we can export our content. That is good for all the sectors, the entire creative industry sector. It is good in music and performing arts and literature, in film, et cetera. Actually, we have empowered our embassies, our missions. We now have boots on the ground to help our creative sector enter key markets. We also announced that we would be more present at international fairs. We will be there for the Frankfurt Book Fair in 2020 as a guest of honour. That will help our sector in the book sector. We were there for the video games sector at the Cologne video Gamescom fair in Germany.

Also, we want to make sure that we are present in entering a key market, which is China, because we will be launching our first cultural trade mission. That is for the second sector. Do you want me to continue?

CF: You just answered every question I was about to ask.

MJ: It is okay. I can continue, because the third pillar is the importance of strengthening public broadcast and local news. We reinvested so much money in CBC/Radio-Canada, and Canadians expect this investment to have real impacts. We want to strengthen the mandate of the CBC. The mandate of the CBC is actually in the Broadcasting Act. While we are opening it, we are also

opening the mandate. We want to make sure that, while CBC has received these important investments, actually, it can become the platform, the way to support Canadian content and Canadian culture. We want to make sure that it is 100% Canadian, and that can help the distribution and the discovery of content here at home and around the world. That is our vision for CBC.

Also, for local news, we know that the digital disruption is affecting everybody in this room and also local news. We will look into our Periodical Fund to make sure that the Periodical Fund is modified in order not to support print subscription, but, actually, the investment in Canadian content, so Canadian journalism. We will support, also, digital transition. We know that all this disruption is happening at a pace that is different, for example, in Toronto, Montréal and Vancouver and, for example, the North, so we need to have that in mind when dealing with the modernization of our programs and sector.

CF: It is all about having good creators, developing, strengthening their ability to do so, and then to have an ecosystem of production and creative making and export.

MJ: Exactly, well, home.

CF: Home, including the public system and export.

MJ: Exactly, because we need to reform our sector or our legislation here to deal with home, but also making sure that we can have a broad view because we know that there is a global hunt for stories. We know that now it is a bor-

derless, how can I say, market, so we need to make sure that we are strong at home, but, at the same time, that we do not only limit ourselves to home, that we look around the world.

CF: Tangibly, for example, how is this different in terms of the potential for a young creator in Newfoundland to be getting programming or content in New Zealand? How is this going to help make more of that happen?

MJ: Actually, we need to modernize our Music Fund, and that is what we will do, to help make sure that it is in line with the new business models and that this creator has the tools to actually get the right information about where his music is being heard and listened to and liked. This will actually help that person reaching out to these fans and actually make money out of his work. That is why the Copyright Act is so important. You asked me a question that I did not answer.

CF: I am going to ask it.

MJ: Which is the Netflix question.

CF: Before I go there now, one question: People have been asking about this China thing all of a sudden. You just mentioned it, again. What is expected to come out of that? Why China?

MJ: China is an important market because what we have learned from China is that there is actually a willingness on the part of the government to grow the sector. Now it is 4% of their GDP. They want to grow it to 5%. Imagine 1% of the GDP in China. There is one new mu-

seum built per day in China. They still think it is not enough because they have a ratio of 300,000 people for one museum, while we have a ratio of 30,000 people for a museum. There is also the fact that when you look at the biggest foreign investments happening in China, it is actually in the creative industries, and it is Disney doing a first theme park in Shanghai right now. It creates so many opportunities that we need to be able to seize part of these opportunities.

Last January, I went to China and met the Minister of Culture of China. We agreed to do a partnership, an agreement together whereby the Chinese Minister and I would work on creating a committee to help, actually, the entry of creative businesses and creative artists in China and vice versa. I also created an expert advisory council in Shanghai with great people, such as the person in charge of the Asia market of Cirque du Soleil, Cavalia, and key Canadian executives working at Disney. I was there in China, along with Claude Joli-Coeur from the NFB, the Canada Council, Simon Brault, and also with the Telefilm CEO, Carolle Brabant. They are all working even in their own agencies in developing these relationships. Now, what we want to do is in spring of 2018, we want to launch that first creative industry's trade mission to China, and we believe that there are opportunities in four sectors.

The first one is importance of film and of visual effects. The second is video games and virtual reality. The

third is design and museums, in general. The fourth is performing arts. I really hope that anybody that is interested in participating in this trade mission and entering the market in China will, please, feel free to go on the Canadian Heritage website or contact my team because we are actually working on making this happen.

CF: Before we open it up for a couple of questions, let us talk Netflix. What is in it for Canadians?

MJ: What happened is when I first took the department, I very much knew the importance of digital platforms.

I was very much aware, also, that digital platforms did not fall into our own toolkit. Rather than not talking about it and just letting that go, I thought, "Well, let us find more about it." How many Canadians are on these digital platforms? There are 22 million Canadians on Facebook. How many Canadians have Netflix? One out of two households in Canada have Netflix. They are present. They are liked. They will not go away, so how can we have conversations with these platforms? That is the number one question of all ministers of culture in the world right now—how to deal with these new players.

I went to the World Economic Forum. I started a conversation with these platforms, then went to Silicon Valley itself. Actually, Netflix came and said, "We are already investing in Canada, but we want to grow our presence. We like the fact that you have great crews, great infrastructure, but, actually, we really like the great stories that you are bringing up. We just did Anne of

Green Gables with the CBC; we just did Alias Grace with the CBC; and we did the Frontier with the Discovery Channel. Let us talk.”

I said, “No problem. What is your plan?” They said that they would be willing to open a first Canadian production house. That is the first time that they are opening up a production house outside the U.S. Under the Investment Act, I had to approve this. There was no negotiation about a tax exemption. That was not part of our discussion. The production house will be paying its taxes, income taxes in Canada. There is no discussion of whether we should nor not legislate digital platforms. This was not part of the conversation. What was discussed, and what we agreed to, what we approved is an investment of \$500 million over five years in original productions made in Canada that would benefit our sector, and there would be \$25 million that would be in market development to develop the Francophone content and basically develop the Québec market and the Francophone market, in general, in Canada, because we know that there is not a lot of production in French on Netflix. What was also agreed upon, what we approved, is that there would be a new carousel on their algorithm, which is presenting Canadian content. We will be the first country in the world having that. It will be part of their algorithm, but, not only in Canada, but around the world. That is our way, also, to support the Canadian brand through a platform that has millions and millions of people on it.

We think this is a way to make sure that we have great investments here because that is a minimum of production money. It is also a way to be part of the overall strategy of Netflix because they have announced that they will be increasing their budget, the production budget, and that is making sure that we have a piece of the pie and, ultimately, I think it is to create a way that our own stories are actually on a platform that is seen and liked in Canada and across the world. We think this is a net benefit to Canada. It is a net benefit for the creative sector.

CF: Thank you. I am going to open it up for a couple of questions. There are mics going around. If you would like to ask a question directly from the floor, please, put your hands up. We have time for two or three before we go right through lunch.

Questions & Answers

Q: Hi there, Dr. Sara Diamond, President of OCAD University. Minister Joly, thank you for all you have done for the creative industries and for the arts in this country. I wondered if you could just talk a little bit about where design fits in your vision, because, for the first time, it seems that Heritage is actually recognizing how critical this vast array of practices are in our country. Thank you.

MJ: That is a good question. Thank you, Sara. Of course, I have been saying much more ‘creative industries’ than ‘cultural industries’, and that is really, really because I mean it. We are broadening the definition of the cultural landscape to include design, architecture, fashion, virtual reality video games because we think that they are part of our sector. To your point, with respect to design, in particular, of course, we see the value of it. We will be creating a creative industries council, and I will be co-chairing it with the Minister of Innovation, Minister Bains.

We will be able to have these conversations on that council about how to better support the sectors that typically have not been involved. We inspired ourselves from what the UK did with their own creative industry strategy. We think that will have a good impact because there is a lot of crosspollination between sectors.

Meanwhile, also on the design side, when I talked

about the trade mission to China, I mentioned design because we think that there is a huge opportunity for the design sector combining with the museum sector. And, bearing in mind that there are so many opportunities in China in that sector right now, the design industry can really benefit from our approach.

Q: Minister Joly, thank you very much, and welcome back to Toronto.

MJ: Thank you.

Q: Netflix is the most visible of the over-the-tops working in Canada currently, but there are others. I am wondering if this is a Netflix policy or if this is an over-the-top policy as Hulu, Amazon, Apple and Facebook and others are soon to be joining the original production fray.

MJ: Of course, Netflix is the platform on the audio-visual side that is the most prominent. We know that Facebook announced that they would be going into production. Hulu is present in the United States, but we know that that is a model that is changing across the world. Amazon is present here but has not invested so much and is not so present in Canada. Of course, we want to continue to have these conversations, but, at the same time, my job is to grow the sector and protect Canadian culture. That is why we need to modernize our legislation to take into account this reality, to think of what is broadcasting now. That is why we will have more announcements in the months to come about how we can

modernize our approach. The issue we have right now is twofold. First, I have met a lot of people over the past two years. If I would ask each and every one of you here in this room what is the new business model for audio-visual, art and music, I do not think anybody has the true question because we are in a time of transition. I presented a transition plan. That Netflix piece, for me, is part of the transition.

I also know that we need to work on the long term. That really is about reforming our legislation. That is the first point. The second thing is Canada is always the first one being really, really impacted by what the U.S. does. We are always the first export market from the U.S. Even when I am at the G7 Ministers of Culture Summit and am talking to my colleagues, there is not a lot, actually, of traction there. Italy is not impacted the same way.

Germany is not impacted the same way as Canada is. We are having these discussions at UNESCO. There has been a new directive at UNESCO dealing with cultural diversity on the digital space. The reality is the U.S. is not part of UNESCO and has not signed that convention on cultural diversity that is so important. That is why we need to have these conversations with the American players, meanwhile modernizing our entire toolkit.

CF: We are done. We are late. Everybody is hungry. I want to echo everybody, Minister Joly: Thank you for your passion and your confidence in the industry and for

looking things through this new and exciting lens.

MJ: Thank you, Charles. Thank you. This is a midpoint. Creative Canada is a roadmap for the sector. We are not done, but we can work together to make sure that, ultimately, we can all benefit from the great opportunities while dealing with change, which I know can be fearful, but we can do that all together. Thank you.

CF: Thank you.

**Note of Appreciation, by Graham Henderson,
President and Chief Executive Officer, Music Canada**

Good afternoon, everybody. Thank you, Minister, for your speech, today, that furthered your vision for a creative Canada. As you know, at Music Canada and throughout the music industry, we recognize the challenges that have been faced by our friends in film, television and journalism, so your attempts to assist them with these announcements are most welcome.

I would also like to thank you for your words on the importance of the review of the Copyright Act and that you have moved to a focus on creators, putting creators at the heart of not just cultural policy, but economic policy. This is something that we sought for a long time. There is a group that, as you know, Miranda Mulholland is involved with called Focus On Creators that has been advocating it, so we appreciate that.

I also want to thank you for your role in helping to reform the Copyright Board. This may sound arcane to many people

in the audience, but this is actually of critical importance not just to the business players, but there was a submission made by over 100 recording artists outlining just how decisions made by that board affect their lives, so thank you.

As you know, there are sections of the Copyright Act that allow others to commercialize the works of creators without proper remuneration. This is the elephant in the room. Miranda Mulholland addressed this in her speech to the Economic Club of Canada. I know you are familiar with it, and I would recommend the contents of that to you. Reforming our Copyright Act to remove those sections is a fantastic opportunity for you and the government to put creators first in policymaking. I would urge you to act quickly because there is almost universal agreement on those critical steps.

We are increasingly worried about the disappearance of the creative middle class. I, perhaps, might gently question the perception that we are booming. There are certainly aspects that are booming, but there are other aspects that are at terrible risk right now. The creative class simply cannot exist while others are able to commercialize creators' content without proper remuneration. At Music Canada, this is our paramount concern.

Next week, we have our annual policy conference, and we are going to be really seeing a study on the value gap, which I know many in this room are familiar with. It is called, in other sectors, the 'value transfer'. This is the phenomenon where content has got increasing value, is throwing off increasing money remuneration, but it is not finding its way into

the pockets of creators. That study, which we will be releasing Tuesday, next week, will help us understand why this is happening.

Thank you, again, for your speech. We, at Music Canada—and, I know, others in this room—are anxious to work with you to create tangible, meaningful solutions that will make a difference for artists like Miranda today. Thank you.

Concluding Remarks, by Barbara Jesson

Thank you, Graham. Thank you for your generous sponsorship in making this event possible, today. Without sponsors like these great companies and organizations, the Empire Club lunches would not be possible. Thank you, once again, for your generous support.

We would also like to thank mediaevents.ca, Canada's online event space, for webcasting today's event to thousands of viewers around the world. Although our club has been around since 1903, we have moved into the 21st century, and we are active on social media. Please, follow us on Twitter at @Empire_Club and visit us online at www.empireclub.org. You can also follow us on Facebook, LinkedIn and Instagram.

Finally, please, do join us at our next event on October 24th. Lou Eccleston, Chief Executive Officer of the TMX Group, will be here at One King West, and we will be ringing the closing bell, as I understand it.