

Office of the President and
Chief Executive Officer

Cabinet du président
et chef de la direction

December 5, 2014

Hon. Shelly Glover, P.C., M.P.
Minister of Canadian Heritage
15 Eddy Street
Gatineau, Quebec K1A 0M5

Dear Minister:

In September, the Canadian Chamber of Commerce concluded its 85th Annual General Meeting (AGM) in Charlottetown, PEI. A highlight of the Canadian Chamber's AGM is the Policy Session, where the resolutions submitted by local chambers of commerce and boards of trade from across Canada are debated and voted on by accredited delegates. Once approved, these resolutions become policy of the Canadian Chamber for the following three years.

In 2014, our delegates issued a clear and decisive national policy mandate that we intend to pursue vigorously with the federal government over the coming months. Our renewed national policy mandate includes the following issue which falls within your portfolio:

Tax Credits for Supporting Growth in Canada's Music Industry

The Canadian Chamber of Commerce recommends that the federal government implement a music tax credit that mirrors existing film and television tax credits, which would mitigate risks in artist and repertoire (A&R) and marketing investments as well as provide a stable economic environment for industry growth and job creation.

A recent Music Canada report notes that tax credits have played a critical role in the growth of the film and television industry, most notably a 43 percent increase in the value of production from 1996 to 2000. The implementation of tax credits has allowed that industry to survive the 2008 recession and the appreciation of the Canadian dollar.

420 – 360, rue Albert St.
Ottawa, Ontario
K1R 7X7

613.238.4000
613.238.7643

Chamber.ca
info@chamber.ca

According to the report *The Next Big Bang: A New Direction for Music in Canada* released in 2013 by Music Canada, the commercial music industry experienced sharp declines in revenue due to online piracy combined with a “widespread erosion of respect for the value of music and the investment required to develop artists’ careers.” However, signs of a reversal were evident in 2012 when global recorded music revenues escalated for the first time in more than a decade. This new direction should provide a significant incentive for all levels of government in Canada to fully capitalize on emerging economic opportunities across the domestic music industry.

A copy of the complete text of this resolution is attached and we would be pleased to discuss it with you or your staff.

Sincerely,

A handwritten signature in black ink, reading "Perrin Beatty". The signature is fluid and cursive, with a large initial 'P' and a trailing flourish.

Perrin Beatty
President and Chief Executive Officer

Attachment