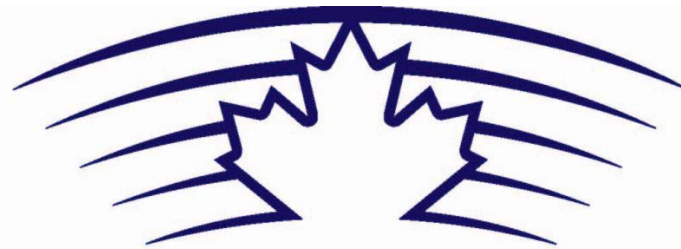


# Canadian Association of Broadcasters

## Oral Presentation to the CRTC Public Hearing on Commercial Radio Policy Review



**CAB | ACR**

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Canadian Association of Broadcasters  
L'Association canadienne des radiodiffuseurs

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# Then ...

CASSETTES

AM / FM RADIO



# Now

PEER-TO-PEER  
FILE SHARING

CELL PHONE  
RADIO

AM / FM RADIO

INTERNET RADIO  
(STREAMING)

SATELLITE / SUBSCRIPTION  
RADIO

CASSETTES, TAPES, CD'S

IPODS AND PERSONAL  
MEDIA DEVICES

ADVERTISER-SUPPORTED  
MUSIC SERVICES

COMMERCIAL INTERNET  
MUSIC SERVICES

DIGITAL  
RADIO

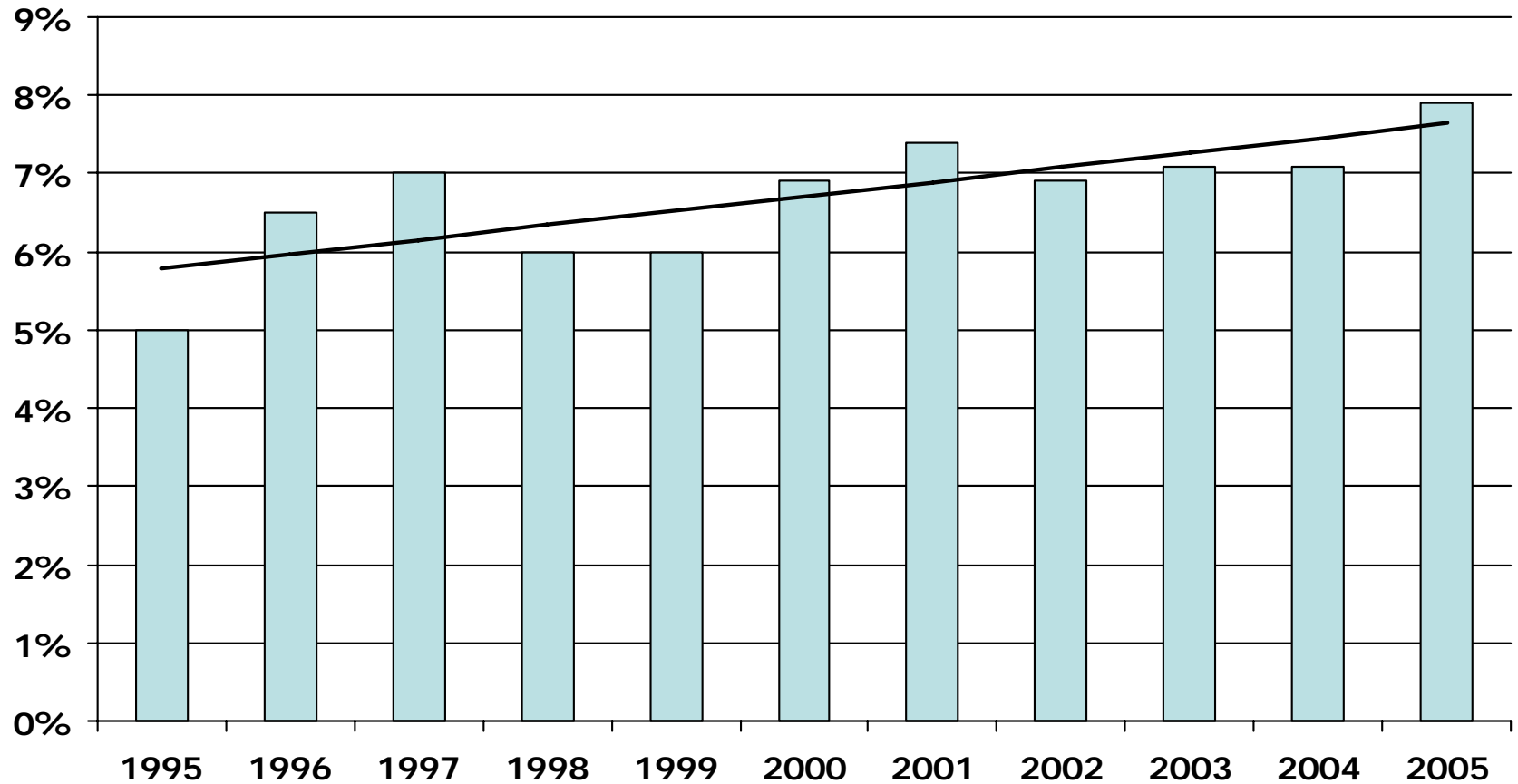
PODCASTING



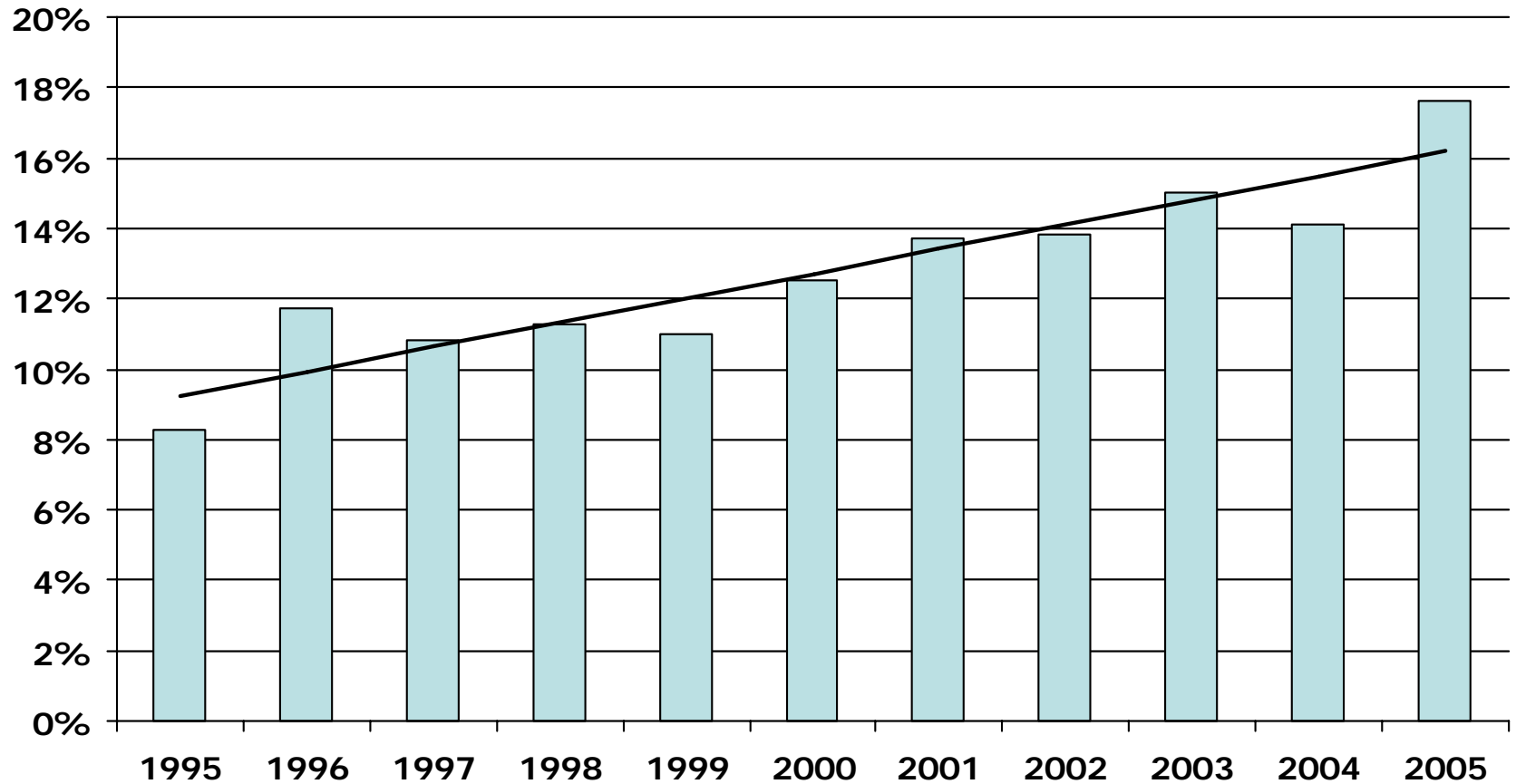


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# **% of potential audience not tuning to radio, Canada, 1995-2005 – all persons 12+:**










## **% of potential audience not tuning to radio, Canada, 1995-2005 – teens 12-17:**





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# SUPPORTING MEASURES TO DOMESTIC MUSIC INDUSTRY — INTERNATIONAL COMPARISON CHART

COUNTRY	MUSIC EXHIBITION QUOTAS REQUIRED FROM THE PRIVATE RADIO SECTOR	PUBLIC FUNDING AIMED AT SUPPORTING THE NATIONAL MUSIC INDUSTRY	PRIVATE RADIO FINANCIAL CONTRIBUTION TO SUPPORT THE NATIONAL MUSIC INDUSTRY
 <b>CANADA</b>	<ul style="list-style-type: none"> <li>• 35% Cancon (popular music)</li> <li>• 10% Cancon (specialty music)</li> <li>• 65% of French Vocal Music* (FVM)                             <ul style="list-style-type: none"> <li>* 55% FVM (6 a.m.-6 p.m., Monday to Friday)</li> </ul> </li> </ul>	<p><b>Federal:</b> \$30 million annually, of which \$9.8 million goes to Quebec</p> <p><b>Québec:</b> \$16.6 million (SODEC et crédits d'impôt)</p> <p><b>Total government financing to Québec in 2005:</b> \$26.4 million</p> <p><b>From 1999 to 2005:</b> More than \$134 million</p>	<p><b>\$16.1 million annually</b> (2005) in funding including: FACTOR/Musicaction and Radio Starmaker Fund/Fonds RadioStar</p> <p>From 1998-99 to 2004-05:</p> <ul style="list-style-type: none"> <li>• \$21 million to <b>FACTOR</b></li> <li>• \$7.4 million to <b>MusicAction</b></li> <li>• \$20 million to <b>Radio Starmaker Fund</b></li> <li>• \$9.9 million to <b>Fonds RadioStar</b></li> </ul>
 <b>AUSTRALIA</b>	<p>Code of Practice negotiated between Private radio and the Music Industry – national music quotas based on supply:</p> <ul style="list-style-type: none"> <li>25% – Rock, CHR</li> <li>20% – Hot AC**, Classic Rock, Country</li> <li>15% – Soft AC, Classic Hits</li> <li>10% – Oldies, Easy Listening</li> <li>5% – Nostalgica, Jazz, Smooth Jazz</li> </ul>	\$20 million CDN annually	\$0 in direct financial contributions to the music industry
 <b>BELGIUM</b>	<ul style="list-style-type: none"> <li>• 30% FVM, 4.5% Belgian artists</li> </ul>	\$0 in government contributions	\$0 in direct financial contributions to the music industry, although stations are required to make commitments to support radio programming.
 <b>FRANCE</b>	<p>French vocal music (no national music quotas) – three options:</p> <ul style="list-style-type: none"> <li>• 40% FVM, and 20% new FVM, or</li> <li>• 60% FVM, and 10% new FVM, or</li> <li>• 35% FVM, and 25% new FVM</li> </ul>	\$45 million CDN annually**	\$0 in direct financial contributions to the music industry
 <b>NEW ZEALAND</b>	Private Radio Voluntary Code of Practice targeting to increase in New Zealand music content to an average of 20% by end of 2005	\$5 million CDN annually (including subsidy to support broadcast programs on NZ music)	\$0 in direct financial contributions to the music industry
 <b>UNITED KINGDOM</b>	No music quotas	\$90 million CDN annually combining direct and indirect financial support programs	\$0 in direct financial contributions to the music industry
 <b>SWITZERLAND</b>	No music quotas	\$0 in government contributions	\$0 in direct financial contributions to the music industry

\* French-language radio stations only.

\*\* Unassigned copyright payments targeted to support Independent music recording - Contribution administered by a non-governmental organization (Musique France Plus), a private organization similar to SOCAN.

## Private Radio Commitments and Contributions to CTD (1999-2005)

	Overall	Music Funds
Licence renewal since '99-'04	\$17,298,153	\$6,931,442
New Licences	\$55,87,026	\$11,940,866 (\$1,705,838/year)
Significant Benefits	\$95,269,002	\$81,953,845
<b>Total 1999 – 2005</b>	<b>\$168,444,181</b>	<b>\$100,826,153 (59.8%)</b>



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