

RESPONSE

Date: September 14th, 2021

Response from Canada's Conservatives to Creative Industries Coalition

Thank you for sharing the priorities of the Creative Industries Coalition for the federal election.

The last 18 months have been challenging for all Canadians, but the impact of COVID-19 hasn't been felt equally by all. The cultural industry was among the hardest hit in the Canadian economy. Canada's Conservatives did not hesitate to support critical measures that helped workers in this sector.

On the first full day of the campaign, Canada's Conservatives introduced Canada's Recovery Plan, a plan to secure the recovery for all sectors of the economy, in all regions.

As we enter the fourth wave of the pandemic, Canada is still not using all the tools at our disposal to fight and contain outbreaks, further hampering the recovery of the arts and culture sector. With Canada's Recovery Plan, we will keep this sector of the economy open by utilizing the full range of tools available to stop the spread of COVID-19. Our plan includes a national rapid testing strategy, accelerating vaccinations to surpass 90 per cent, and a national booster strategy for vulnerable populations.

Our plan will also help small businesses in the arts and culture industry get back on their feet, by implementing the following measures:

- **Canada Jobs Surge Plan:** paying up to 50% of the salary of new hires for six months;
- **Main Street Business Loan:** to provide loans of up to \$200,000, where we will forgive up to 25% depending on a company's revenue loss;
- **The Rebuild Main Street Tax Credit:** providing a 25% tax credit on amounts of up to \$100,000 that Canadians personally invest in a small business;
- **Canada Investment Accelerator:** A tax credit for capital investments made in 2022 and 2023

A Conservative government will also introduce a Dine and Discover Program. The program would provide a 50 per cent rebate for food and non-alcoholic drinks purchased for dine-in from Monday to Wednesday for one month once it is safe to do so, pumping nearly \$1 billion into this sector. The program would also launch the Explore and Support Canada initiative with a 15 per cent tax credit for vacation expenses of up to \$1,000 per person for Canadians to vacation in Canada in 2022, helping our tourism sector get back on its feet. A Conservative government will also eliminate the Liberal escalator tax on alcohol.

Canada's Conservatives will protect workers in the cultural sector that were left without a safety net when the pandemic began. We will require companies who employ gig workers to make contributions equivalent to the Canada Pension Plan (CPP) and Employment Insurance (EI) premiums into a new, portable Employee Savings Account every time they pay their workers. The money will grow tax-free and can be used to pay CPP premiums or accumulate savings that will be withdrawn by the worker when they need it.

Canada's Recovery Plan includes an entire chapter that details our plan to strengthen cultural industries more broadly. For your reference, that chapter is enclosed

Canada's Conservative's are proud supporters of Canadian arts and culture and will secure a full recovery for this vital sector.

Sincerely,


Erin O'Toole
Leader of Canada's Conservatives

A Detailed Plan to Strengthen Cultural Industries

Canada's Conservatives believe in supporting Canadian culture and creating a level playing field between Canadian businesses and foreign web giants.

Broadcasting

Canada's Conservatives will repeal Liberal Bill C-10, which gives too much power to regulators while failing to provide businesses with the clear guidelines they need to operate. We will replace it with legislation that updates the Broadcasting Act to deal with the realities of an increasingly online market and the need to provide businesses with certainty and consumers with choice.

Our alternative approach will:

- Require large digital streaming services like Netflix, Disney+ and Amazon Prime Video to reinvest a significant portion of their Canadian gross revenue into producing original Canadian programming, of which a mandated proportion must be French language programming.
 - If they fail to do so on their own in a given year, they will be required to pay the difference into the Canadian Media Fund.
 - The proportion chosen will vary based on the nature of the streaming service and would be determined based on the best practices of other jurisdictions, such as those in Europe and Australia, as well as the nature of the Canadian market.
 - Content reinvestment requirements will also recognize and incentivize partnerships with Canadian independent media producers.
- Exempt the content Canadians upload onto social media sites like Facebook, YouTube and Tik Tok from regulation in order to protect free speech.
- Streamline and reduce the regulatory burden placed on conventional Canadian broadcasters and cable companies, including CRTC license fees and Canadian Media Fund contribution requirements, with the loss in revenue to be compensated by a portion of the revenue from the new digital services tax.
 - This will include abolishing CRTC Part II license fees.
 - The health of the Canadian cultural sector depends on the continued viability and success of its private broadcasters. Conventional Canadian broadcasters and cable companies have experienced significant losses in subscribers and revenue in recent years due to the rise of online streaming services.

Canada's Conservatives will also conduct a full review of the mandate of the CRTC to ensure that it better reflects the needs of Canadians and doesn't prevent Canadian broadcasters from innovating and adapting to changes in the market.

CBC and Radio Canada have made important contributions to Canada over the past 84 years. While parts of it remain as relevant as ever, including Radio Canada, CBC Radio, and CBC North, many question whether CBC's English TV continues to live up to its mandate. There are also concerns that CBC's online news presence is undermining the viability of Canadian print and online media, reducing the diversity of voices available to Canadians.

Canada's Conservatives will:

- Give Radio-Canada a separate and distinct legal and administrative structure to reflect its distinct mandate of promoting francophone language and culture while maintaining its funding and providing for continued sharing of resources and facilities where applicable.
 - The Board of Directors of the reformed Radio-Canada would include representatives appointed by the Government of Québec and representation of francophone minority communities outside Québec.

- Radio-Canada will:
 - No longer charge user fees for its online streaming services or operate branding services like Tandem in competition with private francophone media.
 - Provide increased content representative of francophone communities outside Québec.
- Protect CBC Radio and CBC North.
- Review the mandate of CBC English Television, CBC News Network and CBC English online news to assess the viability of refocusing the service on a public interest model like that of PBS in the United States, ensuring that it no longer competes with private Canadian broadcasters and digital providers.

Protecting Canadians from Online Hate while Preserving Free Speech

Conservatives condemn and will always oppose the dissemination of hate speech, speech that incites violence and sexually abusive material. Canada's Conservatives will combat the growing presence of online sexual exploitation, human trafficking, and extremist groups.

We believe that this can best be done by using the Criminal Code and our criminal justice system.

To better protect Canadians, Canada's Conservatives will:

- Fight online incitement and hatred by clearly criminalizing statements that encourage acts of violence against other people or identifiable groups. Conservatives will also protect forms of speech, criticism, and argument that do not encourage violence.
- Provide \$25 million to law enforcement to allow them to follow up more rapidly and investigate online threats of violence, hate speech, sexual exploitation, human trafficking and disinformation campaigns by foreign governments or extremist groups.
- Create a stronger legal duty for social media platforms to remove illegal content, such as content that incites violence.

What we do not support are restrictions on legitimate freedom of speech. Free speech, freedom of expression, and a free press are fundamental tenets of Canadian law and Canadian democracy. We will oppose government censorship of material that is not criminal in nature merely because some may find it to be offensive. Consequently, we have opposed Justin Trudeau's attempt to create a national speech regulator for social media. Unlike the Liberals, we will not use the power of government to censor those we disagree with.

Protecting and Ensuring the Independence of Canadian Media

Canadian media is in crisis. The loss of digital advertising revenue to American tech giants like Google and Facebook is putting local newspapers out of business, costing Canadian jobs, and undermining our ability to tell local, Canadian stories.

Canada's Conservatives don't believe that the solution is for the government to provide direct funding to hand-picked media outlets, something that undermines press freedom and trust in the media.

Instead, we will secure a level playing field for Canadian media, ensuring that Canadians are paid fairly for the content they create while encouraging the creation of more Canadian media and culture.

Canada's Conservatives will:

- Introduce a digital media royalty framework to ensure that Canadian media outlets are fairly compensated for the sharing of their content by platforms like Google and Facebook. It will:
 - Adopt a made in Canada approach that incorporates the best practices of jurisdictions like Australia and France.
 - Include a robust arbitration process and the creation of an intellectual property right for article extracts shared on a social media platform.
 - Ensure that smaller media outlets are included, and that the government won't be able to pick and choose who has access to the royalty framework.
- Introduce a Digital Services Tax representing 3% of gross revenue in Canada to make web giants pay their fair share.
- Significantly reduce the amount of money the government is spending on advertising with big foreign tech companies like Twitter and instead direct federal ad dollars to Canadian media, including community weeklies, regional media, and ethnic media.
- Recognize and correct the adverse economic impact for creators and publishers from the uncompensated use of their works in a manner consistent with the unanimous recommendations of the Heritage Committee of the House of Commons Report in 2019.
- End Trudeau's \$600 million media bailout. While we support Canadian media outlets, they should not be directly receiving tax dollars. Government funding of "approved" media undermines press freedom, a vital part of a free society.
- Conduct a review of federal book publishing policy to enhance the commercial viability of Canada's independent publishing sector.

Celebrating Canadian Heritage

Conservatives believe in the importance of commemorating our past. Canada has a rich heritage as one of the world's oldest constitutional democracies which needs to be more effectively highlighted and taught to future generations. Unfortunately, many of our public monuments and heritage buildings are in a state of disrepair.

That is why Canada's Conservatives will:

- Create a new Canadian Heritage Preservation Fund to provide a total of \$75 million in grants to municipal governments over the next five years for the repair and restoration of historical monuments, statues, and heritage buildings.
- Continue to support efforts to maintain Canada's national monuments.
- Ensure the prompt completion of the Canadian Monument to the Victims of Communism.