

Telling Our Stories, Growing Our Economy: Developing a Culture Strategy for Ontario

Magazines Canada Submission *December 2015*

SECTION 1: INTRODUCTION

Today, Ontario's \$1.3 billion magazine media sector creates homegrown content that audiences want to read and experience, and reaches audiences in the tens of millions in Ontario, Canada, and the world on multiple delivery platforms. The sector employs thousands of highly skilled Ontarians supporting a payroll just under \$400 million. The Government of Ontario's strategic investment in the sector is also highly cost-effective, as the investment amounts to less than 3 per cent of the total value of the sector.

With a consumer, cultural, and business-to-business title to serve every interest across Ontario's and Canada's diverse communities, regions and populations, magazine media publishers have a particularly sharp focus on homegrown cultural activity: what it is, where it is now, and where it is going.

Harnessing the Power of the Digital Era while sustaining Ontarians demand for print magazine media

With the development of the province's first Culture Strategy, the Government of Ontario has an opportunity to **lead proactively** with policies that support the culture sector in fully harnessing the **power and potential of the digital era**.

Ontario's magazine media are at the forefront of this evolution. As reported by comscore based on 2014 data, Ontario has the highest online usage in Canada at 39% and Ontario's magazine media are contributing to that increase with quality Ontario made content. Digital magazine Canadian content readership in Canada increased from 1.85 million in 2013 to 5 million in 2015.

However, print remains a favourite platform for all Canadians as the vast majority (75%) of Canadians read both printed and digital magazines. (*PMB, Spring 2015*). It is therefore important that the province's Culture Strategy **acknowledge the resilience of the print medium** and include elements that encourage effective liaison with the Ministry of Environment. It is essential to **promote environmental and resource sustainability that would contribute to the province's achieving its reduction goals** while also reexamining some of the obstacles Ontario's magazine media faces such as the unfair and inequitable costs of blue box (stewardship) programs as they currently operate.

Magazine publishers are still very much in the midst of the digital transformation. Let's put policies in place that encourage a positive, innovative, economically viable outcome in terms of the culture sector's engagement with the digital arena, which will contribute to Ontarians' quality of life and help grow the province's economy.

Digital Innovation and Economic Development

Through the new Culture Strategy, the Ministry of Tourism, Culture and Sport (MTCS) can play its part in building a **dynamic business environment in Ontario**. The MTCS can achieve this by investing strategically on three levels related to the digital arena:

1. Invest in the culture sector's **engagement with the digital arena**;
2. Invest in a targeted and deliberate fashion in **digital job creation** across the culture sector including the Ontario magazine media sector;
3. Ensure that all investments focus on activities that **pay the creative talent**.

SECTION 2: MAGAZINES CANADA'S RECOMMENDATIONS

Magazines Canada offers five key recommendations to the Ministry of Tourism, Culture and Sport to help develop Ontario's first Culture Strategy. Many of Magazines Canada's responses to individual questions in the MTCS discussion paper, *Telling Our Stories, Growing Our Economy*, refer back to these five over-arching recommendations.

Magazines Canada's recommendations are at once targeted and applicable across a broader base: While we have formulated the recommendations to speak to the concerns of Ontario's magazine media sector in particular, each recommendation can also have a broader application to other culture sector partners involved in elaborating the province's Culture Strategy.

Magazines Canada's key recommendations are as follows:

1. Strengthen existing support for Ontario magazine media at the **Ontario Media Development Corporation (OMDC)** through such programs as the **Magazine Fund**, the **Interactive Digital Media Fund** and the **Industry Development Program**¹, as well as through programs of support for Ontario cultural magazines at the **Ontario Arts Council (OAC)**.²
2. Along with encouraging digital media forms, Magazines Canada recommends that the province's Culture Strategy should **acknowledge the resilience of the print medium** and include elements that **promote environmental and resource sustainability that would contribute to the province's achieving its reduction**

¹ Investment in established trade organizations like Magazines Canada benefits all Ontario magazines.

² Magazines Canada notes that the total investment made by the Government of Ontario in its magazine media sector is less than 3 per cent of the total value of the sector.

goals while also reexamining some of the obstacles magazine publishers face, such as the high cost of stewardship program participation.

3. Revisit and encourage magazine media participation in targeted digital media tax credits.
4. Within existing programs, provide seed investments for **digital initiatives** undertaken by Ontario magazine media.
5. Within existing programs, provide support for **job training, mentoring and internships—including an emphasis on digital job training**—to encourage the development of digitally-fluent professionals who will build careers in Ontario’s magazine media sector.

SECTION 3: MAGAZINES CANADA’S RESPONSES TO MTCS’S DISCUSSION QUESTIONS

Discussion Question: How can we strengthen and grow the culture sector in Ontario so that it continues to contribute to our social and economic wellbeing?³

In addition to being creative engines, Ontario’s consumer, cultural and business-to-business magazine media are engines of **job creation**, also. Ontario magazine media can play its part in strengthening and growing the culture sector in Ontario by focusing on three key areas related to job creation in the sector:

1. Maintain support for current jobs in magazine media in Ontario:

The Ministry of Tourism, Culture and Sport’s discussion paper states, “Culture contributes to economic prosperity and job creation” and cites Statistics Canada data from 2010 that shows that “culture contributed about \$22 billion, or nearly four per cent, to Ontario’s Gross Domestic Product (GDP), supporting about 280,000 jobs.”⁴

Ontario’s magazine media sector’s contribution to this economic output is significant, since we know that Ontario has the largest concentration of magazine head offices in Canada, and is home to most national magazine titles.⁵ Statistics Canada reports that in 2013, Ontario-based magazine media had a total payroll of \$371,000,000. The creation of magazine content in Ontario also contributes to the economic viability and sustenance of communities of freelance creators: photographers, writers, illustrators, and so on.

³ Government of Ontario, Ministry of Tourism, Culture and Sport, Telling Our Stories, Growing Our Economy (Toronto: Queen’s Printer for Ontario, 2015) 4.

⁴ Government of Ontario, Ministry of Tourism, Culture and Sport, Telling Our Stories, Growing Our Economy (Toronto: Queen’s Printer for Ontario, 2015) 4.

⁵ Government of Ontario, Ministry of Tourism, Culture and Sport, Telling Our Stories, Growing Our Economy (Toronto: Queen’s Printer for Ontario, 2015) 12.

In addition to the FTE positions and the supply chain impacts, Ontario magazine media activity produces other ripple effects of great magnitude. Magazines are about specific interests. Whether it is heavy machinery or tourism or performing arts, Ontario's magazine media helps drive activity with information and purchase opportunities that are focused on Ontario with content by, for, and about Canadians.

Further, magazine media events drive business. One recent example demonstrating the economic contribution of leading international media hosted in Ontario by Magazines Canada was the Federation of International Publishing Professionals' (FIPP) annual World Congress, held in Toronto in October 2015. The 800+ magazine delegates from around the world contributed their share to the province's \$3.9 billion in GDP derived from heavily promoted Ontario products: food, entertainment and other tourism-related activities.

2. Within existing programs, provide support for future jobs in magazine media in Ontario, including an emphasis on digital jobs: Support Ontario's magazine media in playing its part in attracting digitally-fluent professionals to work in this fast-paced, creative sector in Ontario. Supporting the creation of future jobs in Ontario's magazine media sector will contribute to the province's ongoing digital transformation, help Ontario grow a strong knowledge economy and contribute to overall economic prosperity in the province.

3. Within existing programs, provide support for job training towards careers in magazine media in Ontario, including an emphasis on digital jobs: We know that fully 75 per cent of the Canadian magazine media sector works in Ontario.⁶ Let's keep this percentage share strong into the future by providing support for professional training with an emphasis on digital fluency for young Ontarians who want to build a career in magazine media in Ontario.

Discussion Question: How can we inspire more youth to create, consume and participate in Ontario culture?⁷

A perennial and important topic of discussion between Ontario's consumer, cultural, and business-to-business magazine media is how to grow the audiences of the future for magazine media. Magazines Canada offers the following suggestions, which are closely aligned with our principal recommendations at the beginning of this submission:

1. Maintain robust investment in the Ontario Media Development Corporation's (OMDC) Interactive Digital Media Fund and ensure that magazine media remain eligible.

⁶ Statistic sourced from Magazines Canada.

⁷ Government of Ontario, Ministry of Tourism, Culture and Sport, Telling Our Stories, Growing Our Economy (Toronto: Queen's Printer for Ontario, 2015) 5.

2. Within existing programs, partner with Ontario school boards and Ontario libraries across the province and provide support for programs that encourage Ontario students to develop a love of reading. Through these province-wide programs, inspire Ontario youth to read and engage with Ontario magazine media on all platforms, including digital ones. Programs should be tailored to pre-K – 12 and should target:

- Early years activity centres in Ontario
- School boards in Ontario
- After-school programs in Ontario
- Community-based programs in Ontario

3. Within existing programs, partner with Ontario magazine media to make Ontario magazines available in school and public libraries across Ontario on all platforms, including digital ones.

4. Within existing programs, partner with Ontario post-secondary educational institutions and the Ontario magazine media sector to offer high-quality training programs, including courses in digital tools, apps and social media.

5. Within existing programs, increase capacity support for job training and internships—including an emphasis on digital job training—for young Ontarians who want to build a career in Ontario’s magazine media sector.

Discussion Question: How can we help ensure that support for culture reflects Ontario’s diverse regions, communities, and populations?⁸

Magazines Canada agrees that in order to be credible and resonate with Ontarians, the province’s Culture Strategy must reflect the Ontarians who experience, participate in and consume culture in Ontario. The Culture Strategy must include and speak to *all* Ontarians, including:

- 300,000+ Indigenous peoples (First Nations, Métis, Inuit);
- 600,000 Franco-Ontarians;
- Ontarians from more than 200 ethnic backgrounds, including new immigrants to the province⁹;
- 2 million Ontarians age 65 and over¹⁰;
- Ontarians with disabilities, who currently represent 15 per cent of the province’s population¹¹;

⁸ Government of Ontario, Ministry of Tourism, Culture and Sport, Telling Our Stories, Growing Our Economy (Toronto: Queen’s Printer for Ontario, 2015) 6.

⁹ Statistics Canada projects that by the early 2030s, 40% of Ontarians will belong to a visible minority. Statistics Canada, The Daily – Study: Recent changes in demographic trends in Canada (Ottawa: October 27, 2015). <http://www.statcan.gc.ca/daily-quotidien/151027/dq151027a-eng.htm?HPA>

¹⁰ The number of Ontarians age 65 and over (currently about 2 million) is expected to more than double by the year 2041. Government of Ontario, Ministry of Tourism, Culture and Sport, Telling Our Stories, Growing Our Economy (Toronto: Queen’s Printer for Ontario, 2015) 6.

- 2.5 million Ontarians between the ages of 18 and 30;
- Young Ontarians between the ages of 18 and 30 who belong to Indigenous communities (First Nations, Métis, Inuit).

In response to this, Magazines Canada offers the following suggestions to help the Ministry of Tourism, Culture and Sport meet the key objective of reflecting Ontario's diverse regions, communities, and populations in the province's Culture Strategy:

1. Reflect Ontario's Indigenous peoples, Franco-Ontarian communities, ethnically diverse populations, youth and Indigenous youth by enhancing funding within the budget envelopes of marquee programs such as the Ontario Media Development Corporation's (OMDC) Magazine Fund and the Interactive Digital Media Fund, and the Ontario Arts Council's (OAC) programs for magazines that serve these communities and populations.

2. Reflect Ontarians age 65 and over and Ontarians with disabilities by partnering with Ontario magazine media to make Ontario magazines available in:

- Community centres;
- Public libraries;
- Retirement residences;
- Palliative care facilities, and
- Hospitals across the province, on all platforms, including digital ones.

3. Reflect Indigenous peoples and Indigenous youth between the ages of 18 and 30 by partnering with Ontario Magazine media to make magazines available on reserves, on all platforms, including digital ones.

4. Reflect Ontarians between the ages of 18 and 30 by partnering with Ontario post-secondary educational institutions and the Ontario magazine media sector to offer high-quality training programs, including courses in digital tools, apps and social media.

Discussion Question: How can we help the cultural sector respond to digital challenges and opportunities?¹²

Magazines Canada offers the following suggestions to help the cultural sector respond to digital challenges and opportunities. Our suggestions are closely aligned with our principal recommendations at the beginning of this submission:

1. Enhance investment in the Ontario Media Development Corporation's (OMDC) Interactive Digital Media Fund

¹¹ The percentage of Ontarians living with a disability is expected to grow as the province's population ages. Government of Ontario, Ministry of Tourism, Culture and Sport, *Telling Our Stories, Growing Our Economy* (Toronto: Queen's Printer for Ontario, 2015) 6.

¹² Government of Ontario, Ministry of Tourism, Culture and Sport, *Telling Our Stories, Growing Our Economy* (Toronto: Queen's Printer for Ontario, 2015) 7.

2. Ensure **that magazine media remain eligible** and review Ontario magazine media's participation in the **Ontario Interactive Digital Media Tax Credit**.

3. Measure the feasibility within more robustly-supported programs of creating a **digital initiatives research program**, administered by the OMDC¹³, for digital initiatives that encourages cultural stakeholders to try out new models in order to better monetize their digital efforts and contribute to growing Ontario's economy. Incorporate strong accountability requirements.

Discussion question: In a time of scarce resources, what key culture priorities should the Ontario government support? How can your organization work in partnership with the government to support these priorities?¹⁴

The Ontario government should support those culture priorities that speak unequivocally to the dual goals of the province's Culture Strategy:

1. To contribute to Ontarians' quality of life by providing platforms for Ontarians to tell their stories and to see themselves reflected in these stories, and

2. To grow Ontario's economy.

Magazines Canada's five key recommendations address both of these goals:

1. Strengthen existing support for Ontario magazine media at the **Ontario Media Development Corporation (OMDC)** through such programs as the **Magazine Fund**, the **Interactive Digital Media Fund** and the **Industry Development Program**, as well as through programs of support for Ontario cultural magazines at the **Ontario Arts Council (OAC)**.

2. Along with encouraging digital media forms, Magazines Canada recommends that the province's Culture Strategy should **acknowledge the resilience of the print medium** and include elements that **promote environmental and resource sustainability that would contribute to the province's achieving its reduction goals** while also reexamining some of the obstacles magazine publishers face, such as the high cost of stewardship program participation.

¹³ The OMDC digital initiatives research program could be open to all OMDC stakeholders i.e. book, film and television, interactive, magazines and music. It would differ from the existing **OMDC Research Grants** in that it would be targeted to digital initiatives. A project would need to be of a digital nature in order to be eligible for the program. **An alternative would be to expand the eligibility of the existing OMDC Research Grants program to include digital initiatives**, however funding would need to be set aside specifically for digital initiatives. **A similar program could be created at the Ontario Arts Council to encourage Ontario artists and arts organizations to explore digital initiatives**. The OAC program would respond to applicants ineligible for the OMDC program. It would operate in the context of the Culture Strategy's *Arts Policy Framework* (see MTCS discussion paper, p. 10).

¹⁴ Government of Ontario, Ministry of Tourism, Culture and Sport, *Telling Our Stories, Growing Our Economy* (Toronto: Queen's Printer for Ontario, 2015) 7.

3. Revisit and encourage magazine media participation in targeted digital media tax credits.
4. Within existing programs, provide enhanced investment opportunities for **digital initiatives** undertaken by Ontario magazine media.
5. Within existing programs, provide support for **job training and internships—including an emphasis on digital job training**—to encourage the development of digitally-fluent professionals who will build careers in Ontario’s magazine media sector.

What is the Ontario government doing well to support the cultural industries sector? What would you like to see changed? Are there best practices that Ontario could learn from and adapt?¹⁵

The Ontario government should continue to support the cultural industries sector in general and the magazine media sector in particular via the following initiatives, which have proven effective over time:

- Maintain support for Ontario’s magazine media sector via the **Ontario Media Development Corporation’s (OMDC) Magazine Fund**.
- Maintain support for magazine app and other interactive digital media development initiatives via the **OMDC’s Interactive Digital Media Fund and Magazine Fund**.
- In the OMDC’s Interactive Digital Media Fund, **ensure that magazine media are truly eligible** or reengineer to encompass magazine media.
- Maintain support for cultural magazines via the **Ontario Arts Council’s (OAC) project and operating support programs for magazines**.

Along with this effective, tested and proven support, Magazines Canada suggests that the Ontario government consider implementing the following:

- Within existing programs, provide support for digital initiatives such as digital platform publishing, app development and new product development (research) via the **Ontario Media Development Corporation’s (OMDC) Magazine Fund** and/or the **OMDC’s Interactive Digital Media Fund** and the **Ontario Arts Council (OAC)**.
- Within existing programs, provide support to help address and relieve the print collection burden on magazine publishers.

¹⁵ Government of Ontario, Ministry of Tourism, Culture and Sport, *Telling Our Stories, Growing Our Economy* (Toronto: Queen’s Printer for Ontario, 2015) 12.

- Within existing programs, provide incentives for magazine publishers who choose more environmentally sustainable paper and ink.
- Within existing programs, provide support for industry-driven professional training initiatives for the magazine media sector in Ontario in order to fuel job creation, including digital job creation, and economic growth in the province.

SECTION 4: CONCLUSION

Like all cultural industries sectors, magazine media is in the midst of the digital evolution, whose forces were at first experienced as disruptive, but which will, we believe, ultimately be understood as transformative. Despite the challenging circumstances ushered in by this disruptive dynamic, the 75 per cent of Canadian magazine media brands that are headquartered in Ontario consistently deliver high-quality homegrown content on multiple platforms to a diversity of audiences across the province, Canada and the world. We have and will continue to deliver in this way. We are committed to it.

Along with our cultural industries partners, Ontario's magazine media sector—including consumer, cultural, and business-to-business brands—looks forward to working with the Ontario government in the elaboration of the province's first Culture Strategy, giving voice to the diversity of viewpoints, communities, regions and populations that define our beautiful province, and, of equal import, ensuring that our province's economy continues to grow and that Ontario's magazine media plays its part in achieving this.

Thank you for the opportunity to be part of the conversation.

About Magazines Canada

Magazines Canada is the national trade association representing Canadian-owned, Canadian-content consumer, cultural, specialty, professional and business media magazines. French and English member titles offer a wide range of topics including business, professional, news, politics, sports, arts and culture, leisure, lifestyle, women and youth, made available on multiple platforms. The association focuses on government affairs, services to the advertising trade, circulation marketing and the development of career skills for and the recognition of excellence among the people who work in Canada's magazine media.

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