



September 16, 2025

Mr. Marc Morin  
Secretary General  
Canadian Radio-television and  
Telecommunications Commission  
Gatineau (Québec) K1A 0N2

*Filed Online*

Dear Secretary General Morin:

**Re: Broadcasting Notice of Consultation CRTC 2025-2 – *The Path Forward – Working towards a sustainable Canadian broadcasting system (“Market Dynamics”)* – DIMA Final Written Submissions**

1. These are DIMA’s final written submissions in the above-noted consultation on behalf of our members, the world’s leading music streaming companies.

***Executive summary***

2. DIMA members are concerned that the overlapping and repetitive approach in the proceedings and hearings to date may well call into question the clarity of the evidence provided, the fulfilment of the legal principle “he who hears must decide”, and the appropriateness of any resulting regulation.
3. There is no “market failure” to be addressed by the Commission. On the contrary, licensed music streaming has already transformed the market for the better, for the benefit of Canadian users, artists and rightsholders. Today’s ecosystem isn’t perfect, but shows all the markers of a healthy and functioning music industry.
4. Canadian and Indigenous music are already prominent and discoverable on music streaming services. Rising music industry revenues and continued individual artist success stories make this evident. Counting plays of Canadian or Canadian subset content categories is neither necessary nor possible.

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[www.dima.org](http://www.dima.org)

5. The Commission should not and cannot impose an “undue preference” regime for music streaming services. The business model for music streaming does not present the kinds of anti-competitive issues that the Commission has addressed with traditional broadcasters in the past, or that may arise in the audio-visual sector.

**A. Procedural fairness concerns**

6. Before providing our final reply comments, we wish to restate and add to our procedural comments, included in our February 24, 2025 written submission in this proceeding (“Initial Comments”)<sup>1</sup>, the following:
  - a. The Commission raised a range of broad and important matters in this proceeding, which overlap with other proceedings, including (i) [BNC 2024-290](#), *Modernization of radio processes*, which the Commission launched “[g]iven the emergence of online undertakings in the Canadian broadcasting landscape and the Commission’s new power to regulate these undertakings”; (ii) [BNC 2025-52](#), *The Path Forward – Supporting Canadian and Indigenous audio content*, which is of central importance for DIMA and its members; and (iii) [BNC 2024-288](#), *Defining “Canadian program” for the audiovisual sector*, a proceeding that directly impacted the audiovisual services operated by some DIMA member companies, and that otherwise touched on common themes in defining “Canadian program” for both audiovisual and audio broadcasting undertakings.
  - b. The same topics, such as discoverability and financial contributions, have been raised in multiple proceedings. It is challenging to present comments in a coherent way, when the Commission has presented the issues in a piecemeal way. Given that concern, DIMA initially said in its Initial Comments that it would focus its remarks on discoverability in the Audio Policy proceeding. However, the Commission’s 60 broad-ranging questions in this Market Dynamics proceeding (extending to discoverability and many other topics), its varied questions at the hearing, and the manner in which it drew the APEM Part 1

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<sup>1</sup> DIMA [Comments](#) at paras. 3-6.

application<sup>2</sup> into this Market Dynamics proceeding<sup>3</sup> and its RFI process<sup>4</sup>, have (i) made it necessary for DIMA and its members to make similar or related comments in multiple proceedings with differing policy objectives; and (ii) overall, made it challenging for DIMA and its members to engage in a constructive, meaningful dialogue with the Commission and other stakeholders.

- c. The implementation of the *Online Streaming Act* is the very first time that online streaming businesses have been an active part of ongoing Commission proceedings. A better approach to making decisions on whether and how to regulate online undertakings would be to conduct focused, streamlined proceedings that each provide a clear and rational connection between the requirements of the Act, the specific areas of concern, and the body of issues to be raised and discussed.
- d. The Commission must regulate only when it has clear and conclusive evidence that an appropriately tailored regulatory measure would materially contribute to the broadcasting policy objectives set out in the Act. The overlapping and repetitive approach in the proceedings and related hearings to date may well call into question the clarity of the evidence provided, the fulfilment of the legal principle “he who hears must decide”<sup>5</sup>, and the appropriateness of any resulting regulation.

## ***B. Commission must consider the evidence before attempting to regulate the market***

- 7. There is no “market failure” to be addressed in the Canadian market for music streaming. On the contrary, music streaming has already transformed the market for the better, for the benefit of Canadian users, artists and rightsholders. Today’s music

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<sup>2</sup> On August 27, 2024, the Association des professionnels de l’édition musicale filed a Part 1 [Application 2024-0491-1](#) asking the Commission to collect and publish data from the main online music services.

<sup>3</sup> See for example Public Hearing transcript [19 June 2025](#) at para. 1414 (Commissioner Paquette in questions to ADISQ); [20 June 2025](#) at para. 2909 (Commissioner Abramson) in questions to Spotify; [25 June 2025](#) at para. 3589 (Commissioner Paquette in questions to Google); [26 June 2025](#) at para. 4754 (Commissioner Paquette in questions to Apple); [3 July 2025](#) at paras. 7265-7266, 7269 (Commissioner Paquette in questions to Amazon).

<sup>4</sup> July 23 2025 [Staff Letter](#) addressed to the Distribution List - Subject: Requests for information regarding the proceeding initiated by The Path Forward – Working towards a sustainable Canadian broadcasting system, Broadcasting Notice of Consultation CRTC 2025-2, 9 January 2025, Question 24.

<sup>5</sup> Subsection 20(1) of the *Broadcasting Act* provides that “The Chairperson of the Commission may establish panels, each consisting of not fewer than three members of the Commission, *to deal with, hear and determine* any matter on behalf of the Commission.” (emphasis added). This provision imposes the “he who hears must decide” rule for broadcasting proceedings, requiring each panel to determine matters that they have heard themselves. Evidence should not and cannot be carried from one panel to the next.

ecosystem is not perfect, but it shows all the markers of a healthy and functioning music industry and is globally successful.<sup>6</sup> The rise of online music services provided legal, accessible alternatives to piracy, and revitalized the industry. As Amazon Music noted at the public hearing in this proceeding:

While Canadian recorded music revenue was previously in a period of decline, we have seen it nearly double since 2013, with streaming accounting for approximately 75 per cent of those revenues.

Two out of three Canadians use a music streaming service, and 86 per cent are satisfied with the service they use most often. Approximately 70 per cent of our revenue goes to music rights holders, far more than commercial radio's eight per cent.<sup>7</sup>

8. Canada is the eighth largest recorded music market globally, with streaming generating the majority of recorded music revenues, bringing benefits to Canadian music listeners, and artists and rightsholders.<sup>8</sup> Yet at the public hearing, Commissioner Levy posed a question that suggested that streaming “profits” were both inadequate, and the only means by which streaming supports Canadian creators and the music economy:

if we didn't have the structures that we have in Canada like FACTOR and Starmaker and so forth, what would be the position of Canadian artists if they just had to rely on whatever profits were streamed their way for support?<sup>9</sup>

9. As DIMA and its members have repeatedly demonstrated in this and other proceedings, investing in artists, promoting, and remunerating them are the primary role of the music industry. Additional support structures, such as FACTOR or Starmaker, are just that – additional support. They cannot, and should not try to, replace the role of the music industry as the main driver of investment in talent and the music industry overall. As DIMA explained, music streaming services pay rightsholders so that the rightsholders in turn are able to remunerate artists and invest in new talent. That said, the benefits to artists and music rightsholders provided

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<sup>6</sup> See exchange between Vice-Chairperson Scott and Graham Davies, President and CEO of DIMA, Public hearing transcript [2 July 2025](#) at paras. 6799-6804.

<sup>7</sup> Public hearing transcript, Amazon Music [3 July 2025](#) at paras. 7144-7145.

<sup>8</sup> Public hearing transcript, Amazon Music [3 July 2025](#) at paras. 7143-7145, Spotify, [20 June 2025](#) at paras. 2810, 2818-2820, DIMA 2 July 2025 at paras. 6782-6789. See also Spotify 18 August 2025 response to requests for information, Question 12, para. 13, DM#4896819, available at [https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2\\_Responses%20to%20requests%20for%20information.zip](https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2_Responses%20to%20requests%20for%20information.zip).

<sup>9</sup> Public Hearing transcript [2 July 2025](#) at paragraph 6879, Commissioner Levy questions to Graham Davies of DIMA.

by music streaming services are much more than royalties alone. Investments include promotion, sponsorships, training, artist tools, and much more.<sup>10</sup>

10. The Commission must take into account the evidence provided to it regarding the significant and wide-ranging investments and supports that Canadian artists and rightsholders receive from music streaming services. They are a central part of Canada's healthy and vibrant music industry.

### ***C. Canadian and Indigenous music are already prominent and discoverable***

11. It is worth revisiting the essential reasons why the *Broadcasting Act* and the Commission have had to focus on regulating discoverability and prominence in the audio market in the past. Radio was the core of the Canadian audio market. Its characteristics as both a medium and an industry raised – and continue to raise – market issues that call for regulation. Those issues are not a factor for music streaming services.
12. First, radio's format means that radio acts as a gatekeeper in the marketplace, with limited shelf space and limited plays to offer artists and rightsholders. Second, radio's hyper local focus leads to discoverability that is geographically limited on a local market by local market basis. Third, there has been an equitable quid pro quo in the regulatory regime for radio that would not extend to online undertakings. Both Canadian radio and Canadian satellite subscription radio benefit from regulated monopolies within their licensed markets. Part of the return for this protected market access was mandated prominence for Canadian content in the form of quotas, which were necessary to ensure that content could find its place on each station's shelf.

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<sup>10</sup> See for example:

Apple Music [Presentations at the hearing](#) and Public hearing transcript [26 June 2025](#), Mike Lawless: "how our Canadian Music team of editors and partner managers in Toronto and Montreal operate, supporting the celebration and elevation of Canadian and Indigenous music, and by extension, the music industry, on both a Canadian and global stage", paras. 4533-4538.

Amazon Music, Public hearing transcript [3 July 2025](#), John Murphy: "Streaming services like Amazon Music revitalized the music industry by providing legal, accessible alternatives to piracy", paras. 7143-7148.

Spotify August 18 2025 responses to requests for information, description of artist and music discoverability features and initiatives (Question 12), DM#4896819, available at [https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2\\_Responses%20to%20requests%20for%20information.zip](https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2_Responses%20to%20requests%20for%20information.zip).

January 26 2024 responses to requests for information in the Base Contributions proceeding BNC 2024-138 (Questions 17(c) and (d)): Spotify DM#4542974, Amazon DM#4543033, and Apple DM#4541251, available at [https://applications.crtc.gc.ca/TransferToWeb/2023/2023-138\\_Responses%20to%20requests%20for%20information.zip](https://applications.crtc.gc.ca/TransferToWeb/2023/2023-138_Responses%20to%20requests%20for%20information.zip).

13. Streaming is fundamentally different from radio. As Music Canada stated at the public hearing in this proceeding,

Other than the fact that both are mediums listened to with our ears, there is almost nothing about the businesses, how consumers interact with them or how music is played on them that are the same. In most cases, they are the opposite.

Everything that you listen to on radio is chosen by someone else. Even listener request hours are decided by someone else. Everything you listen to on streaming is a choice by the listener. Even lean back sessions that allow an algorithm to push the next song is a choice by the listener.

Throughout this five-year process I have now found myself needing to remind people that there is nothing about any of the user features on any subscriber based music platform that prevents you from listening to whatever you want whenever you want to listen to it. On every service, you are welcome to listen to as many artists, albums, genres as you would like or to simply listen to the music of your youth.<sup>11</sup>

14. The data that DIMA, our members and other parties such as Music Canada have provided in this proceeding (highlighted in section B above), demonstrate that music streaming brings measurable, quantifiable benefits to Canadian artists and rightsholders, year after year. Those levels of revenues combined with the discoverability initiatives demonstrated by DIMA's members clearly show that Canadian artists and content are being discovered in Canada and around the world. At the public hearing, Commissioner Levy asked "[b]ut in terms of metrics, what should we be looking at? What should be convincing to us?" Music Canada CEO Patrick Rogers responded "I can't think of a better metric, Commissioner, than more people are paid more money for the music that is played than ever before. And that's not us saying that. That was found in the U.K. market review."<sup>12</sup>
15. Global streaming services' business models depend on discoverability and relevance for listeners in every country. That is precisely why DIMA members invest time and resources in curating and promoting playlists featuring tracks from Canadian and Indigenous artists. In fact, DIMA members compete vigorously with each other and other entertainment media to make their content relevant to Canadians. As discussed in written comments and at the hearing in this proceeding, the CMA UK review of the

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<sup>11</sup> Public hearing transcript, [25 June 2025](#), at paras. 4250-4252.

<sup>12</sup> Public hearing transcript, [6 June 2025](#), at paras. 4274-4279.

music streaming market in the UK determined that there was no basis for full investigation and regulation, and concluded that regulation would harm a well-functioning market.<sup>13</sup>

16. At the public hearing, Commissioner Levy asked DIMA President and CEO Graham Davies “what would be problematic in adding more French music or Indigenous music in the recommendations of the streamers’ platforms?”,<sup>14</sup> and Commissioner Paquette asked John Murphy, head of Amazon Music Canada, “what would be problematic about increasing the weight of, as an example, French or Indigenous or even Canadian music in the search and recommendation functionalities of the platform?”.<sup>15</sup> The answer is that imposing quotas, changing or manipulating consumer choice – rather than having consumers steer their own experience – would lead to drops in consumer satisfaction, less engagement with services, and lower revenues to support royalty payments to and investments in Canadian artists and rightsholders. Music streaming services, by nature, are driven by user’s choice, therefore interfering with that experience through regulation would threaten the very factors that have made the industry the success it is now. It would fundamentally disrupt the basic model of having the Canadian consumer guide his or her listening experience.

***D. It is neither necessary nor possible to count tracks by origin and language***

17. Certain interveners, such as L’ADISQ, APEM and ACCORD, have called for an inventory review of Canadian, French-language, and Quebec French-language music on streaming services.<sup>16</sup> We maintain that (i) counting tracks by origin or language is not necessary to do, (ii) counting tracks by origin is not possible, and (iii) accurately counting tracks by language is not possible.

*(a) An inventory is not necessary to demonstrate discoverability*

18. Any attempt to compare the levels of these content categories to levels on radio, or even on levels on streaming services from a few years ago, fails to capture the success of those categories today and recognize the distinct nature of streaming services. Canadian, French-language, and Quebec French-language music and

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<sup>13</sup> Public hearing transcript, [2 July 2025](#), Graham Davies, President and CEO of DIMA, at paras. 6807-6808, and 25 June 2025, at paras. 4276 and 4279.

<sup>14</sup> Public hearing transcript, Commissioner Levy, [2 July 2025](#) at para. 6873.

<sup>15</sup> Public hearing transcript, [3 July 2025](#), at para. 7168.

<sup>16</sup> See submissions by [L’Adisq](#), [ACCORD](#) and [l’Association des professionnels de l’édition musicale](#).

artists have shared in the global successes enabled by music streaming services. As DIMA and our members have repeatedly shown, record levels of royalties are flowing in and into Canada from global plays.

19. What constitutes discoverability on a music streaming service is inherently different than on broadcast radio, and streaming services have innovated accordingly. The catalog available on streaming services – virtually all commercially released music in the market – is expanding exponentially, with many more artists and tracks available today than even last month or last year. Responses to the Commission’s requests for information about the features, tools, and “routes to access” for Canadian audio content on music streaming services show the level of competitiveness, creativity, and investment each service must devote to make that content discoverable to users and provide unique experiences.<sup>17</sup> Some of our members also spoke to these at the public hearing.<sup>18</sup> These include editorial playlists, personalized algorithmic tools, search tools, local music teams, sponsorships and other contributions to the music industry, and features and services that allow music creators to build their audiences directly.
20. This high level of curation, promotion and discoverability are working for diverse content as well. Public data show growth in the share of non-English language music consumed on streaming services, demonstrating that streaming presents opportunities for diverse content not typically supported by traditional commercial radio.<sup>19</sup>

*(b) An inventory is not possible*

21. At the public hearing and in their responses to the Commission’s requests for information, DIMA members clearly explained that they cannot prepare an inventory of tracks by origin or language.<sup>20</sup> Fundamental issues include the lack of metadata to

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<sup>17</sup> See for example See Spotify response to requests for information, Question 14, DM#4896819, available at [https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2\\_Responses%20to%20requests%20for%20information.zip](https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2_Responses%20to%20requests%20for%20information.zip).

<sup>18</sup> See for example Apple Music, Public hearing transcript [26 June 2025](#), Mike Lawless, head of the Apple Music team in Canada, at paras. 4533-4537; Spotify, Public hearing transcript, [20 June 2025](#), Xenia Manning, Director of Global Music Policy, at paras. 2798, 2825-2828.

<sup>19</sup> See Amazon Music, Public hearing transcript [3 July 2025](#) at paras. 7146 and 7341. Mr. Murphy: “There was a report by Luminate at the end of last year that actually showed in Canada that English language music was declining as a share of total consumption in Canada. So we’re actually seeing different trends in customers leaning towards music from other languages”, citing Luminate 2024 Year-End Music Report at pages 5, 46 and 47, available at <https://luminatedata.com/reports/yearend-music-industry-report-2024/>.

<sup>20</sup> See Amazon Music, Public hearing transcript [3 July 2025](#) at para. 7161 and 7165-7167. See 18 August 2025 responses to requests for information, Question 24: Spotify DM#4896819, Amazon DM#4896975, and Apple DM#4896324,



define and track “Canadian”, “French-language”, and “Quebec” tracks, and the sheer volume of tracks received by music streaming services on a daily basis – by some counts, over 100,000 tracks received in a day. Music streamers do not and cannot filter and count tracks by source or category in the ways proposed by APEM and other organizations.

### ***E. Undue Preference and Dispute Resolution***

22. The business model for music streaming does not raise anti-competitive or “undue preference” issues sometimes seen in the traditional broadcasting model. Music streaming businesses license virtually all recorded music available, rather than selecting which content, or which partner’s content, they will distribute. Moreover, few music streaming businesses are involved in any form of music production, meaning that content acquisition is almost always at arm’s length from the content supplier.
23. If any questions remained about the appropriateness of “undue preference” rules for music streaming services, it is important to recall that in any event, the Commission does not have the statutory authority to set terms of distribution, or to resolve disputes involving online undertakings.<sup>21</sup> This reflects Parliament’s recognition that this is a distinct and well-functioning market that does not warrant regulatory intervention by the Commission.

### ***Conclusion***

24. Thank you for the opportunity to provide our final comments in this consultation.

Sincerely,



Colin Rushing

Executive Vice President and General Counsel

Digital Media Association (DIMA)

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available at [https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2\\_Responses%20to%20requests%20for%20information.zip](https://applications.crtc.gc.ca/TransferToWeb/2025/2025-2_Responses%20to%20requests%20for%20information.zip) Citations to public hearing transcripts.

<sup>21</sup> See for example exchange between Vice-Chairperson Scott and Ms. Westin Rubinstein, Public hearing transcript [26 June 2025](#), at paras. 4669-4670.