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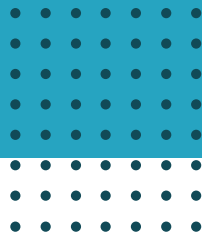
IRISH MUSIC RIGHTS ORGANISATION

ENABLING THE CREATION OF A FAIR, ACCESSIBLE AND SUSTAINABLE MUSIC INDUSTRY IN IRELAND



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OVERVIEW



Music is integral to Ireland, to our culture, our international reputation and our society. It is vital in sustaining local jobs, strengthening and developing communities and supporting Irish culture in the broadest sense. The Irish music sector employs more than 13,000 people and makes a significant economic contribution, to the tune of €700 million annually in direct and indirect economic activity, to both the national and local economy. Every minute of every day Irish people's lives are enhanced by music, whether this is the radio keeping them company as they commute to work, attending a festival during the summer or the track that keeps them motivated as they exercise, whether it's the music that's part of their favourite television programme, the backing tracks that distract them as they wait on hold or run around the supermarket or the band that livens up their Friday night, we cannot escape or deny the powerful and all encompassing impact of music on our lives.

IMRO members, whether songwriters, musicians or singers are independent freelance operators who are located throughout Ireland rely entirely on audiences for their survival. The economic downturn hit the sector hard and this was compounded by the complete shutdown of the creative music industry during the Covid 19 pandemic. Unfortunately, this has resulted in many IMRO members opting for employment in other sectors as many of the performance opportunities in hospitality, media and entertainment industries grapple with a new post pandemic world. This is undermining the ongoing development of the music industry and causing serious concern regarding the future viability of many within the creative music industry.

Over the past few years the Government has been very committed to the development and support of Irish culture through progressive initiatives such as the Night-Time Economy, the extension of the Creative Ireland Programme and the Basic Income Scheme for Artists. Public policy has up to now focused on venues, on specific sectors within the music industry or on the introduction of Pilot Projects and while this is laudable it runs the risk of not catering for the vast majority of IMRO members who are not financially secure enough to be in a position to wait for the fruits of these initiatives to trickle down to them. Action must now be taken across a number of fronts to ensure the Irish music industry continues to develop, to properly serve the wide and varied audiences it commands and to ensure it continues to grow and develop. To this end IMRO is recommending the following changes to be made in this year's Budget:

- 1. Update and amend the Artists Exemptions Guidelines to increase the annual tax-free threshold and include revenue from works used for publicity or advertising.**
- 2. Amendment of Section 481 to include an additional tax credit for the use of Irish music.**
- 3. Create a Broadcasting Fund ring fenced for radio and television programmes on Irish music.**
- 4. Develop a National Music Strategy.**





1. Update and amend the Artists Exemptions Guidelines to increase the annual tax-free threshold and include revenue from works used for publicity or advertising.

The tax exemption for artists is a lifeline for many in the creative music industry. In the vast majority of cases wages are small and piecemeal and the next paying job is rarely lined up before the current job finishes. Job uncertainty and the resulting financial insecurity are what those in the creative music industry live with on a daily basis and anything that can ease the pressure this brings would be welcome.

The precarious nature of the music industry coupled with rising cost of living will result in more and more creative and musical talents leaving the sector for jobs in other sectors which are considered more steady and more stable. This could decimate the music industry in Ireland and the knock-on effect of having less session musicians, less live music in hotels and bars to name but a few would also negatively impact on other sectors. While the creative music sector is still in fairly good health we should grasp the opportunity to make changes which will encourage people to stay working in the music industry and not deter others from making it their career of choice. Small changes to the Artists Exemption could achieve this and as such IMRO is recommending the following changes:

1. Increasing the threshold for works which are not subject to tax from the current €50,000 to €75,000;
2. Allow for unused tax credits to be used over 3 consecutive years, rather than being restricted to the year the claim is made;
3. Allow works composed for advertising and publicity to be included in the Exemption Scheme.

2. Amendment of Section 481 to include encouragement for the use of Irish musical compositions.

The Section 481 tax credit was designed to incentivise film and TV production in Ireland and it has contributed in no small way to the success of the audiovisual industry since its introduction. Specific measures were included to further encourage production companies to venture outside of the main cities and increase spend in more rural parts of Ireland. The "Regional Uplift" allocates an additional 2% tax relief to projects produced outside Dublin/Wicklow and Cork City and County.

IMRO would like to propose the establishment of a similar scheme to encourage the use of Irish music composers, singers and songwriters in film and TV productions. An additional 1% in tax relief for the use of Irish music creators in film and TV productions would revolutionise the music industry in the same way as the regions are benefitting from the Regional Uplift incentive. It would expose the Irish music industry and the creatives within it to a wider audience thus increasing commercial opportunities and success both at home and overseas.



3. Sound and Vision Broadcasting Funding Scheme

The Sound and Vision Broadcasting Funding Scheme is designed to assist in the production of television and radio programmes that would not otherwise be commercially viable. The Scheme is funded by 7% of the Television Licence Fee and is always oversubscribed with more requests for funding than there are funds available.

It is no secret that the television licence fee has come under severe scrutiny lately and is currently being examined by a group of experts. Given the success of the Sound and Vision Funding Scheme, it is highly likely that it will remain regardless of the outcomes and recommendations of the expert group examining the future of the Television Licence Fee.

Given this, IMRO is proposing that an additional 1% of the television licence revenue is diverted into Sound and Vision to be ringfenced for the development of music-based programming for radio and television. For the music industry this would increase exposure, offer commercial opportunities, increase the potential audience and provide a guaranteed source of broadcasting via new sources of funding.

This is not an entirely new suggestion as the Broadcasting Authority of Ireland, at the instigation of Minister Catherine Martin, has previously run 2 Sound and Vision funding rounds which were specifically focused on Irish music. Both rounds produced programmes for television and radio of extremely high quality and also provided additional broadcasting and performing opportunities, increased and enhanced commercial prospects and financial compensation for a significant number of Irish musicians and composers.

4. Development of a National Music Strategy

Music is an essential part of Irish culture and vital to our economy. As was highlighted earlier more than 13,000 people work in the music industry in Ireland, contributing over €700 million to the Exchequer. The Government should take the opportunity to protect and develop the industry by introducing a National Music Strategy with a specific remit to maximise exports of and opportunities for Irish music.

The development of a National Music Strategy would allow the various parties who promote, develop and support the Irish music industry to work together to produce a comprehensive, productive, inclusive strategy but one which is also practical, achievable and most importantly costed.

Most importantly it will allow for a comprehensive, future proofed and Government backed approach by creators to the impact of AI on their working lives. Changes and developments in AI have been unexpectedly quick and the Irish Government is not alone in trying to legislate for its impact while also supporting the innovation and development of such an impactful technology.

It is imperative that we protect the intellectual property and copyright of the creators and performers, many of whose compositions are being used to train the earlier version of AI without permission and also without fair and adequate financial compensation.

CONCLUSION

Music is the cornerstone of life in Ireland, seeping into every aspect of our lives. It is a vital element of our cultural and tourism offering with an extremely significant financial contribution to the Irish economy.

The music industry needs to be supported while it's still strong to ensure that we face the future on a solid footing. The implementation of some of IMRO's recommendations outlined above would show the intent of the Government to support the music industry in Ireland through practical, meaningful changes which would make immediate and positive impact on the working lives of the 13,000 people employed in the music industry in Ireland.

