

Copyright Board
Canada



Commission du droit d'auteur
Canada

Date 2025-06-27
Citation SOCAN Tariff 7 – Skating Rinks (2026-2028), 2025 CB 3
Member Drew Olsen
Proposed Tariff Considered SOCAN Tariff 7 – Skating Rinks (2026-2028)

**Approval of Proposed Tariff
As
SOCAN Tariff 7 – Skating Rinks (2026-2028)**

Reasons for Decision

I. Overview

[1] These reasons relate to a tariff proposed by the Society of Composers, Authors and Music Publishers of Canada (SOCAN): *Tariff 7 - Skating Rinks for the years 2026-2028* (the "Proposed Tariff").

[2] The Proposed Tariff covers performances in public of the musical works and dramatico-musical works in SOCAN's repertoire.

[3] No objections were filed in regard of the Proposed Tariff.

[4] I find that a tariff based on the Proposed Tariff is fair and equitable, and approve it with no changes except those relating to the inflation calculation.

[5] I fix a rate of 1.2% of gross receipts from admissions, with a minimum annual royalty (where no admission fee is charged) fixed at \$145.24.

II. Background

[6] The proposed tariff was filed on October 15, 2024. The Proposed Tariff was duly published and users were provided with an opportunity to file objections, as provided for in subsection 68.3(2) of the *Copyright Act*.

[7] No objections were filed in regard to the Proposed Tariff.

[8] The previously approved tariff for the years 2023 to 2025 fixed the royalty rate at 1.2% of gross receipts from admissions (exclusive of sales and amusement taxes), with an annual minimum royalty rate of \$130.92, and an annual royalty of \$130.92 where no admission fee was charged (the “Last-Approved Tariff”).

[9] The Proposed Tariff for the years 2026 to 2028 includes a royalty rate of 1.2% of gross receipts from admissions. The Proposed Tariff also includes a minimum annual royalty (and an annual royalty where no admission fee is charged) of \$160.65, which is an increase of \$29.73.

[10] Other terms and conditions of the Proposed Tariff are unchanged from the Last-Approved Tariff.

III. Analysis

[11] I considered the following issues:

1. Whether the Last-Approved Tariff is an appropriate proxy for the Proposed Tariff.
2. Whether the inflationary adjustment is appropriate.

Issue 1 - Whether the Last-Approved Tariff is an appropriate proxy for the Proposed Tariff

[12] The Board has frequently held that it is appropriate—absent reasons to the contrary—to use the previously approved tariff as a proxy of what could be fair. The Board has identified changes in the relevant market as one potential indicator of whether an adjustment to the rate is appropriate or necessary.¹

[13] In this proceeding, SOCAN has not proposed any market-based changes to the royalty rates beyond the adjustment for inflation and has not mentioned any other changes to the market. Of note, the Proposed Tariff contains the same rate of 1.2% of gross receipts from admissions (exclusive of sales and amusement taxes) as in the previously approved tariff.

[14] Since there is no information on the record that points to market-based changes relevant to the consideration of the Proposed Tariff, I have no reason to question the appropriateness of the proxy.

[15] Therefore, I find that the Last-Approved tariff is an appropriate proxy in this proceeding. Using this proxy, I approve the proposed rate of 1.2% of gross receipts from admissions as well as the terms and conditions.

¹ For example, *SOCAN Tariff 9 – Sports Events (2018-2023)* 2021 CB 6 (October 1, 2021).

Issue 2 – Whether the inflationary adjustment is appropriate

[16] The Board has found in the past that adjustments for inflation are appropriate, as, among other reasons, it helps preserve the purchasing power of rights holders.²

[17] In this proceeding, I apply the Board's default methodology,³ relying on Statistics Canada's Consumer Price Index (CPI) monthly series for Canada, all items, not seasonally-adjusted and not adjusted for taxes, to calculate the inflation adjustment.

[18] In accordance with this methodology, inflation represents the percentage change in the CPI between the month following the last adjustment period to the last full-year of data available, no later than the end of the year preceding the tariff's effective period. In this proceeding, the inflation adjustment period is from January 2022 to December 2024. The CPI for January 2022 is 145.3, and for December 2024 is 161.2. Applying the inflation calculation method in the Board's guidelines⁴, the inflation rate for this period is calculated to be 10.94%.

[19] Applying this 10.94% increase to the last approved minimum royalty of \$130.92 results in a new minimum annual royalty and annual royalty (where no admission fee is charged) of \$145.24. SOCAN had proposed an increase to the rate of 22.71% to \$160.65, which is higher than the actual inflation rate for the period. I therefore adjust it to reflect the actual inflation increase.

IV. Conclusion

[20] The Proposed Tariff, with changes to the minimum annual royalty where no admission fee is charged, is approved under the title *SOCAN Tariff 7 – Skating Rinks (2026-2028)*. Therefore, a rate of 1.2% of gross receipts from admissions is fixed, with a minimum annual royalty and an annual royalty (where no admission fee is charged) fixed at \$145.24.

² For example, *SOCAN Tariff 14 – Performance of an Individual Work (2025-2027)* 2024 CB 4 (July 19, 2024).

³ Copyright Board, *Inflation Adjustments To Royalty Rates: Default Methodology*, 2024 ("Guidelines").

⁴ See Guidelines under "Step 1: Determination of the Inflation Rate" at p. 4.