

April 21, 2020

The Honourable Steven Guilbeault
Minister of Canadian Heritage
Steven.Guilbeault@parl.gc.ca

The Honourable Bill Morneau, Minister of Finance
Minister of Finance Canada
Bill.Morneau@canada.ca

The Honourable Navdeep Bains, M.P., P.C.
Minister of Innovation, Science, and Industry
Navdeep.Bains@parl.gc.ca

The Honourable Diane Lebouthillier
Minister of National Revenue
Diane.lebouthillier@parl.gc.ca

The Honourable Carla Qualtrough, M.P., P.C.
Minister of Employment, Workforce Development and Disability Inclusion
Carla.Qualtrough@parl.gc.ca

Via E-mail

Dear Ministers:

As a coalition of Canada's arts and live performance industry, representing on-stage talent, musicians, designers and behind-the-scenes technicians, we would like to thank you for all your efforts for our industry and to wish you good health in the days ahead. Our coalition is comprised of the IATSE, Canadian Actors' Equity Association, the Canadian Federation of Musicians and the Associated Designers of Canada. Collectively, we represent over 50,000 workers in the creative industries.

We are so appreciative of assistance that the Government of Canada has provided both to the workers and the venues/organizations in our industry, bolstered on April 17. You have clearly demonstrated that you understand and value the industry's contribution to the Canadian cultural fabric.

The entertainment industry has been devastated by the crisis. With immediate bans on large gatherings, we were the first to be shuttered and remain among the hardest hit. Virtually 100% of the 50,000 people we represent are unemployed. The 4-week wage losses for live performance are approximately \$15 million. That figure does not capture everyone in the live performance industry who has lost work due to the crisis; it is simply the people we represent. Further, it does not contemplate benefits, which would add approximately 20% to the losses.

We have united to provide comment, ideas and proposals to reinvigorate the Canadian arts and culture industry in the aftermath of the COVID-19 health crisis. We look forward to helping you and all your colleagues at the municipal, provincial, and federal levels across Canada to bring joy, entertainment and healing to live audiences through live creative expression of all kinds, as soon as possible.

Like your government, the coalition is very concerned about the ability of both live performance artists and the venues they work in to weather the crisis. Many, if not most, will likely require additional assistance, and we therefore respectfully submit the following proposals with the intention of assisting the Government of Canada in determining how best to address any remaining gaps in the assistance already offered.

1. Specific Arts & Culture Emergency Economic Support

- Increase funding allocations to the Canada Council for the Arts and various Provincial arts bodies that will allow those bodies to utilize their expertise to allocate the additional funds to arts and culture organizations to assist them in attracting live audience attendees - using an organization's previous years' ticket sales averages as the eligibility criteria for funding amounts (i.e. providing organizations funding equal to 50% of the average of the previous five years' ticket sales so that the organization can reduce ticket prices in order to attract audiences)
- Relax restrictions on the ability of an arts organization to access funds in their endowment (beyond those currently identified as unmatched funds)
- It is our understanding that the Canada Emergency Wage Subsidy does not include municipally/provincially run venues if they are owned by a provincial and or municipal entity. We therefore ask for the inclusion of municipally/provincially run venues in the CEWS or commitment of separate funds earmarked exclusively to assist in the recovery for municipal and provincial run venues.
- Amend the *Income Tax Act* on a temporary basis so that live performance ticket purchases are treated as charitable donations for tax purposes for 2020 and 2021
- Devise and implement federal tax credit incentives for live performance organizations similar to the types of tax incentive policies that have given rise to record setting levels of film and television production across Canada
- Identify and implement longer-term financial assistance initiatives that recognize the recovery of the live performance industry will take much longer than any other industry

2. National Marketing Campaign to Rediscover & Support the Arts

- Work with all arts and culture stakeholders to design, implement and fund a national marketing campaign aimed at encouraging Canadians to return to the various arts and culture venues as patrons and audiences
- As part of any marketing campaign, allocate funding to Provincial and Municipal organizations to enable them to use their expertise to design and implement more focused localized campaigns collaboratively with stakeholders

3. Safe Return for Workers and Audiences

- Work with all arts and culture stakeholders and all levels of provincial and municipal government to design and implement appropriate public health protocols that will provide an environment for the safe return of workers/artists and audiences to the various arts and culture venues

To date, the Government of Canada's emergency spending initiatives aimed at trying to ameliorate the immediate financial hardship this health crisis has had on live performance industry workers has been swift and decisive. The coalition is extremely grateful for this Government's willingness to collaborate with live performance unions and guilds to identify and then implement policies that have provided speedy and vital financial support to most live performance industry workers.

Unfortunately, gaps remain in the Government of Canada's spending initiatives. We therefore respectfully submit the following proposals with the intention of assisting the Government in revising its emergency spending initiative policies so that these gaps are addressed, and no live performance worker/artist is left behind.

1. The Canadian Emergency Response Benefit (CERB)

CERB eligibility requirements should be revisited and revised as follows:

- The flat \$2,000 monthly benefit does not contemplate regional differences in cost of living and should be revised to address those living in more expensive regions
- The duration of the CERB for live performance workers/artists needs to be extended to at least the end of 2020 given the fact that the recovery of the live performance industry to its pre-health crisis norm will take at least that long

2. The Canadian Emergency Wage Subsidy (CEWS)

CEWS eligibility requirements should be revisited and revised as follows:

- Live performance employers should be able to claim the 75% wage subsidy for all regular full-time, part-time, contract and/or seasonal workers/artists
- Live performance employers should be able to claim the 75% wage subsidy for all workers/artists irrespective of whether those workers/artists are engaged as traditional "employees" or in a self-employed capacity
- Employers are eligible to receive the wage subsidy only if they do not lay off staff or otherwise terminate contracts for self-employed workers/artists
- The duration of the CEWS for live performance employers needs to be extended to at least until the end of 2020 given the fact that the recovery of the live performance industry to its pre-health crisis norm will take at least that long

3. Limited RRSP Withdrawals

- Many of our members have expressed a desire to access a portion of their retirement savings to get through the coming months. The Canadian Entertainment Industry Retirement Plan (CEIRP) has a proposal that would see these requests handled in a similar manner to that of the Home Buyer's Plan (HBP) and the Lifelong Learning Plan (LLP). That proposal is attached.

The coalition thanks the Government of Canada for its consideration of the foregoing proposals and looks forward to the opportunity to further discuss them as soon as possible.

Sincerely,




John Morgan Lewis
International Alliance of Theatrical Stage Employees (IATSE)




Arden R. Ryshpan
Canadian Actors' Equity Association (CAEA)



Alan Willaert
Canadian Federation of Musicians (CFM)

1



Associated
Designers of
Canada

Ken MacKenzie
Associated Designers of Canada (ADC)

cc: Simon Brault, Canada Council for the Arts