



Healthy Artists' Trust



# CANADA'S CREATIVE ECOSYSTEM

This country's creative sector counts for \$54.6 billion of our economy. That's more than agriculture, forestry and fisheries altogether. It represents 630,000 jobs. It's 3% of our GDP. It's important. Think of it as a coast-to-coast creative ecosystem ranging from architects to artists, freelancers to studios, the struggling to the superstars, all inspiring one another and representing even greater economic potential for our country as we become better at more fully tapping into that collective creativity. The ecosystem is a remarkably deep talent pool teeming with insights, ingenuity and innovation. Canada is already ranked the seventh most creative country in the world and is world #1 in our acceptance of new ideas. That's one of the many reasons why Canada has pledged to double its investment to an unprecedented \$1.9 billion in arts and culture, and in the creative sector in general.

**Creativity and culture also have a significant non-monetary value that contributes globally to inclusive social development, to dialogue and understanding between peoples. Now, more than at any other time in the history of civilization, creativity has become a universal language. It's an area in which we excel. Creativity is the growth engine of Canada's future.**

Inspired by an interview with The Honourable Mélanie Joly,  
Minister of Canadian Heritage

# HEART. OUR PURPOSE



TO SAFEGUARD THE WELLBEING AND INSPIRE THE LIVES AND CAREERS OF EVERY SELF-EMPLOYED MEMBER OF CANADA'S WORKING-ARTS COMMUNITY.





“Virginia Woolf said all a writer needs is five hundred pounds a year and a room of one’s own. She left out health insurance. In my 40 years as a novelist, I’ve seen how closely creativity and wellbeing are linked, especially for freelancers. Knowing your medical and dental costs are protected for the rest of your life reinforces a sense of security from which good writing springs. Be well. Be creative. It’s in Canada’s best interests to protect the health of our creators.”

Susan Swan  
AUTHOR AND A FORMER CHAIR OF THE WRITER’S UNION OF CANADA

# HEART. The Short Story



HEART, The Healthy Artists' Trust, represents over 50 Canadian arts organizations and more than 200,000 self-employed "working artists", who are not only the foundation of this country's Creative Economy but who also strengthen our rich Canadian identity.

Today, on behalf of one segment of Canada's creative ecosystem – the self-employed, the one-person businesses – HEART is asking the Government to invest in a onetime subsidy that will help enroll artists in already existing benefits programs by paying for a portion of their health insurance premiums.

The annual income of self-employed artists fluctuates dramatically and is significantly lower than ordinary Canadian citizens. On average, Canadian working-creatives have almost twice the education but make about a quarter of the salary of other professionals. Because their average incomes are so low, the self-employed – arguably the most passionate, inventive and resourceful of all creatives – are finding it increasingly difficult to pay for benefits, meaning they go without health insurance unless they receive benefits from a full-time job in another field or have a spouse enrolled in a benefits program.

A ONETIME SUBSIDY OF \$10 MILLION WOULD MEAN MANY MORE SELF-EMPLOYED ARTS PROFESSIONALS COULD ENROLL IN EXISTING BENEFITS PROGRAMS, LEADING TO A CRITICAL MASS OF SUBSCRIBERS, ENSURING THE PROGRAMS NO LONGER NEED SUBSIDY FROM THE FEDERAL GOVERNMENT, OR OTHER FUNDING BODIES.

All governments have an interest in reducing the burden on the public healthcare system down the road. Enrolling more self-employed creative professionals in benefits programs will save the taxpayer millions in the years to come. Successful self-sufficient health insurance programs for the working arts sector can also become a model for benefit programs for other self-employed Canadians by drawing on the Outcome Data from the HEART initiative.





## How The Onetime **HEART** Subsidy Will Work



The bulk of the \$10 million from the federal government will go directly to providing subsidies for individual artists and writers. Any artist can apply to HEART for a subsidy. To be eligible for single coverage, the individual must have an annual net income of \$40,000 or less. The arts professional applying for couple's or family coverage must have an annual household net income of \$60,000 or less.

As the onetime HEART subsidy is currently designed, every eligible individual will receive financial help for up to 10 years. For the first three years, the subsidy will be 25% of the premium cost, for the next three years it will be 20%, and for the final four years it will be 15%. The subsidies will be provided on a first-come, first-served basis and will cease after 10 years or when the funds are depleted, whichever occurs first.

THE HEALTHY ARTISTS' TRUST ESTIMATES THAT, WITH THIS INVESTMENT, THE NUMBER OF SUBSCRIBERS TO ALL PROGRAMS IS EXPECTED TO DOUBLE IN THE 10-YEAR PERIOD AFTER THE HEART SUBSIDY IS IN PLACE.

It is anticipated that existing private sector insurance programs will achieve a level of enrollment from arts professionals that will make those programs sustainable with no further government support.



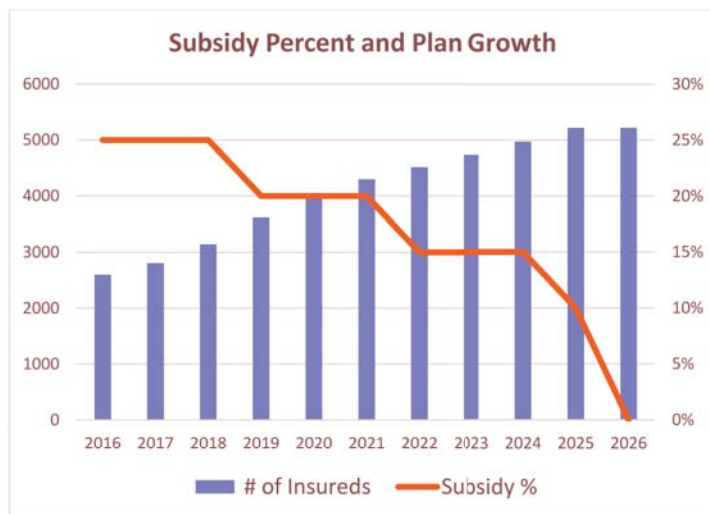
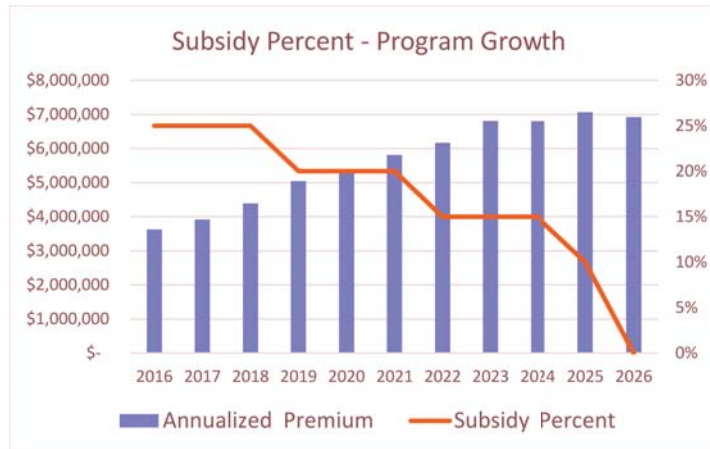
# HEART. What It Looks Like



## HEART PROJECT, FORECAST IMPACT OF PREMIUM SUBSIDY

Using reasonable and conservative industry assumptions, the distribution of a \$10 million subsidy pool over a 10-year period would help create a sustainable and self-funding program at the end of the 10-year period.

- (a) The unit cost per insured will decrease as the volume of insured participants increase.
- (b) The subsidy percent required to sustain growth in the model will decrease as the volumes of insured participants and the annualized premium increases





# HEART. Summary



Some larger performing arts companies already provide benefits to staff, and some individuals in the community have insurance through other work or spouses. But most artists and cultural professionals have no access to paid vacations and holidays; income maintenance when there is no work or they are sick; maternity, paternity and adoption leave; retirement or pension plans; and life, medical and dental insurance.

In January 2011, self-employed Canadians became eligible to enroll in the Employment Insurance program and qualify to receive maternity, parental, compassionate care and sickness benefits. While this program is of interest to some freelance creative and cultural workers, we understand it has not attracted widespread enrollment.

For many years, associations representing arts professionals have encouraged their members to obtain insurance coverage. These organizations have tried to work with a range of insurance providers to develop programs tailored to their needs. But very few of these initiatives have achieved the critical mass of subscribers needed to make these programs self-sustaining.

Larger employers such as orchestras and established theatre companies have programs for their workers similar to traditional employers. All of these generally work well, although self-employed artists and musicians are excluded.

FOR MANY YEARS, ASSOCIATIONS REPRESENTING ARTS PROFESSIONALS HAVE ENCOURAGED THEIR MEMBERS TO OBTAIN INSURANCE COVERAGE. THESE ORGANIZATIONS HAVE TRIED TO WORK WITH A RANGE OF INSURANCE PROVIDERS TO DEVELOP PROGRAMS TAILORED TO THEIR NEEDS. BUT VERY FEW OF THESE INITIATIVES HAVE ACHIEVED THE CRITICAL MASS OF SUBSCRIBERS NEEDED TO MAKE THESE PROGRAMS SELF-SUSTAINING.

Unfortunately, many of these programs are not at this stage yet. The cost of coverage remains the problem for most self-employed artists. Between May and June 2013, the artists associations involved in HEART collaborated in a survey to judge the interest of their members in this campaign. Close to 1,000 members responded. Of the respondents, 76.2% reported they did not have insurance coverage because it was too expensive. But 64.2% reported they were likely or very likely to enroll in the insurance program if the cost is subsidized. There's a need that can be met with Heritage's help.



# How Journalists And Arts Executives See It



## **JOE FIORITO, COLUMNIST, TORONTO STAR (PUBLISHED MAY 10 2015)**

“We live in a rich society. One of the measures of our wealth is the presence of art in our lives. We would be poorer if there was no dance. I tell you this because there is a meeting coming up—a group of artists plans to ask the federal finance minister to set up a sustaining fund so that all artists, whose incomes fluctuate wildly, can keep up their monthly payments in existing benefits programs. That’s not just good for artists, it’s also good for insurers, and it’s good for you if you care at all about the dancer and the dance.” (For the full article: <http://www.thestar.com/news/gta/2015/05/10/the-dancer-with-bruised-knees-fiorito.html>)

## **JOHN DEGEN, EXECUTIVE DIRECTOR OF THE WRITERS’ UNION OF CANADA**

“A recent Writers’ Union study found that writers are working harder and earning less than they did in 1998. Changes to contracts and publishing practices such as declines in royalty percentages and advances on sales; publishing mergers; as well as world wide pressure on professional creators to work in a disastrously weakened copyright environment are all likely contributors. These scary new pressures on the income of writers makes it more important than ever before that we get a onetime subsidy that helps more writers enroll in existing benefits programs.” For more information on the incomes of Canadian writers: [http://www.writersunion.ca/sites/all/files/DevaluingCreatorsEndangeringCreativity\\_0.pdf](http://www.writersunion.ca/sites/all/files/DevaluingCreatorsEndangeringCreativity_0.pdf)

## **KRISTIAN CLARKE, SENIOR PROJECTS MANAGER, CANVAS:**

“Artists are some of the most precarious workers in society. Without support from the public to assist in initiating the broad-based implementation of a health insurance plan, most creators will not have any form of coverage when they need it most. Canada needs a program to protect its artistic family. HEART is that solution.”

## **KATE CORNELL, EXECUTIVE DIRECTOR OF CANADIAN DANCE ASSEMBLY**

“Like other freelance workers in Canada, artists often go without health care coverage. Unfortunately, the premiums for most independent health insurers are currently too expensive for these creative and innovative Canadians. Canada needs a Federal program to protect the health of its artists. Again, HEART is that solution.”

## **BOB UNDERWOOD, PRESIDENT & CEO OF ACTRA FRATERNAL BENEFIT SOCIETY**

“AFBS is the insurance provider for the artistic sector, and we see hundreds of situations each year where better coverage has improved the lives of working artists. Where for example, these artists require prescription medication for serious medical conditions, access to prescription coverage increases the percentage of prescriptions that are actually filled from less than 50% to close to 100%.

Untreated chronic illnesses like diabetes or heart disease end up costing the public healthcare system millions. Better health care for artists means containing public healthcare costs. It’s a win/win combination.”



## THE CREATIVE LIFE

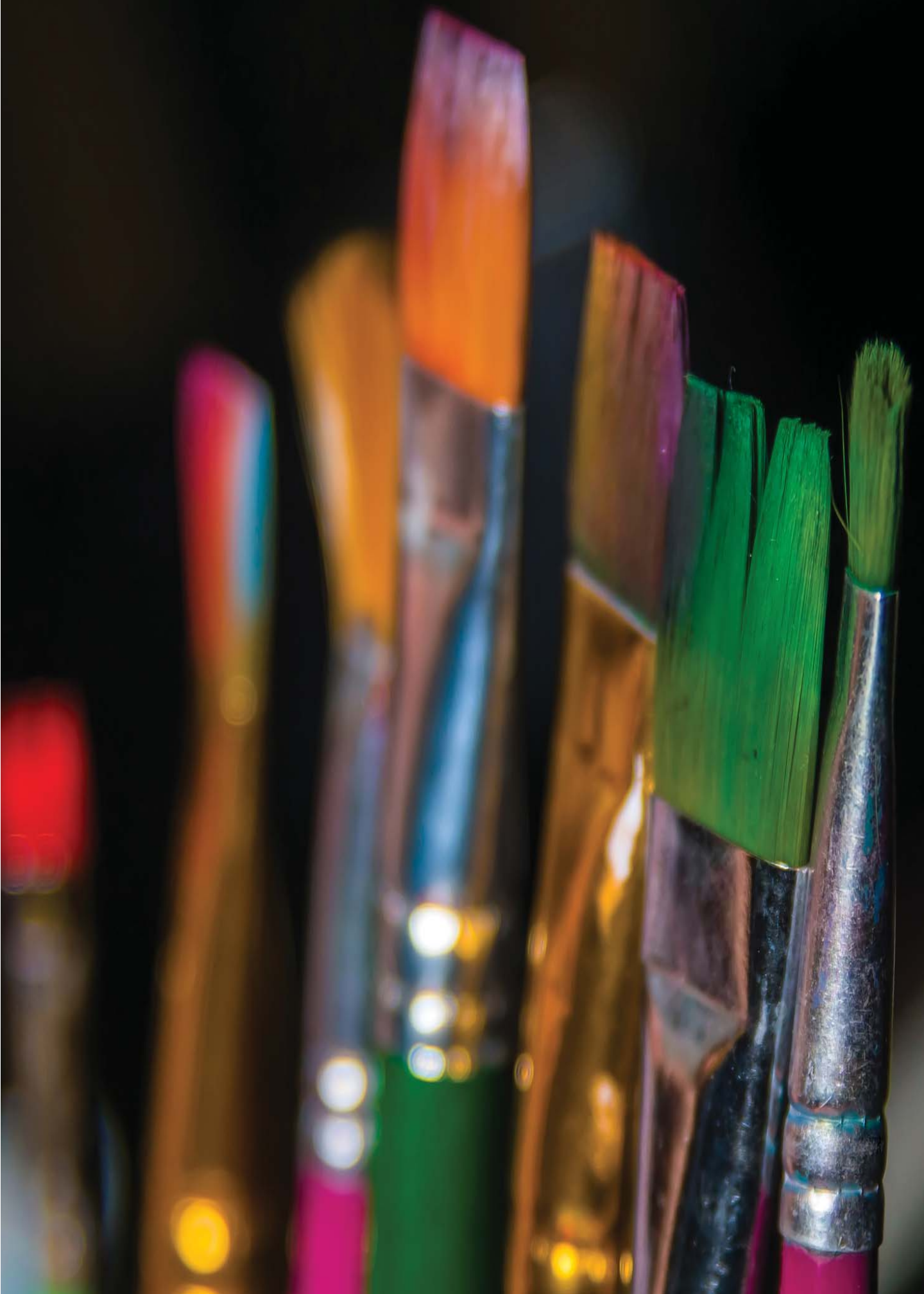
“It is a life of continual change and re-invention. Productions come and go; employers change; venues change; technology changes; old and new media evolve; and the interests of the audience continually change as well. Where most professionals have anchors of security or sources of continuity in their careers (including pay-cheques), in The Life the only constant is the expressive spark. As such we lead a life distinctly different – a life led on the edge, like a tightrope artist on a high wire. It is both enormously gratifying but it can also be terrifying; yet for those in The Life, no other life will do.”

PAUL BELSERENE AND PAUL SMITH









# Addendum

## THE HEART FACTS



Canadian artists make \$23,500 or 26% percent less than ordinary Canadians yet over 40% of artists have completed degrees, certificates and diplomas compared to 22% of the labour force.

Two thirds of professional artists say they must work outside their profession in order to survive economically.

In a 2015 survey of The Writers' Union of Canada representing over 2,000 members, writers said their average annual income is \$12,879, a full \$36,000 below the national average. What's more, Canadian writers are making 27% less from their writing than they were in 1998, making it increasingly hard for them to pay the cost of health insurance.

The Actors' Fund of Canada provides emergency financial aid to artists and other cultural workers recovering from an illness, injury or other circumstances causing severe economic and personal hardship. Between 2009 and 2013, 21%of applications approved by the Actors' Fund were related to illness and a further 17% were related to injury. In 2009, a major survey of professional artists aged 55 and older was undertaken by the Senior Artists Research Project (SARP). In total, 1,512 respondents participated. Of these artists, 46% said they had health care needs not covered by the public health plans and the same number stated that they did not have life insurance.

According to research done by SARP, roughly 77% of their respondents have an annual personal net income of less than \$40,000 and an annual household net income of less than \$60,000.



# HEART supporting organizations. A reach

Alliance Of Canadian Cinema, Television And Radio Artists  
Alberta Dance Alliance  
Artist-Run Centres & Collectives Of Ontario  
Artslink New Brunswick  
Association Of Canadian Publishers  
Calgary Spoken Word Festival  
Canadian Alliance Of Dance Artists - Cada Ontario  
Canadian Alliance Of Dance Artists - Cada West  
Canadian Authors Association  
Canadian Dance Assembly  
Canadian Disc Jockey Association  
Canadian Media Guild  
Canadian Senior Artists Resource Network  
Canadian Society Of Children's Authors, Illustrators And Performers  
Candance Network  
CANVAS  
Carfac Bc  
Carfac Maritimes  
Carfac Ontario  
Craft Ontario  
Creative Nonfiction Collective Society  
Dance Nova Scotia  
Dance Ontario Association  
Dancer Transition Resource Centre  
Iofa And Harbourfront Reading Series  
Pen Canada  
Playwrights Guild Of Canada  
Professional Writers Association Of Canada  
Screen Composers Guild Of Canada  
The Afc  
The Dance Centre  
The Writers Union Of Canada  
Unison Benevolent Fund  
Vancouver Writers Fest  
Visual Arts Alberta - Carfac  
Wordfest: Banff-Calgary International Writers Festival  
Work In Culture  
Writers Guild Of Canada



## h of over 200,000 “creatives”

Access Copyright  
Arts BC  
Canadian Actors' Equity Association  
Canadian Country Music Association  
Canadian Independent Recording Artists' Association  
IOFA And Harbourfront Reading Series  
Kingston Writersfest  
On Screen Manitoba  
Orchestras Canada  
Ottawa International Writers' Festival  
Society Of Composers, Authors And Music Publishers Of Canada  
The Association Of Canadian Publishers  
The League Of Canadian Poets  
The Literary Press Group Of Canada  
The Outdoor Writers' Of Canada  
Thin Air--Winnipeg International Writers Festival  
Vancouver International Writers Festival  
Visual Researchers Society Of Canada  
Writers' Federation Of New Brunswick  
Writers' Federation Of Nova Scotia  
Theatre Ontario  
Casting Directors Society Of Canada  
Talent Agents & Managers Association Of Canada  
Canadian Science Writers' Association  
Speculative Fiction Canada  
Storytellers Of Canada  
The Word Guild  
Travel Media Association Of Canada  
Recording Artists' Collecting Society  
Atlantic Filmmakers Cooperative  
Union Of Bc Performers  
Greater Vancouver Professional Theatre Alliance  
Nanaimo Arts Council



# HEART'S STEERING COMMITTEE

David Hope, The AFC (Actors' Fund of Canada); Kate Cornell, Canadian Dance Assembly; Kristian Clarke, CANVAS; Sandy Crawley, National Reading Campaign; John Degen, The Writers' Union of Canada; Sheila Hamilton, Unison Benevolent Fund; Garry Neil, Neil Craig Associates; Susan Swan, Author and a former Chair of the Writer's Union of Canada

**HEALTHY ARTISTS**

Healthy Artists' Trust