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# Standing Committee on Canadian Heritage

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Chair: Mr. Scott Simms





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• (1100)

[English]

**The Chair (Mr. Scott Simms (Coast of Bays—Central—Notre Dame, Lib.)):** Welcome back, everyone. It's good to see everyone. I can see everyone online.

This is different for me, because I'm actually now in the committee room itself. It's quite cavernous and echoey in here; nevertheless, it's always very nice to see everyone, whether it be virtual or not.

Now that I am here in person, I want to say thank you to our interpreters, our staff and our technical staff as well. I may not have thanked you before, but it's not because I wasn't thinking of you; it's because I am here now in person. Thank you so much for all that you do.

Let us now get to it. Today, of course, we're continuing our study. Pursuant to Standing Order 108(2) and the motion adopted by the committee on October 23, 2020, the committee resumes its study of the challenges and issues faced by the arts, culture, heritage and sport sectors during the COVID-19 pandemic.

We are going to have two hours of testimony, broken up into two one-hour panels, with three witnesses in the first hour and three in the second hour.

Here are our witnesses for the first hour. From Union des Artistes, we have Sophie Prigent, president, and Pascale St-Onge, president of the Fédération nationale des communications et de la culture. From Orford Music, we have Wonny Song, executive and artistic director. From the Segal Centre for Performing Arts, we have Lisa Rubin, executive and artistic director.

I can see hands waving already. What we are going to do is have opening statements of five minutes or less each. I will give you some leeway, but of course an hour runs by very quickly, so let's get right to it. I'll time you for the first five minutes.

First, we have two representatives from Union des Artistes. Could I see a show of hands to see who is going to do the speaking, either Sophie or Pascale?

**Ms. Sophie Prigent (President, Union des Artistes):** It's me.

**The Chair:** That will be Sophie.

[Translation]

Thank you.

[English]

Take five minutes, please.

[Translation]

**Ms. Sophie Prigent:** First, thank you for receiving us and for taking the time to listen to us.

Let me begin my remarks with the accountability mechanisms.

We are very much aware that the various levels of government have earmarked funding for revitalizing our culture. We are extremely grateful for that. However, despite the value of this assistance, it is mainly for institutions and producers. Right now, thousands of people are being forgotten. The performers and professionals who are an integral part of the cultural milieu will find themselves completely excluded from these recovery programs.

Clear accountability mechanisms must be established to ensure that the money reaches artists and artisans, and programs must be created specifically for them. In addition, when funds are given to institutions or producers, contracts must be traceable, verifiable and honoured. This should be a prerequisite.

The floor is yours, Ms. St-Onge.

• (1105)

**Ms. Pascale St-Onge (President of Fédération nationale des communications et de la culture, Union des Artistes):** Thank you.

Tens of thousands of people work on contract or freelance and do not have access to the Canadian social safety net because of their status as self-employed workers. They therefore must not be let down, as both the cultural and media communities would suffer considerably. It is urgent.

Our organizations want to work with governments and partners on long-term structural solutions, because the crisis has highlighted the need to rethink some aspects of our social safety net, such as a complete overhaul of the EI system and the creation of meaningful comprehensive and structuring assistance plans for the sector. As you know, in Quebec, venues will be closed until January 11. So it will soon be 10 months without work.

Our sector is among those in culture and communications that are not experiencing as strong a recovery as other sectors, and the people we represent find themselves in an extremely precarious situation. We were very enthusiastic about the announcement of the Canada recovery benefit (CRB) but some problems remain. The CRB is valid for 26 weeks.

One problem is that there is no mechanism in place to phase out the CRB. This means that contract workers receive either all or none of the CRB. The criterion of 50% income reduction on average weekly earnings makes it very difficult for many self-employed individuals with an average annual income of about \$14,000 to access the CRB. If they earn more than \$138 per week, they have no access to the CRB at all, which is extremely problematic.

In addition, there are many administrative delays, and responses to applications are slow. There is a great deal of concern about the files still under review. We are working in a significantly shaken sector, and the people we represent are experiencing a lot of anxiety because of this situation.

I will let my colleague take over.

**Ms. Sophie Prigent:** Thank you.

At the end of the day, in these extremely difficult times for our artists and artisans, I feel it is my duty to share my concern about a Telefilm Canada program, *Talents en vue*. It is a very well-intentioned program that, first, seeks to support a wide range of emerging filmmakers, producers, directors and screenwriters. Second, it seeks to accelerate their careers by giving them the opportunity to create their first feature film or web series.

One of the program's criteria is: "The average budget for feature film projects is between \$125,000 and \$250,000, but must not, as a general rule, exceed \$250,000." Frankly, making a feature film today with that sort of budget is problematic. The Union des artistes must express its concerns to Telefilm Canada about that particular criterion of the program.

With that cap, the artists and artisans inevitably end up financing the film projects of young directors. Without increasing the funding, the Crown corporation could, at a minimum, refrain from capping the total budgets of those productions.

That concludes our presentation. Thank you very much for listening to us. If you have any questions, please do not hesitate to ask us.

Thank you, Ms. St-Onge.

[English]

**The Chair:** We thank you very much for your testimony.

I also want to remind our guests to please speak clearly and slowly for the sake of interpretation. We will interrupt you if we don't hear it, but nevertheless, try to speak as clearly as you can. Remember, try not to race through your comments. I'll give you the time and try to be as generous as I can. It's just that we're very sensitive about interpretation.

Up next we have Mr. Song from Oxford Music.

Go ahead, please.

• (1110)

**Mr. Wonny Song (Executive and Artistic Director, Orford Music):** Honourable members of the House of Commons, thank you very much for the invitation to speak to you today on behalf of Orford Music.

Located in Quebec's Eastern Townships, Orford Music is a place where people come from all over the world to learn, create and perform music together at the very highest level. In 2021, we will proudly celebrate our 70th anniversary, which is no small achievement for an organization in the arts and culture sector.

Orford Music is a charitable organization, and since 1951 we have offered high-level mentoring and training to emerging musicians between the ages of 18 and 25. Every summer, our international academy of classical music, one of the largest in Canada, welcomes world-class professors and artists to share their passion and knowledge with hundreds of mainly Canadian young musicians.

In parallel with the academy's activities, the Orford Music festival attracts more than 25,000 music lovers every summer. We present over 60 concerts, including several free ones featuring the academy's best musicians, at various sites in our region. Orford Music is a 365-days-a-year operation and hires nearly 70 permanent and temporary employees.

The pandemic has radically transformed our reality. Our flagship festival, group bookings and major annual fundraising events were all immediately cancelled. Our self-generated revenues, which represent over 60% of our income, disappeared overnight, and over 50% of our permanent staff had to be laid off.

In many ways, however, Orford Music has been very fortunate. With significant help from all levels of government, we were able to make a successful switch to online teaching this summer. We have invested in new technology and reorganized our workforce. We are trying to attract new audiences, and we are looking for opportunities to fulfill our mission in other ways.

In the midst of it all, we are very grateful for the support we have received from you and from the people who count on us to keep teaching and playing music, even in the darkest of moments. For Orford Music, however, the real threat of COVID-19 lies in the crippling damage it has done to our medium and long-term planning.

In the months leading up to the pandemic, we had been working toward agreements with federal, provincial and private partners to enable us to revitalize our aging infrastructure. A business plan was submitted to the Quebec government and a fundraising committee was created to approach donors.

The buildings of Orford Music are recognized as crown jewels of Quebec's contemporary architecture movement and have tremendous historical significance. Visitors to Orford Music can even experience the original Man and Music Pavilion from Montreal's legendary Expo 67, which was dismantled, transported and rebuilt on our site.

Our concert stage and classrooms have welcomed generations of great Canadian artists, from Maureen Forrester and John Newark to Gregory Charles, Yannick Nézet-Séguin and Stéphane Tétreault, many of whom describe their time at Orford as being among the most creative and impactful experiences of their career.

But many Quebec winters have taken their toll, and today's music students have different needs and must access different kinds of resources to reach their full potential. We have very big dreams, including a virtual library for all artistic activities on site and a high-level technological pavilion for recording classical music. The preservation and adaptation of these buildings is critical to the future of Orford Music, and now COVID-19 has robbed us of the opportunity to address the situation in any meaningful way.

Orford Music may have navigated through the immediate crisis, but even our most optimistic scenarios suggest that it will take years for our self-generated revenues to recover to pre-pandemic levels. Our urgent infrastructure needs have become only more urgent in the last year.

We believe that the best way for the Canadian government to support us as an arts and culture organization is by providing funding for these types of essential infrastructure projects. Without revitalizing our buildings, our mission cannot be maintained in the medium term. We need your help to plan and build for the future so we can continue to play an essential role in the lives of young musicians, great artists, and ordinary Canadians, who need music now more than ever.

• (1115)

Our founder, Gilles Lefebvre, said that “the arts carry a message full of joy and unexpected delight”. It's a vital message, surely, for our times.

Thank you again for this opportunity and for your support.

**The Chair:** Mr. Song, thank you so much.

Before we go to our next witness, I want to apologize. I called you Oxford Music, when actually you're Orford Music.

**Mr. Wonny Song:** Yes, it's Orford Music.

**The Chair:** Yes. You picked up on that, I'm certain.

It's actually written here as Orford Music. Not having your glasses on whilst aging is probably not a good idea.

**Voices:** Oh, oh!

**The Chair:** You have my sincere apologies.

Next, from the Segal Centre for Performing Arts, we have Lisa Rubin.

**Ms. Lisa Rubin (Executive and Artistic Director, Segal Centre for Performing Arts):** Thank you so much for having me.

Can you hear me okay?

**The Chair:** We certainly can. You have up to five minutes.

**Ms. Lisa Rubin:** Great.

So who are we? Who is the Segal Centre? We are the largest not-for-profit English theatre in Montreal, with an operating budget of \$6 million and 35 full-time staff. We have a very large endowment, which we're so proud to have built up, of \$28 million and counting.

Prior to the pandemic, we were a wonderful developer of new musicals: *Belles-sœurs: The Musical*, which was headed to Broadway; *Mythic*, which was headed into the Mirvish season; and *Piaf Dietreich (The Angel and the Sparrow)*, in Montreal, was a best-selling production for Mirvish and was headed to England. We were just on the rise.

Of course, then COVID happened. We laid off a ton of people.

Oh, and we also just won the *prix du jury* from the Conseil des arts de Montréal for our indigenous musical *Children of God* with Urban Ink.

Things were looking great. Fast-forward, and of course we had to cancel everything. We did a lot online. We shifted. We're just in the middle of rehearsing for *Underneath the Lintel*, a co-production with Théâtre du Nouveau Monde and the National Arts Centre that was scheduled to be live, in person, beginning next week. We're moving that onto livestream now.

What is the good? The good in all this is that culture is needed more than ever. We know this. Artists are resilient. We're continuing our mission of bringing people together.

As far as our institution goes, it's interesting what UDA was saying, but we're okay. Thank goodness we have the tremendous support of our public funding bodies. We have the support. We have these top-ups. We have these incentives. We have the wage subsidy. Thank goodness for all of this to help our employees.

Okay, but why are we here? What can I tell you? The industry is obviously crumbling, as are people's entire careers. They're leaving the business. Different provinces have different trajectories and visibilities. In Quebec in particular, we've been yo-yoed around. Even though we recognize that everybody is doing the best they can, we're still at the mercy of public health.

In the interest of time, I'll give you the top five things, and one for good luck, of how you can help.

Number one is insurance. Theatre is a front-loaded investment. People look at us as the show, but before the show, there is concept, creation, development, production and then presentation. It's interesting; Telefilm and Heritage have come up with a wonderful plan to insure film sets. Theatres need something similar. To continuously hire people with the hope that they're going to perform, only to shut them down on opening night—it just can't continue to happen. On top of that, it means forcing us to do modest productions, one-person shows, because if someone gets a sniffle, we have to cancel the whole thing. We just can't take on the risk. So that's insurance.

Two is recognizing the length of time, the timelines. Even though we're getting this great support now, our concern is really in the recovery period. What happens when all of this support goes away and we will be in a state of recovery probably two or three years out?

Three, we need you to stand up for us. There is a distortion that theatre is like a rock concert. But with reduced seating, with the safety measures we have put in, theatre—trust me, I was in a Winners lineup yesterday—is a very safe place to be, especially with the tremendous effort we've put into all of the safety protocols. When we hear messages from the government that theatres can't open but bars and restaurants can, it gives the false perception that our workspaces aren't safe and that we can't go on and conduct business.

Four, remember that live doesn't mean digital. It's a tool for access. We have all pivoted to online, but it is not a replacement for live theatre.

Five, keep these subsidies going as long as possible, but we also need programs to offer incentives for the production chain, as I was mentioning before, for the development, and not a focus on just the show. In these times, it's too hard to say we can have a show; we need the investment so that we can give the money to the artists, the expectations are managed, and we can plan for the recovery.

● (1120)

Those are my top five. My one for good luck is along the same lines as that of our colleague here at Orford. It is our infrastructure and our need for renovations. The Segal Centre embarked on a renovations project in 2015. We were granted funding for phase one in 2017 because our roof was falling down. In 2018, we got our *accord de principe* from the *ministre de la Culture et des Communications*, which led us to apply to Heritage. We were able to hire a project manager and get going on the completion of our renovations.

The elapsed time forced us to re-budget and re-analyze. We are now in a holding pattern with crumbling windows, crumbling stonework and 30-year-old seats. Wouldn't it be wonderful for us to be able to renovate during the shutdown? That is the greatest gift we could have—having been planning these renovations since 2015 and waiting for the funding to come through—so that we can come back with a strong organization and give people a reason to come back, with our infrastructure.

Thank you very much for having me. I hope that was clear.

**The Chair:** That was quite clear, Ms. Rubin. Thank you so much.

I just want to say thank you. You're the first witness I've ever had who has actually timed themselves with a timer. That's quite something. Thank you for being cognizant of that.

Now we're going to go to our question round, where we go from party to party to ask the questions. We'll start with the Conservatives in just a moment.

Before I do that, I'd just like to say to our witnesses who are here that if you wish to get in on the conversation and you weren't specifically asked, try to raise your hand so that the questioner can see you. I will remind my colleagues to have a look at the other witnesses who are there to see if they want to weigh in on some of your questions.

We're going to start with the Conservative Party.

[*Translation*]

Mr. Rayes, you have the floor for six minutes.

**Mr. Alain Rayes (Richmond—Arthabaska, CPC):** Thank you, Mr. Chair.

First, I want to thank the four witnesses for using their valuable time to come and talk to us about the challenges of their organizations.

Before I get into the post-COVID details, I would like to take advantage of the presence of the Union des artistes representatives to ask them a question about the broadcasting bill, which may well have an impact on their work afterwards.

When the bill was introduced, you said it was time; it was long overdue. However, after some analyses, you expressed some reservations.

What would you like to see amended in the bill? Please be brief, if possible.

**Ms. Sophie Prigent:** We are going to submit a very clear document. I have all the information in front of me, but it would take too long to read it to you. I know that time is short.

Our requests for amendments are very clear. The Union des artistes thinks it is important to make a distinction between a Canadian product and an original francophone product, which the Canadian Radio-television and Telecommunications Commission (CRTC) has always been empowered to do before. There are some concerns because we see them as two different things. The distinction between a Canadian product and an original francophone or anglophone product is very clear. It seems to us that the definition of original Canadian product needs to be elaborated a little more.

That is the first thing. I don't want to expand too much on the subject. I have the document in front of me, but we would need more time to clarify the issue for you. We can certainly get back to you with something more substantial on that.

Ms. St-Onge could comment while I look at my papers.

• (1125)

**Ms. Pascale St-Onge:** It is important that Canadian online businesses remain Canadian-owned. The bill could be improved in that regard. In addition, social networks are excluded from the outset. It seems to us that the CRTC should have the opportunity to comment on the contribution of certain social networks, especially when it comes to business transactions.

That's a quick overview. We are also concerned about jobs, business ownership and ethics.

**Mr. Alain Rayes:** I will ask one last question on that.

With regard to copyright, would you have liked to see the obligation to pay royalties for 70 years instead of 50 years included in the minister's bill?

We have been asking for this for a very long time, and it would be a fairly simple update to protect our authors.

**Ms. Pascale St-Onge:** I'm not sure about the legislative process, whether this is part of the broadcasting bill or the revision of the Copyright Act, but the revision must be done as well. Either way, of course, we believe that this amendment must be made.

**Mr. Alain Rayes:** Earlier, you said that it is important that federal government assistance not be solely for institutions and producers, which I like to call the big players. We often forget ordinary workers. We see it when billions of dollars in subsidies are given to industrial and commercial enterprises, while SMEs say they have difficulty obtaining loans and government assistance and the paperwork is cumbersome.

What I take from your comments is that the self-employed and artists have concerns, that the money isn't getting to them and that other people are watching their own backs, so to speak. I liked the three things you mentioned. Could you elaborate on them?

Your concerns seem serious. You said that we need to ensure that all assistance is traceable and verifiable, and that artists' contracts must be honoured. You are probably mentioning this because artists on the ground and self-employed individuals must have expressed concerns.

**Ms. Sophie Prigent:** Yes, and these are not just concerns. I sincerely think this is the reality in our sector. I would like to point out that we have mentioned it to all levels of government.

We are very aware that a lot of money has been injected into the cultural sector, but there is very little money going directly to the people on the ground. If they don't have contracts, there's no trace of it. Even if they have contracts, there are no guarantees anymore, because the pandemic is an act of God. There is no way to enforce a contract. The difficulty in our sector is that we are self-employed.

It's sort of like the CRB, which relies on the previous year in terms of compensation. There can be a \$60,000 difference in my compensation from one year to the next. If I rely on the previous year, I can be heavily penalized because my salary is not constant. This is the reality of self-employed workers.

If my contract falls through, nothing is guaranteed and there is no trace. That's sort of the mentality behind subsidies, whatever they are. We are in good standing with the associations and suddenly

there is no enforcement measure or traceability of the contract. The subsidies are offered in good faith, but the measures and regulations in the Labour Code govern them.

We have to ensure the traceability of the subsidies granted. At the very least, this could be a prerequisite establishing that, if contracts are not honoured, there are no subsidies.

• (1130)

**The Chair:** Thank you, Ms. Prigent.

[*English*]

Mr. Housefather, you have the floor for six minutes, please.

[*Translation*]

**Mr. Anthony Housefather (Mount Royal, Lib.):** Thank you, Mr. Chair.

Ms. Prigent, Ms. St-Onge, Mr. Song, and Ms. Rubin, you are an example of the great diversity of Quebec culture. It is a great pleasure to have you with us today.

I have taken careful note of the comments of the Union des artistes on the CRB, and I will come back to them.

Mr. Song, I know that my colleague Ms. Bessette will have questions for you.

[*English*]

I am going to go to questions for Lisa Rubin, since the Segal Centre is in my riding, in Mont-Royal. It's been an incredible pleasure to work with this incredible organization that often has two or three things going on at once, between plays and concerts and all kinds of incredible activities for our community.

I want to congratulate you, and I do want to encourage the Quebec government to move quickly on your application to revise the infrastructure projects for the renovation of the Segal Centre.

But coming back to the issue at hand, the recovery, Lisa, you talked a lot about timelines. I think timelines are important because we all think that when the Quebec government gives the go-ahead for theatres to reopen, theatres will just be able to reopen, but they won't, because you need to plan sometimes a year in advance to buy the rights to a show to put it together. Can you talk to us about...? Let's say, if Quebec said theatres could reopen on January 11, when would you be able to actually get running to the point that your revenues would be equal to what they were before the pandemic?

**Ms. Lisa Rubin:** Thank you for your question and for your support always. It gives us so much confidence when we have an MP who cares about the arts, so I just wanted to share that and thank you.

A great example was in Quebec. We got the go-ahead earlier this summer, so theatres scrambled, scrambled, scrambled to get work going for the fall. In this case, everyone was doing a one-person or a two-person show because of the financial risk and the timeline. In order to do a musical, for example, we usually cast the musical a full year ahead.

In order to get back to where we were before, you usually work on a project one to two years out. If you're a distributor or just a presenter, then you can kind of grasp for these things that can come in and just get up in a few days, but when you're really creating, when you're really part of the ecosystem of development, it really takes a year.

I'd like to piggyback for a second on what Madame Prigent was saying in that we understand that, with our unions—we work predominantly with the Canadian Actors Equity Association and sometimes with UDA—when we are making an offer, that contract needs to be signed in equity 10 days from the offer, so it's very, very scary for an institution to say that we're going to do a big show, because everybody will need to be paid if we're going to cancel. This is what's happening with *Underneath the Lintel*.

[Translation]

*Zebrina. Une pièce à conviction*, at the Théâtre du Nouveau Monde.

[English]

It's a one-man show with a full team. We hired everybody under UDA for 16 performances. We're not doing any, and they're all being paid. It's a tremendous loss for us, although CALQ has given wonderful support to try to recoup some of the ticket losses so we're all very grateful for that. But it's the mounting of these productions and knowing that you're just going... We want the money to get into the hands of the artists, but living under this back-and-forth, are we or aren't we, makes it impossible to do anything that we could do before. There's going to need to be a vaccine before we can have 10 people on stage who can dance and sing.

• (1135)

**Mr. Anthony Housefather:** Lisa, coming back to what you are suggesting, for you the wage subsidy, CERB, has worked well. Then the Canada recovery benefit has worked pretty well for the people you've had to lay off. I want to ask the Union des Artistes about the people who are not getting it.

You need something afterwards. You in theatres and festivals across Canada are going to need a bridge period of subsidization, a special program for the theatres, the artists and all the production teams who work there to support you, between the time the pandemic ends for everybody else and your being able to get off the ground.

I'm going to ask both you and Pascale, what do you suggest?

**Ms. Lisa Rubin:** I'll just jump back in and then I'll leave it to Pascale.

Our contract, in a way, with audiences and artists has completely shifted. You describe it really well, with that bridge period.

Also, we need to acknowledge that right now, because of the support, we may be okay in the office, but it's very hard to hire people. The people we can hire are super busy—I was going to have a concert, but he's too busy and he can't do it—and the rest have moved on; they've left our industry.

We need to find a way to support the artists and the technicians, to help them not leave us so that when we do come back, we can come back strong. It's a problem right now in terms of hiring people, even if we have our jobs in the building or outside of the building.

**Mr. Anthony Housefather:** Thank you.

[Translation]

Can the representatives from the Union des artistes comment briefly?

**Ms. Pascale St-Onge:** I will start, and Ms. Prigent can complete my answer.

Clearly, we are not against helping institutions. We are well aware that there must be theatres, producers and so on. What we want is measures designed in such a way that they reach the artists.

Ms. Rubin said that artists, technicians and people in the field are leaving because it's too difficult right now. It's going to be a real problem and it's going to take a robust, comprehensive action plan.

One aspect that has not been raised so far is the distress of people in the arts. There should be help with mental health, training, labour market reclassification, and so on.

[English]

**The Chair:** I'm sorry. I have to interrupt.

We really have to push forward.

[Translation]

Mr. Champoux, you have the floor for six minutes.

**Mr. Martin Champoux (Drummond, BQ):** Thank you, Mr. Chair.

I too would like to thank the witnesses for being here today.

Ms. St-Onge, you were on a roll. You were saying that the reaction on the ground is not positive and that a much more robust and comprehensive approach will be needed to support the sector. Could you tell us more about that?

**Ms. Pascale St-Onge:** Yes, of course. Ms. Prigent will also be able to give you details on the assistance provided by the Fondation des artistes and explain why this assistance is not sufficient to meet the needs.



We receive many cries for help from people on the ground. The criteria for accessing the CRB are more complicated than those for the Canada emergency response benefit (CERB). The closures are extended for a long time again, until January, and we don't know when we will be able to reopen. It's becoming very overwhelming for people on the ground.

There has been a lot of government investment in infrastructure and some sectors of the economy, but culture is particularly affected and more help is needed. I really like Ms. Rubin's proposal for production insurance.

I will let Ms. Prigent talk about the Fondation des artistes in particular.

**Mr. Martin Champoux:** I will come back to Ms. Prigent in a few minutes on this very subject.

I would like to continue this discussion with you on the fact that the assistance does not go to the artists and that we are still a little uncertain as to when the venues will be able to reopen.

Could the fact that artists are still living in constant uncertainty have a long-term effect? Might some artists and artisans simply change careers? Are we in danger of losing these people?

What's the message from the community?

**Ms. Pascale St-Onge:** The Guilde des musiciens et des musiciennes du Québec sent a survey to its members. According to the responses, many are thinking about their future and others are in the process of leaving the profession. We can draw the same conclusions for all sectors related to the performing arts.

• (1140)

**Ms. Sophie Prigent:** Let me clarify.

We are in the process of surveying our members about that sad reality. The Union des artistes has 8,500 active members. In any given year, about 2,000 members do not earn a penny; their income is zero dollars. That leaves about 6,500 members. In our business, there's clearly not enough room for all those people. Imagine the impact that that reality can have.

Although there is no room for 6,500 members, 6,500 members still want to work in our profession. At the moment, there is no work. This will have a direct impact on the membership of the Union des artistes. I expect lots of memberships to lapse and a number of members to leave the union. We have a foundation and, mercifully, it is doing well. You have probably heard that Netflix has provided funding and that the Ministère de la Culture et des Communications injected \$2 million for the performing arts, and so on.

Since April 1, the Fondation des artistes has distributed a total of more than \$1 million, mainly from the Fonds Jean-Duceppe. This is mostly money from the foundation, not from Netflix or the government. In general we distribute around \$115,000 per year.

**Mr. Martin Champoux:** Ms. Prigent, our time is limited, but I would still like us to talk about assistance programs.

You talked about the issue with the CRB, in that artists do not always meet the criteria. You also talked about the fact that they are

living on last year's income and you emphasized that artists' income fluctuates greatly.

Would you have a model you could propose? I am thinking of the REMU criteria, for example, that exist to manage insurance coverage for the Union des artistes. Could that model be used to determine the artists' eligibility, for example?

**Ms. Sophie Prigent:** Yes, it might be possible. It would certainly not be perfect, but it could be studied.

We could also consider income averaging, as it already exists with income tax. That kind of measure more or less matches the reality of self-employed workers' incomes.

Currently, using the preceding year as a basis penalizes some people. The "REMU year" criterion actually averages income over the last five years. Yes, that approach could well be promising.

**Mr. Martin Champoux:** Let's talk about Telefilm Canada and the grants available for feature-length films. Just now, you raised a point that I find very interesting, when you were talking about the budget you needed to make a feature film. The grants offered in that program, from \$150,000 to \$250,000, seem laughable to me.

How much does it really cost to make a feature film if you tighten the budget as much as you can?

**Ms. Sophie Prigent:** At the Union des artistes, we sign variances on account of the Talents in View program, and that is why I raise the point today.

It is actually possible to make a feature-length film with a budget of \$150,000. People manage to do it but no one is paid. Basically, what you have is nothing more than the artists and the crews subsidizing art and culture.

No one is paid, actually; not the technicians, not the writers, not the directors. That is my conclusion as to the Telefilm Canada grants. They give between \$150,000 and \$250,000 to people who have to do what they can to get the most out of that money. Clearly, they then turn to the associations to ask whether that amount is adequate for a first feature. We must be aware of the impact of that kind of program.

**The Chair:** Thank you, Ms. Prigent.

Thank you, Mr. Champoux.

[English]

I'm not the only one back today. Ms. McPherson is back as well.

We're going to miss that beautiful snowy background that you had on Zoom.

**Ms. Heather McPherson (Edmonton Strathcona, NDP):** I know.

Mr. Chair, I can tell you that I brought the snow here. That was nice of me; it was kind of me to have brought it with us.

**The Chair:** You have six minutes.

**Ms. Heather McPherson:** Thank you.

Thank you also to all of our witnesses who have joined us today. This has been very interesting to me.

I'll put my first question to Ms. Prigent. You talk about the trickle-down money, about making sure that we get money to artists, making sure that the CRB meets the needs of artists and whatnot. What do you think would be useful? Would you be supportive of a guaranteed livable basic income? This is something our party has put forward. I'm wondering whether or not it would be helpful for the artistic community, in your opinion.

• (1145)

[*Translation*]

**Ms. Sophie Prigent:** Yes, that is also an avenue that could be explored and that could easily be studied. It's somewhat like the system we thought about at the outset.

I will also say that we must not throw the baby out with the bath water. Some things in the CRB program, which was somewhat modelled on the employment insurance system, are commendable and very helpful. However, employment insurance works on the basis of income that is regular and consistent. That's what it does best.

With the CRB, they should try to tailor it a little better to the varying incomes of self-employed workers. If they were able to do that, we would end up with something good. We are not here to tell you that there's nothing good in the program. On the contrary, it has something in it that we have never seen before, and you have our sincere thanks for that.

I am just pointing out an imbalance in the CRB program. For example, if I earned \$17,000 or \$27,000 in 2019, I would be penalized, whereas, in theory, an income of \$38,000 would let me get more money. The balance has to be reestablished. The guaranteed income that you are talking about does that.

[*English*]

**Ms. Heather McPherson:** One thing we see with the guaranteed basic living is that it's a sliding scale, depending upon how much you're able to make within your community. It will be a top-up piece, and I think that's very useful.

I am running out of time, but I have a question for Ms. Rubin about venue support.

You talked about the challenges that venues are experiencing. You certainly were very clear with the five asks and a wish. Thank you for those. Could you talk a little about your worries concerning the audience's ability to come back? Even once there is a vaccine, even once the Quebec government or whichever government across the country says theatres can reopen does so, when I speak to the theatre community in Edmonton Strathcona, they talk about a fear that the audiences won't have the confidence to come back. Can you speak to that a little bit?

**Ms. Lisa Rubin:** Sure. Thanks for the question.

I think it's just a matter of time and we're in it for the long haul. Just as, when this first started, people would say "I'm not wearing a mask to the theatre", now we're all saying "It's fantastic to wear a mask to the theatre." It will take time for the fear to subside, partic-

ularly among the baby boomer-plus generation, who, as many know, with their disposable income form the majority of the theatre-going audience.

We are doing a lot of work for students, for the under-30s, all of which comes with a different pricing structure, but yes, there is going to be a slow, gradual return to a full house.

We believe it's there, but it may come in 2024. When we say we're in it for the long haul, then, we're definitely in it for the long haul when it comes to reduced seating and trust and confidence, and the way we understand that everybody is vaccinated or the fears subside.

**Ms. Heather McPherson:** How would you see us providing that long-term support to you, until 2024?

**Ms. Lisa Rubin:** I think so much has to do with the messaging. So much has to do with.... Being told that museums, libraries and theatres have to close, when Costco can.... Well, it's food; we get that, but.... So much has to do with encouraging culture, encouraging live arts in your life. Our institutions have done everything possible. Let's have a health check. Come to our venues and check that we're doing it right so that you can say, "The Segal Centre is stamped with health and safety." That is something you can do.

Again, we're looking for long-term support and no penalties. The same way we're talking about protecting the artists themselves, we should be protecting the institutions, understanding that it's going to be a slow return in terms of sales, production capacity and just getting back on our feet. Whatever those programs are to encourage development, such as the earlier parts of that production chain, I would say they are going to be helpful and they are going to be better for the mental health of the artists, so they know they're working toward something without the pressure of a performance date that's just going to be cancelled.

• (1150)

**Ms. Heather McPherson:** Thank you.

How am I doing?

**The Chair:** I'm afraid that's it, sorry.

**Ms. Heather McPherson:** That's all right.

**The Chair:** I'm going to try to work on getting back towards the second round.

Mr. Waugh, you have five minutes, please.

**Mr. Kevin Waugh (Saskatoon—Grasswood, CPC):** Thank you, Mr. Chair. It's nice to be back in Ottawa.

Thank you to our three groups here this afternoon.

I want to talk more about the foundation and the endowments. We're going to start with Lisa Rubin.

Twenty-eight million dollars in endowment.... You're at a time now when, as you mentioned, you're not really open, so how do you go about growing that endowment and using some of that money to save face and grow the Segal Centre for Performing Arts? Could you maybe just talk about that? Without government, I do see that you are trying to get a buy-in from the general public here.

**Ms. Lisa Rubin:** Yes. We are really unique in that our government funding represents about 4% of our revenues. Unlike many other arts organizations, which live and die by their public support, our endowment revenue is keeping our lights on. It is supporting our infrastructure. It is supporting our building right now, which is why we're giving it away for free to support artists who want to come to work.

Outside of that endowment, our fundraising is our number two source of revenue. Ticket sales are only about 20%, so it's fundraising and endowment. The fundraising has, as expected, taken a big nosedive. We always know that the future is in the endowment. To really safeguard institutions, this is the future, so we are embarking on a life and legacy campaign and really encouraging donors.

Also, I should say that our endowment is this big because of the matching program. It's because of the incentives from Heritage—the incredible matching program that bridges the philanthropist with the government. I have been on committees to try to keep that going, and it has worked, so thank you very, very much. That philanthropists can dump a large amount and know that it's going to be matched is the greatest incentive to help us continue to grow and to help all these organizations to build their endowment. I think all not-for-profits should be working towards that at the moment.

**Mr. Kevin Waugh:** I agree.

I'm just going to move on here, if you don't mind.

Sophie, you talked about 10 times...the amount of foundation money that is.... That's not sustainable. A million dollars this year from the union, the artists that you have.... If you don't mind, could you talk about the million-dollar foundation that your organization put out this year?

[*Translation*]

**Ms. Sophie Prigent:** You probably know that Netflix offered us \$500,000 to distribute to the people essentially working in audiovisual. The Ministère de la Culture et des Communications du Québec made \$2 million available through the Fondation des artistes. It's a bursary—let's call it that—of \$2,000 per person. Consequently, a thousand people can use that fund, those bursaries, essentially identified for the performing arts. So Netflix made available funds for audiovisual, and the Ministère de la Culture et des Communications du Québec provided \$2 million for the performing arts.

At the foundation, we have a number of funds. We also have affiliates. One day, the Union des artistes received a bequest of several million dollars in the name of one of its members, Ronald France, to be specific. He was someone who had been in the business, working in dubbing, and had no family. He made a lot of money and he left it to us. That is how the Fonds Jean-Duceppe has been able to distribute more than \$500,000 since April 1, which the Foundation was not in the habit of doing. We had never dipped into that bequest. We were living on the interest from the bequest and that was enough, but it is no longer the case now. We dipped into our piggy bank to provide artists with more and better help, given the extreme urgency of the situation. It is not yet over. What Ms. Rubin was saying earlier is true. The situation is going to last for months.

• (1155)

**The Chair:** Thank you, Ms. Prigent.

[*English*]

I appreciate that. Sorry, I always feel like I'm cutting you off. I apologize.

[*Translation*]

Mrs. Bessette, you have the floor for five minutes.

**Mrs. Lyne Bessette (Brome—Missisquoi, Lib.):** Good afternoon.

Thank you very much, Mr. Chair.

Mr. Song, thank you for your sparkling testimony. I am proud to be able to say that Orford Musique is located in my constituency.

I am very happy to learn that Orford Musique was able to receive government support, right in the middle of the current crisis. I also see that your organization is resilient in terms of its financial set-up, especially because of your self-generated revenue. Can you tell us more about that type of revenue? How were you able to achieve that resilience?

**Mr. Wonny Song:** Thank you.

Perhaps this is not the right answer, but I believe that, given the size of the Orford Musique team, we arrange for each donor and sponsor to experience the same adventure as we experience. I believe that credibility has been built over the years because we work with them a lot and we have them dream our wildest dreams with us. It means that they are often with us on our journey.

As you know, this year truly was not a normal year for business because of the pandemic. We want to encourage our people, not only our artists and our young people, but also our donors to create inspirational projects together. However, in the short term and perhaps even in the medium term, if we can't provide concerts and festivals, I am afraid that we may lose those precious relationships that are so precious for organizations like ours at Orford Musique.

**Mrs. Lyne Bessette:** Thank you very much.

The living arts are so complex that transmitting them through technological means is very difficult. Orford Musique seems to have made an interesting technological shift. We know that Internet connection is vital for organizations like yours. That is true both for the broadcaster and for the consumer. In fact, without a quality Internet connection, some might not be able to have equal access to culture. Can you tell us about the challenges of online distribution, both for the broadcaster and the consumer?

**Mr. Wonny Song:** The pandemic has forced us to bring our technology plans forward by several years. It is the same in all cultural media, especially in classical music.

Fiber optics go through Magog, but not through Orford at the moment. We had to undertake additional initiatives to bring dedicated fiber optics to us. It is a major issue for us: we absolutely must have a very good Internet connection for our activities.

At the start of the pandemic, our management meetings on Zoom were quite the headache. Our employees live around the region, in Sherbrooke, in Eastman or in Hatley. Personally, I am in Magog. We all had to pray to God that there would be no wind, because if there was, our faces froze on the screen hilariously.

For virtual meetings, we designed webinars with our artists for our loyal supporters. We quickly learned that it was risky to broadcast them on our sites because our Internet connection was not stable. We had to appeal to the generosity of Kezber, an IT company in Magog. We moved to their offices temporarily so that we could broadcast quality webinars.

If audiences in our region want to see our broadcasts but if reception is bad because of a poor connection, they certainly will not like our content, unfortunately. We are working very hard to find solutions at our end, but, if people don't have a proper connection that allows them to consume our content in the regions, it is very difficult to reach them.

• (1200)

**Mrs. Lyne Bessette:** Thank you.

Mr. Chair, I'd like to ask one quick question. Do I have any time left?

[English]

**The Chair:** You have 10 seconds.

[Translation]

**Mrs. Lyne Bessette:** It's an important question. All areas are turning to virtual modes and the trend is growing.

Mr. Song, you were able to take advantage of the funding provided by the Canada Arts Presentation Fund. Was that the money that allowed you to make the virtual shift? How can we best help artists in the living arts to broadcast content online?

Could you answer in 15 seconds, if possible?

**Mr. Wonny Song:** All assistance provided has been very valuable. For all our festivals, we have tried to find solutions that allow us to meet the needs.

As for the IT problems, the fund's assistance was huge. For us, a good Internet connection in the region is the most urgent of our needs.

**The Chair:** Thank you, sir.

[English]

I'm sorry about that, but we are pressed for time and we have to go now to our second panel.

I want to thank our witnesses from Union des Artistes, Orford Music, and the Segal Centre for Performing Arts. We thank you so much for joining us folks.

We're going to suspend to do some sound checks and we'll be back very quickly with our second panel.

Thank you.

• (1200)

(Pause)

• (1205)

**The Chair:** We're back in session for our second panel.

Thank you for joining us. Now that our audio checks are done, and seeing that we're ready here technically and our interpreters appear to be ready, we're ready to go.

I want to say a big welcome to our witnesses.

From Diversified and Event-Funded National Sports Organizations, we have Katherine Henderson, who is the CEO of Curling Canada. From Fringe Theatre, we have Adam Mitchell, executive director and today's recipient of the award for best beard. Congratulations, sir.

Also, from Regroupement des événements majeurs internationaux, we have Martin Roy, chief executive officer, festivals and major events. He also has a nice beard, apparently. Yes, we took a vote, sir. You're both doing really well.

We will now allow you up to five minutes. I'm going to be a little bit strict because I want to get all four parties represented at the table on two rounds.

We'll start off with Katherine Henderson, for five minutes, please.

**Ms. Katherine Henderson (Chief Executive Officer, Curling Canada, Diversified and Event-Funded National Sports Organizations):** Thank you, Mr. Chair, and thank you very much to the committee members for allowing me to speak today. I do apologize for the lack of beard.

My name is Katherine Henderson. I'm the CEO of Curling Canada and I'm here in my capacity as the spokeswoman for Diversified and Event-Funded National Sports Organizations. We're a group of six NSOs that have come together because of the distinct nature of our organizations' funding model and the impact that COVID is having on Canada's youth sport system.

Our organizations include Curling Canada, Canada Soccer, Hockey Canada, Tennis Canada, Skate Canada and Rugby Canada. As NSOs with the largest commercial and grassroots operations, the total participation reach of our sports is over 10 million Canadians. While we are different in many ways, the common thread that ties us together is that our funding is predominantly generated from non-governmental sources, namely commercial events, hosting of domestic and international competitions, sponsorship, broadcast rights and registration fees.

Thanks to the revenues from these commercial operations, as non-profits we invest heavily in grassroots, community sport and high-performance sport. Unfortunately, these revenue streams have been greatly impacted by the pandemic. While we are grateful for the federal government's \$72-million support of the NSO and sport sector and the emergency programs like the wage subsidy, the truth is that Canada's sport system is in dire straits. To put Canada's response into perspective, just last week the British government dedicated emergency funding to the equivalent of \$500 million for sports in the U.K.

Let me be crystal clear with the committee today. We are at a critical juncture, with some of our provincial and local associations on the brink of collapse. We have already furloughed staff and we're depleting our reserves. We need financial help—

**The Chair:** Ms. Henderson, I apologize for interrupting; I need you to hold your microphone closer.

**Ms. Katherine Henderson:** Okay.

**The Chair:** There you go. It's for interpretation.

**Ms. Katherine Henderson:** I apologize.

We've already furloughed staff and depleted our reserves, and we need financial help just to emerge from the pandemic. We do know that we are not as important as front-line health care workers. We do not operate in life-and-death situations, but we do know the important role that sport plays in the lives of millions of Canadians for their health and their mental health, for their wellness and, importantly, for joy.

Canada's sports system is a collaboration between government and NSOs. We are already a delivery partner of the federal government, with our clubs and local sports being part of that system. With your support, we can stand together to ensure that our system does not fail.

We are seeking a dedicated stream of funding to replace the net revenues self-generated by our events, which would be reinvested into our grassroots sport. Let me share an example.

In March, the World Figure Skating Championships were mere days away from taking place in Montreal when COVID hit. That cancellation meant that \$6 million in legacy funding for local area figure skating clubs in Quebec didn't happen. This is just one example of the types of events that were meant to take place in the country this year and support all of our grassroots programming.

Our system is not focused entirely on high-performance athletes. It is also on the little girl hitting the field or the ice for the first time or the young boy competing in his first bonspiel. We want to partner with the federal government to keep grassroots sport alive and preserve the healing power of sport at the community level for kids and for Canadians at a time when we feel they need it the most.

In closing, I encourage you to think of Canada's sport system as a tree. COVID has forced our organizations to trim the branches to keep it alive. We can trim, but if the roots die, it won't be there when we are out of this storm. Planting a brand new tree will take years, and it won't be there when people need it the most. Rebuilding the sport system will mean we've lost decades of growth for amateur sport and sport development, so the decisions made right

now will impact generations of both amateur sport and our high-performance athletes.

Thank you.

● (1210)

**The Chair:** That was a good job, and with a great sense of humour, I might add. That was very nice at the beginning.

Now we have Mr. Mitchell for up to five minutes, please.

**Mr. Adam Mitchell (Executive Director, Fringe Theatre):** Thank you. It's my honour to join you today from Treaty 6 territory. I appreciate the opportunity to share with you the experience of the Edmonton Fringe Theatre and the impacts that the pandemic is having on our industry.

Edmonton Fringe has served as a cornerstone organization in the community for 39 years. We produce the Edmonton International Fringe Theatre Festival, North America's largest and longest-running fringe festival.

In that time, we have supported more than 38,000 national, local and international artists. Our festival seeds creative work and is a pipeline for emerging art and artists. This work is often remounted, toured or exported nationally or internationally.

Outside of the festival, we operate a three-theatre, two-studio facility that is home to more than 500 local arts events each year. We cultivate and incubate artists and new work and remove significant barriers for artists and audiences alike, stewarding an accessible, affordable community-minded arts space.

For the first time in its 39-year history, we cancelled the festival, because of the pandemic. The health and safety of our community was and continues to be top of mind as we navigate these difficult but necessary decisions.

In 2019, thanks to the ongoing support of government funding agencies, sponsors, individual donors and healthy festival and regular seasonal activity, we were a \$5-million organization. Of that \$5 million, \$1.5 million went to pay arts workers, the administrative team, technical and front-of-house staff, summer contracts, festival security, student internships, etc., and \$1.43 million was paid directly to artists in the form of box office returns, performance fees and contracts. More than two-thirds of our operation in 2019 went directly back to people and directly into the community.

In a normal year, we are more than 3,000 artists and arts workers and more than 800,000 patrons. The cancellation of the 2020 festival means a devastating \$3-million retraction for our organization, but more than that, it means that our people and our community have gone without. The festival cancellation meant that more than 200 summer staff went without contracts. It meant that 1,600 festival artists had no opportunity to connect with other artists, sell tickets and make a living. It meant that more than 50 vendors were unable to serve food and sell their artisan wares, and that 1,200 volunteers and 800,000 people who normally come to welcome and celebrate 11 days of live theatre in August stayed home.

As a major cultural event, we are a key local economic and tourism driver for our city. Local spending during the 11 days of the festival is approximately \$39.7 million, \$16.7 million of which is directly connected to the event and to tourism spending. Our attendees are diverse in background and income. We have one of the youngest theatre-going audiences in the country. The average “fringer” is 39 years old, and 14% of our attendees come from outside of the Edmonton area.

The arts simply drive the economy. Our survival and the survival of many organizations within the arts sector depend on the ability to gather a critical mass and on connecting artists and audiences.

Our industry was the first to be shut down and will be one of the last to recover. Most artists have been without work for nearly nine months now, and restarting will take time as we rebuild teams and restart essential creative planning processes.

Arts jobs are cost-effective and highly impactful. We know that arts events and the people those events employ drive the economy. We know that arts improve the quality of life, cultivate community, nurture a sense of belonging and well-being, and spark an important discussion about who we are as a nation.

Your support is essential, and our message is simple. If we cannot revive the arts ecosystem in its entirety, organizations like the Edmonton Fringe will not survive. Significant financial supports will be key to our own recovery and to the survival of our industry. Our society can't afford to lose the talent, knowledge, creativity and social perspective of people who make their living in the arts.

Sector relief is desperately needed now, and will continue to be for months, if not years, but with the right supports, we can rebuild a more viable, sustainable and equitable arts sector. We can protect our institutions and create new opportunities for people to see a viable path to making significant contributions to society through the arts.

Thank you for your time and consideration. I'd be happy to answer any questions.

• (1215)

**The Chair:** Thank you, Mr. Mitchell.

[*Translation*]

Mr. Roy, you have the floor for five minutes.

**Mr. Martin Roy (Chief Executive Officer, Festivals and major events, Regroupement des événements majeurs internationaux):** Thank you, Mr. Chair.

Good afternoon.

As the Minister of Canadian Heritage himself said here a couple of weeks ago, when he spoke about festivals, his department had not managed to find a adequate program of assistance and he was continuing to work on it. He added that it was certainly one of the sectors where more had to be done, and as quickly as possible. With your permission, I will tell you what we believe you can do.

The Regroupement des événements majeurs internationaux, or REMI, and Festivals and Major Events Canada, or FAME, plus a number of other festivals, have joined the coalition of the most affected companies that is once more taking up arms these days to demand an increase in the Canada emergency wage subsidy for the most affected companies, as well as broadened support for fixed costs and easier access to cash.

It is important to specify that this wage subsidy must be very flexible and must accommodate the very seasonal nature of our activities. As for cash, we believe that the Government of Canada must respond financially with a fund specifically established to pay off the deficits of cultural organizations, including those of festivals and events.

Most of our organizations are not-for-profit and have no financing or capital. According to one survey, FAME estimates that the accumulated deficit of festivals and events is at least \$150 million at the moment. Why? First, event organizers had spent their money for their 2020 event six months before the pandemic, and second, they were not able to generate income over the 3 to 10 days of a festival, as is usually the case.

We have therefore asked the government to renew, on an urgent basis, the investments in the main programs for festivals and events that were set up in 2019, but for two years only. If nothing is done, next year, we will be back at the 2018 level, which was the same for 10 years. That makes absolutely no sense and it would be universally interpreted as a major cut to culture.

At this very moment, festivals and events are receiving letters telling them that, in 2021, they will be receiving less from the Department of Canadian Heritage. This comes at a time when we are in the middle of a pandemic and their survival is at stake. There must be action. We are talking about \$15 million to maintain the 2019 envelope or \$30 million to maintain the 2020 level, and we need to do more.

Let us be clear. Up until 2018, more than 1,050 festivals shared about \$31.5 million from the \$50 million in the two main programs for promoters. That went to about \$42.5 million in 2019 and 2020. In 2020, \$10 million dollars or so were added because of the pandemic, taking the contribution to festivals and events to a little more than \$50 million. However, next year, we will be going back to \$31 million, which would mean a reduction in the order of 40%.

To put those figures in perspective, \$31 million is what the Government of Quebec gives festivals and events each year through the Conseil des arts et des lettres du Québec, the Société de développement des entreprises culturelles, ou SODEC, and the Ministère du Tourisme.

We have also suggested the creation of a ecological and digital transition fund on top of the two main programs. This would allow us to make our recovery greener and, from now until the end of the pandemic and beyond, to add digital components to our activities. As an example, let me tell you about the Toronto International Film Festival, or TIFF. The organizers managed to sell more than 48,000 tickets for their recent online edition. There's a whole world to conquer for Canadian festivals and events.

In terms of the recovery, we have invited the government to establish a program modelled on the Marquee Tourism Events Program created by the Conservatives after the 2008 crisis, and to fund it to a level of \$225 million over three years. This is what the Minister was probably alluding to when, on the program *Tout le monde en parle*, he said he was in discussions with the Minister of Economic Development because it was run by Industry Canada at the time, and, this time, he was proposing that it be implemented through the regional economic development agencies.

This would be a new stimulus program designed to attract more tourists by using festivals and events, in Canada at present, and internationally, once that is possible again.

We know that one quarter of festival goers' expenses are made in hotels and accommodation and one third are made in restaurants. In the context of recovery, any support to festivals and events should be interpreted as indirect assistance to restaurants and hotels. They have suffered greatly, as have those in transportation, as well as the artists and crews. We are proposing that this be done quickly. If we want to keep our teams together, we have to be preparing right now for the festivals and events in 2022.

Thank you for your attention.

• (1220)

[*English*]

**The Chair:** Thank you.

We now go to our questioning. I once again remind members to please point out to whom they are asking the question, as the witnesses are all appearing before us virtually.

Mr. Waugh, you have six minutes, please.

**Mr. Kevin Waugh:** Thank you, Mr. Chair.

I'm going to start with Ms. Henderson.

You mentioned that you're here on behalf of Curling Canada today, but for hockey, tennis, rugby, Skate Canada and yourself it has been a disastrous year. You mentioned the World Figure Skating in Montreal. Those funds, you can never get them back.

We had the Junos slated for Saskatoon on March 15, and we lost up to \$9 million in economic benefits. We're seeing Hockey Canada and they're playing in the Q right now, but the OHL isn't playing and the Western Hockey League hasn't played. I agree with you.

Anyway, I'm going to start with curling, because you're involved in that. We're seeing more of these hubs being recommended. The Scotties was for Thunder Bay and the Brier was for Kelowna. You have suggested now that they go to fanless hubs. Millions of dollars will be lost. Curling is a social sport, as you well know, and there will be no Brier Patches involved. I don't know how curling can survive in a fanless hub, such as we saw the NBA and the NHL attempt earlier this year.

What are your comments on that?

**Ms. Katherine Henderson:** Thank you very much.

I think you've grasped the situation very well, Mr. Waugh.

Fanless hubs are an obligation that we have right now. This is really in order to fulfill contracts that we have with commercial partners. But the fact of the matter is that, for any of us who are doing a fanless hub, we're trying to think beyond 2022. We will all lose money doing these. This is dipping into our reserves. We're doing it on reduced staff, and the hope is really to create something better.

Normally, when we do a Brier or a Tournament of Hearts, we are creating very significant income that then gets invested back into that community, and we'll never be able to do that with the situation that we find ourselves in.

**Mr. Kevin Waugh:** Yes, the Grand Slam six events are down to two. Those are television contracts that you've lost. That's a lot of money and exposure.

I have a rink in my province of Saskatchewan. Matt Dunstone finished third at the Brier last year, and then earlier this month he said that because of provincial restrictions he wanted to curl in Alberta. Shame on you, Matt Dunstone. You have the whole province of Saskatchewan cheering you on. That's the last thing I want, someone moving to Alberta and curling because I can't give you the competition in Saskatchewan.

What are your thoughts on that?

**Ms. Katherine Henderson:** Matt Dunstone is one of our greatest.

**Mr. Kevin Waugh:** Yes.

**Ms. Katherine Henderson:** I think right now the reality for the athletes is that due to all the interprovincial things, without hubs and without safe places to play, they are out seeking competition and ways of keeping themselves competitive for when the world turns better.

The thing, Mr. Waugh, that I'm most worried about, though, is the little clubs that you're talking about. I know there are many, many of them in Saskatchewan; that's a real hot bed for talent.

Those little kids getting onto the ice for the first day really want to be Matt Dunstone at some point. I belong to the East York Curling Club, and for most of us those dreams are very far in the past, but it's a community place. It's a place where juniors, seniors, teenagers and two million Canadians spend their winters, and a lot of that will go away because of this.

**Mr. Kevin Waugh:** I happened to attend a curling club in my riding. They are surviving. They're fighting the City of Saskatoon over taxes. When you fire up the ice plant, it is very expensive. Of course, most curling clubs shut down early in March and now they're under tremendous pressure.

What can the federal government do to support sporting facilities like curling clubs coast to coast, in your estimation? What can happen to keep that curling club open for the time being?

• (1225)

**Ms. Katherine Henderson:** We do work in partnership with our curling clubs on an ongoing basis. We provide them with capital assistance, with programming, with a lot of policy work and a lot of advocacy work. Each one of those curling clubs right now is fighting for its life.

We sit at the top of the system, if you will. For example, we did a Brier in Regina a couple of years ago and it was a huge success. We're a not-for-profit, and the money we made from that Brier gets invested back into local junior programs and back into local clubs with local host committees. So our inability to hold these sorts of events really affects our ability to continue to invest in these local clubs.

**Mr. Kevin Waugh:** Absolutely.

I have one final question. The city of Saskatoon, I hope, will host the Olympic curling trials next December. As you said, the money from Saskatoon will trickle down.

Are we still going to have the curling trials?

**Ms. Katherine Henderson:** That is our plan, and I can't wait.

I will see you, Mr. Waugh, in the Patch if we happen to have that.

**Mr. Kevin Waugh:** Yes, and I'll buy you one.

**The Chair:** By the sound of things, we may have a committee meeting in the Patch when everything returns to normal.

All right. We have Mr. Louis for six minutes, please.

**Mr. Tim Louis (Kitchener—Conestoga, Lib.):** Thank you, Mr. Chair. Thank you, Mr. Waugh. You didn't say what you were buying, but I think the inference was clear.

I want to thank all the panellists and witnesses for being here. You're obviously showing your dedication and your passion, which

is much needed in an industry that's working so hard to just recover. The arts are so hard hit. We know this. They're the first to be affected and the last to come back, so I appreciate that.

I'm happy to say that the Minister of Heritage visited us in my riding virtually. We put together round tables and had discussions. Even before that, I had ongoing panel discussions with our arts community, because there are big sectors, and then there are small grassroots ones like the ones we're talking to.

I was hoping to direct my questions to Mr. Mitchell and talk about theatres. We have the Drayton Theatre in my riding. It's one of the largest theatres in the country. We also have those small community theatres: Elmira Theatre Company, The Community Players of New Hamburg, KW Musical Productions, MT Space and Kitchener-Waterloo Little Theatre. These little theatres really become hubs for emerging artists.

In our last panel, I didn't get a chance to ask questions, but we talked about cultivating and incubating artists and how it's so difficult to have people stay in the arts. Many people are leaving the arts right now.

Mr. Mitchell, can you give some examples of how we can keep people, maybe with a bit of mentoring? How can we support artists? How can we help the next generation to get in? Right now these stages are dark.

**Mr. Adam Mitchell:** I think you've hit the biggest concern right on the head. The reality is that it takes time and dedication to carve a career out in the arts right now. Fringe festivals across the country really become the opportunity for people to produce their first show, become their festival producers. Our job as festival producers really is about providing them with that first audience and removing a bunch of the barriers to self-production, and that sort of stuff.

That happens at every level and every scale in every community across the country. Storytelling has been happening for millennia. We just happen to do it inside houses of performance. The reality is that we are probably going to see the youngest generation and the oldest generation of artists leave us either for new opportunities or because the struggle is too difficult.

**Mr. Tim Louis:** That is unfortunately what I'm hearing. Part of the issue for both the youngest and the oldest generations is the mental health aspect of it. Many of these people gravitate to the arts and become part of that identity because of the diversity and inclusivity that they feel in these very.... They become families. Right now, as people are struggling with mental health, they are turning to the arts anyway. But it's these very artists who need the support.



Do you have any examples of how we can support people as far as that kind of mental health is concerned? How can we keep those artists safe, because they're the ones who are making us feel better as well?

● (1230)

**Mr. Adam Mitchell:** Absolutely.

First and foremost, it's making sure that people know and believe that they have their basic needs taken care of. That's the first thing. Professional artists working in this country have been working gig to gig and collecting enough contracts through the year to eke out a very meagre living. That has completely disappeared. Not knowing whether they are eligible for benefits.... Understanding and negotiating the benefit system has been incredibly taxing on their mental health and their existence, and not knowing what the next few months look like, and beyond, is going to be the reason people turn away.

**Mr. Tim Louis:** Yes, I agree. Thank you.

Maybe I can use that to pivot. According to the artists I've heard from, the two things that have been most helpful are the wage subsidy and then the CERB, now the CRB, which I've heard people refer to as a lifeline. For some of the traditional brick-and-mortar industries in the arts, the wage subsidy has made a difference. The CERB and the CRB can help with that gig economy, as well as those small, independent artists and self-employed people.

Maybe I could switch to Mr. Roy to talk about festivals. There are no one-size-fits-all solutions. We have large festivals in all our ridings, including in mine. They include jazz festivals, multicultural festivals, blues festivals, Oktoberfests and maple syrup festivals in the bigger communities. In the smaller communities, you have corn fests and strawberry festivals. It's not a one-size-fits-all.

Mr. Roy, you mentioned working with the regional economic development agencies and possibly seeing if there could be a tailor-made solution instead of a one-size-fits-all. I wonder if you could share your thoughts on that.

[*Translation*]

**Mr. Martin Roy:** Thank you for the question.

Indeed, major festivals have their own reality. That's the case for the smaller ones, too, but generally speaking, many of them deal with the two existing programs I mentioned, the Canadian Heritage program and the Canada arts presentation fund. Many small festivals that are created in communities are created through them.

For efficiency and given the current urgency, we can use these two programs to better support both small and large festivals with more funds.

In terms of regional economic development agencies, I know that some agencies in Canada haven't made the festivals and events sector a priority. In fact, they are rather reluctant to get involved in the arts and culture sector. However, this isn't the case with Canada Economic Development, which supports festivals and events.

For example, particularly in Quebec, this agency supports REMI members to the tune of about \$4 million each year. However, outside Quebec, it's quite difficult to get support from economic devel-

opment agencies. It's done somewhat in Ontario, but with the exception of Ontario and Quebec, it's quite rare.

We are indeed proposing that economic development agencies be more engaged and implement this updated version of the marquee tourism events program, which existed in 2009 and 2010. Thanks to the support of regional economic development agencies, we could therefore also intervene with smaller festivals.

[*English*]

**Mr. Tim Louis:** I believe my time is up.

I want to thank you all.

**The Chair:** Yes, it is. I've been a little bit too generous.

[*Translation*]

Mr. Champoux will be followed by Mrs. Desbiens, and they will have three minutes each.

Go ahead, Mr. Champoux.

**Mr. Martin Champoux:** Thank you, Mr. Chair.

As you said, I'll be sharing my time.

Mr. Roy, I was a little bit struck by what you said earlier about the funding levels for your organization and for the events sector, funding that has remained the same since 2008. You said that if the one-time support that was provided in 2019 and the pandemic support that was provided in 2020 aren't reintroduced, you're going to fall back to the 2008 funding level in 2021.

It doesn't make sense, of course. Often, strong images are needed to convey the impact of this lack of funding. So, what will be the first thing to go if the funding is not adjusted?

● (1235)

**Mr. Martin Roy:** Thank you for the question.

The existence of festivals and certain events is clearly in question. The current reality of festivals and events is that they have gone into hibernation and are trying as much as possible to retain their teams, expertise and assets so that they can get back into operation when possible.

The problem is that they have been spending and running deficits. There will come a time when there will be no more cash. Their very existence is in question. Currently, festivals and events only have one category of revenue, which is grants. Approximately 4% of the financial packages normally come from Canadian government grants, and in Quebec, 8% come from the Quebec government. Contributions also come from municipalities and sometimes from regional tourism associations.

Currently, only these contributions are keeping teams and organizations alive. It's essential that this be done and that grants be increased for the time being.

**Mr. Martin Champoux:** Thank you.

I'll let my colleague continue the discussion.

**Mrs. Caroline Desbiens (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, BQ):** I'd like to thank our witnesses. Their interventions are always very relevant and interesting.

Mr. Roy, I will continue in the same vein as my colleague Mr. Champoux. We are already talking about 2022 because, for you, it's already too late for the major events of 2021.

What would you urgently need to be able to keep most of the festivals and the related expertise alive?

**Mr. Martin Roy:** Again, I think one of the keys is this great program I was talking about, the marquee tourism events program.

If we proceeded quickly, we would give the remaining teams and leaders the opportunity to perhaps recall people who have been laid off, as well as the opportunity to work over the next 12 to 15 months on a relaunch, a 2022 edition for their festivals and events.

We know that all this bad stuff is going to go away eventually. In 2022, we're going to speak about recovery, we're going to want to attract tourists. We're going to want to find ourselves also. I think we will need, let's say, social healing.

For the moment, in 2021 and for future editions, we'll try to turn to digital mode, to make hybrid editions and smaller editions. We'll still try to stay active. However, if we focus on 2022 now, we could keep our expertise. It's extremely important to keep the expertise in our organizations.

For example, you can't replace overnight a program director who has contacts with major art agencies and artists all over the world. You can't find someone with equivalent skills and the same contacts all over the world overnight. It's extremely important to keep the expertise within our teams.

**Mrs. Caroline Desbiens:** I fully agree with you. I come from this milieu, from the arts and tourism field. Because of my experience in the region, I know the very close relationship between the two sectors of economic activity; I am able to measure it.

We know that we have to plan for the long term. Could we propose to the government a solid action plan that would be reassuring for the future, that would make it possible to perpetuate the two programs you're talking about and that they be indexed so that we don't always have to renew them?

**Mr. Martin Roy:** I agree with you. These are the two key programs. Again, there are several interventions that are being made by the federal government in the culture and arts sector. But for festivals and events, it's essentially through these two programs, the Canada arts presentation fund and the building communities through arts and heritage program. It's a centralized environment. There are 1,050 festivals and events supported by these two programs. So if these programs aren't well resourced, the entire ecosystem of festivals and events suffers.

I should also point out that in 2016, when this government took office, it doubled the budget of the CBC and the Canada Council for the Arts. However, it did not increase the program budget of the Department of Canadian Heritage as substantially and in the same proportion. In my opinion, that's where the problem lies.

• (1240)

**Mrs. Caroline Desbiens:** This sector is in decline and, on top of that, we have to deal with the post-pandemic recovery. The challenge is there. In my opinion, we really need to act jointly. To do so, we could even superimpose departments, such as Tourism and Canadian Heritage

**Mr. Martin Roy:** Absolutely. Under the two programs I mentioned, there would no doubt be a way to get Canadian Heritage and the Department of Economic Development to work together on a program of an economic and tourism nature, with a strong cultural dimension. This would involve using events and festivals to generate economic and tourism activity.

**The Chair:** Thank you, Mr. Roy.

**Mrs. Caroline Desbiens:** Thank you.

[English]

**The Chair:** We have Ms. McPherson for six minutes, please.

**Ms. Heather McPherson:** Thank you to all of our witnesses.

I have a few questions for Mr. Mitchell to start with.

I don't think people across the country necessarily recognize just how important the Edmonton International Fringe Festival is for theatre in this country and what a wonderful festival it is for our community. It is, in fact, the heartbeat of Edmonton Strathcona. It's actually where my husband and I had our very first date, and we are now going on to our 20th anniversary. We have celebrated our anniversary at the Fringe every single year.

There is one thing I want to ask you about, Mr. Mitchell, to ensure that I can actually go on my 20th year. Could you talk a little bit about what the rebuilding and the restarting for the fringe festival will look like, in your opinion?

**Mr. Adam Mitchell:** Thank you very much. I am so happy to hear that you have such a strong connection to us. We hear so many stories about the impacts of festival events and Fringe in particular, and it's always great to hear.

I would say that the rebuild is going to be slower than any of us want. The reality is that the ecosystem of revenue that needs to be generated in order to build an event like ours requires the ability to bring together people en masse. Critical mass is the thing that we're all built on.

We are working very hard to connect artists and audiences, even in small ways. I have a theatre that's currently operating with a maximum capacity of between 20 and 30 people. That doesn't pay anyone's bills at the end of the day. We are currently looking at a 2021 festival that might possibly be a small version of live performance, in a scaled-back way. However, we do not actually understand right now if we can even consider an outdoor site component, which is where a massive part of our revenue comes from.

**Ms. Heather McPherson:** Looking forward then, similar to what Mr. Roy was saying, are you looking at the 2022 festival as the first time that the Fringe Festival is actually back in its traditional format?

**Mr. Adam Mitchell:** Yes. We're looking at 2021 being a bit of a nucleus build-out, probably more similar to what our very first festival looked like than what our 39th festival should have looked like.

**Ms. Heather McPherson:** I'm sure it will still be wonderful.

I know you touched on this in your opening comments, but could you talk a little bit about the impacts of the Fringe Festival's inability to go forward on the artistic community and on our vendors? Could you also talk just a little bit about what you know of the impact on Whyte Avenue or the greater Edmonton community?

**Mr. Adam Mitchell:** Absolutely.

The reality is that I normally have 250-plus people on my payroll. I currently have 17. It jumped up to about 23, including the Canada summer jobs students I was able to keep employed this summer. It's a complete devastation. We're one of the more diverse and versatile organizations in our community. We've managed to open up a couple of spaces. We're dedicated to being a part of the solution for rebuilding lots of small arts organizations because we are the stewards of a physical asset that community can be built around.

**Ms. Heather McPherson:** I know that the Fringe Festival is the biggest festival in North America, but that is replicated across the country in other smaller festivals, I'm sure.

The next question I have is for Ms. Henderson.

Ms. Henderson, you talked a little bit about provincial regulations and the impact of different provincial regulations. Is that a concern? Is that something that we could be doing to make sure there are harmonized regulations and restrictions happening across the country? Would that be helpful?

• (1245)

**Ms. Katherine Henderson:** I'm not sure I can answer that one properly, because we take advice from medical officers of health, and I think the situation is quite different.

We know right now that for many sports, in order to deliver just a tiny bit of sport in a safe manner, we have to spend an awful lot of money and a lot of our resources putting something in fanless buildings, just to allow people to enjoy a tiny bit of sport. I think what we're really missing is, in fact.... I will go on the record and talk about curling. It's one of the last great interprovincial, interterritorial competitions there are. You truly have to be a Canadian.

You have to come from that province and compete at any of our championships.

I want to go back to why we're here. Any help that you can give us.... What it's really about is these large events, which not only create economic impacts for people in the cities, as some of my colleagues have said, but the money we make as not-for-profits gets invested across the country again. You know, it goes to juniors and to young people who are starting out for the first time. It goes into our clubs, and it goes into places where everyday Canadians play.

**Ms. Heather McPherson:** Thank you very much.

**The Chair:** Thank you, Ms. McPherson.

Mr. Shields, you have five minutes, please.

**Mr. Martin Shields (Bow River, CPC):** Thank you, Mr. Chair.

I very much thank the people on our panel today.

Mr. Roy mentioned a deficit number, so what I'm going to come back to with Mr. Mitchell and Ms. Henderson is the sense that he's suggesting a number. I believe this is part of economic recovery and will be significant to economic recovery. In thinking about it, in the next six months to a year, could it be feasible to develop a deficit number that could be collated across the country that we could deal with?

Ms. Henderson, I have 30-plus rinks in my riding—not quite as many curling rinks, but they exist in all small rural areas in Canada. Mr. Mitchell, I probably have programs from before my colleague from Edmonton was born. I have the Fringe programs from the fifth anniversary, the 10th anniversary and the 15th anniversary, and I was disappointed when they went to buying tickets online, because the fun was to try to get into events and line up.

From your two sides, Ms. Henderson and Mr. Mitchell, is it feasible to get a deficit number and supply that within six months to a year so that we could look at a number? When money was funnelled down to organizations, as we heard in an earlier panel, the government lost track of it and of whether it got to the original artists at that level.

Ms. Henderson and Mr. Mitchell, could you respond to that question about a deficit number and the possibility of putting one together nationally?

**Ms. Katherine Henderson:** Would you like me to go first?

**Mr. Martin Shields:** Sure.

**Ms. Katherine Henderson:** I'm happy to do so.

Right now I can't speak to deficit numbers. In all of the sports I'm sure we could come together.

I think what we're looking for is just separated-out funds that would give us an ability to apply for them with a good business case in order to demonstrate that this money is in fact missing from the system.

I can use curling as an example. Last season we had to cancel the Women's Worlds and a number of our other competitions beginning on March 12, which was one of the sadder days of my career. Not being able to hold a number of events going forward, we predict that this year there will be about a \$6-million deficit.

I can't speak for the other sports. We have put a framework in front of Minister Guilbeault. It has criteria and a business case, and we'd be very happy to review it with you.

**Mr. Martin Shields:** You talked about watering the roots to keep them alive. This is what we're talking about, the water and fertilizer to keep the roots alive. If we can't come up with a deficit number and you have spent your reserves, this ongoing money that you're talking about doesn't replace those reserves.

Mr. Mitchell, would it be possible in your world?

• (1250)

**Mr. Adam Mitchell:** I think it would be incredibly difficult. I think that as a festival producer we've been very fortunate to have an organization such as Mr. Roy's doing some of that work across the country.

What I can say is that Edmonton as a jurisdiction has alone 800-plus community events that are registered with the City of Edmonton. For the cornerstone and bricks-and-mortar institutions, it is going to be much easier to articulate debt than for the many variants, from community theatres all the way up through independent artists, self-producing artists and semi-professional companies at various stages. Trying to articulate that loss is going to be very difficult.

**Mr. Martin Shields:** I understand that, but we're talking about recovery and an economic driver. Mr. Roy has identified a number. If he can do it, if you want guaranteed funding and a lump sum for recovery, how to indicate that is going to be a challenge.

A government can deal with a large number based on criteria; it's easier to identify it that way. If Mr. Roy can identify it as an economic driver and have a number, I think we have a challenge here that could be a solution.

Mr. Roy, do you want to respond to that?

[*Translation*]

**Mr. Martin Roy:** The question is indeed very relevant. I can tell you that deficits are very significant in all festival organizations for the reasons I've given you. Everyone had started spending normally between September or October 2019 and March. So there are significant deficits.

People at the Stratford Festival have even said so publicly. We're talking about a deficit of over \$20 million. Across Quebec, festivals and events are reporting deficits in the order of \$500,000 to \$1 million. This is a ball and chain for the economic recovery.

We can well imagine that from the moment we can hold festivals and events again, if we are running deficits, we will be required to make reduced editions, when we would need improved editions. This is counterproductive.

[*English*]

**The Chair:** Thank you, Mr. Roy.

We now go to Ms. Bessette for five minutes.

[*Translation*]

**Mrs. Lyne Bessette:** Thank you, Mr. Chair.

Good afternoon.

I'd like to thank the witnesses for their testimonies.

My questions are for Katherine Henderson of Curling Canada.

As you know, I'm quite familiar with the sports world, having been an Olympic athlete. I know how important continuity of training is to our athletes.

How did Curling Canada ensure that it supported the continuity of training for athletes and its affiliated organizations? What were the challenges associated with this objective?

[*English*]

**Ms. Katherine Henderson:** It depends at what level.

By the way, I'm very familiar with your career. I've worked in major games previously, so it's always a thrill to talk to somebody who has competed at that level.

At Curling Canada, we've had to reorient our high-performance training. It has been set up very differently this year. Depending upon where you are in the country, we have developed return-to-play guidelines for those people who can go into a local club.

Everything has to be done, however, very locally right now. In curling, for example, much of the way the athlete develops is through competition. Our competitions-to-training ratios are thus relatively high. We have quite a bit of competition in Canada, and that's one reason—I'll use curling as the example—that our athletes do so well on the world stage and have won many Olympic and world championship medals.

Right now they're limited, though. They are preparing for the Olympic Games in Beijing in 2022 and are very worried about their inability to compete in order to become better and make sure that they represent Canada very well on the world stage.

We also have a medical officer of health whom we work with, and we have high-performance coaches and teams who are trying to replicate something for them so that they can do dryland training or very protected training at their home base.

**Mrs. Lyne Bessette:** I'll go to my third question quickly.

[*Translation*]

It's related to what you were saying before, Ms. Henderson.

Have you been able to hold events? If so, even if there were only a few events, how did they unfold?

• (1255)

[English]

**Ms. Katherine Henderson:** We have not been able to hold any events as of yet, but we have provided support and particularly medical advice and return-to-competition advice for those athletes who wish to play in their local and home territories, through our national team programs.

At this point, however, Curling Canada has not been able to hold events for these athletes.

[Translation]

**Mrs. Lyne Bessette:** How has the federal government helped Curling Canada since the start of the pandemic? Could you tell me a little more about that?

[English]

**Ms. Katherine Henderson:** We're very grateful for the assistance we've received so far. We were able to access some of the money from the emergency funds that were provided. Doing so actually helps us survive as an NSO, as an organization. We were able to access some of the emergency wage subsidy funding over the last number of months.

Beyond that, I guess what we're really saying is that when we put on a competition, it's not really for our own survival, but for the survival of the system, because these major competitions, which have commercial aspects.... We're funded differently from many of the national sport organizations, in that we're able to hold very large events and generate from them the majority of our revenues, which we reinvest back into the system. In Canada, that system consists of a thousand local clubs and 14 member associations, as well as a national sport organization.

The competition is something that really starts at the roots and works all the way to the top. We as an NSO have received funding from the federal government, which has helped us survive as an NSO.

[Translation]

**Mrs. Lyne Bessette:** Thank you very much, Ms. Henderson.

[English]

Do I still have a little bit of time?

[Translation]

**The Chair:** You have 30 seconds left.

**Mrs. Lyne Bessette:** Now, I'd like to ask the representative of Regroupement des événements majeurs internationaux some questions.

Mr. Roy, how do you make the transition to virtual events? What are the challenges you face when making large-scale shows virtual?

**Mr. Martin Roy:** Thank you for the question.

Let's say that the possibilities are multiple and it really depends on the events. We saw that, in the case of the Francos or the Montreal International Jazz Festival, they set up a digital component based on events that had already been recorded. They also created original material in small venues and made it accessible to everyone for free.

Other events have opted for paid formulas. I can cite the example of TIFF. The Just for Laughs festival had more than 30,000 paid connections to a recent edition. There are hybrid formats and other fully digital formats. You can also hold performances in venues with few people and broadcast them on the Web.

**The Chair:** Thank you, Mr. Roy.

Mrs. Desbiens, you have the floor for two and a half minutes.

**Mrs. Caroline Desbiens:** Thank you, Mr. Chair.

I'm going to go back to Mr. Roy.

Mr. Roy, you told us earlier that to maintain the 2020 level would require \$30 million.

What would you say if the government were asked to make these two programs permanent?

**Mr. Martin Roy:** It would be the least it could do.

In 2019, we welcomed this measure to reinvest in the two programs I was talking about. However, it still didn't make sense to us that it would be for two years. We had to make the correction.

For these programs, we had the same budget for 11 years. There was no indexation. Again, for us, it makes no sense to have to go back to a previous level.

We've always felt we needed to do more anyway. The money that has been allocated for the pandemic should even be made permanent as well. It goes without saying.

**Mrs. Caroline Desbiens:** There are major cultural events, such as the Festival d'été de Québec and the Francos de Montréal, but there are also smaller events, such as the Festif! in Baie-Saint-Paul, which also have needs.

Frankly, I think it's wrong to believe that you can organize large festivals—which require a lot of logistics—in a year. The fact that aid is perennial and indexed to situations would help to solve the problem. We won't always be in a health crisis situation. We won't have solved this issue by 2022, and there may be other similar crises.

What do you think about indexed support and the possibility of taking into account the situation from one year to the next in the management of these programs?

• (1300)

**Mr. Martin Roy:** I totally agree. Organizers of most festivals and events tell me that one of the main challenges they face is unpredictability. You need to be able to budget for events in 2021, 2022 and beyond. At the moment, if you're yo-yoing around with budgets in different programs, it's certainly not beneficial.

I imagine that Mr. Mitchell agrees with me. His festival is a FAME member, and we had the opportunity to talk about it. We met a few years ago in Edmonton.

I assure you that predictability is a must in our industry. We need to settle this once and for all and have three-year agreements. There's a lot that can be done administratively.

**Mrs. Caroline Desbiens:** Thank you, Mr. Roy. That was very clear.

**The Chair:** Thank you, Mrs. Desbiens.

[*English*]

Ms. McPherson, you have two and a half minutes, please.

**Ms. Heather McPherson:** Thank you very much, Mr. Chair.

I have another couple of questions for Mr. Mitchell.

What we see when we look at the Fringe Festival and other festivals is twofold. One side is that we need to figure out a way to get the support to the artists and make sure that artists are supported. One thing we're interested in looking at, therefore, is a guaranteed basic income.

Very quickly, please, do you feel that this would be helpful for the sector as we go into the 2021 season, and then again until we get to the 2022 season?

**Mr. Adam Mitchell:** Yes, absolutely, it would give us the best chance of retaining incredible talent while we wait to restart.

**Ms. Heather McPherson:** Thank you.

Following up on that, the second piece is the support that we want to be able to get to venues.

Of course, the Fringe Festival is a multitude of venues, but just within the theatre community, particularly in Edmonton Strathcona, has the rent subsidy program worked? How could it be made better? Are there concerns that it will end and that people will be left high and dry?

**Mr. Adam Mitchell:** The nature of most of the actual bricks-and-mortar institutions in the arts in Canada is such that very few of us are renting in the traditional form. Some are, there is no doubt, but most of us are on city property, with a multi-year lease or those sorts of things, whereby we were not actually eligible for the rent subsidy.

**Ms. Heather McPherson:** I guess this is a question I have for both you and Ms. Henderson.

I've been speaking to the municipalities, and they're of course in dire straits as well. Their revenue streams are much smaller. Much of the funding that comes through the municipalities through grant programs—particularly, I know, in the city of Edmonton—isn't going to be available. There is some discussion that they will be shut down, both for sport and for arts.

What do you anticipate the impact of this will be on you, Mr. Mitchell? Then I'll ask Ms. Henderson.

**Mr. Adam Mitchell:** We don't know what the future of grant funding for ourselves is at the municipal level. I can tell you that it is more than twice as much as I received from any other funder locally, so if we lose that funding, it will be a devastating loss.

**Ms. Heather McPherson:** Ms. Henderson, go ahead.

**Ms. Katherine Henderson:** I'd like to add to that. It would be a devastating loss, but I'd also like to add that not all of our clubs... While the vast majority of our clubs are local not-for-profits, not all of them are municipal facilities. They are local member clubs, but it would be devastating.

**The Chair:** Thank you.

Unfortunately, I have to end it on that note, but, again, it's illustrative of what's happening across this country. I want to thank all our witnesses for coming in and providing some great information from varied backgrounds. I want to thank Ms. Henderson, Mr. Mitchell and Monsieur Roy for being very generous with their time today and helping us in our report.

That concludes today, folks. We will reconvene on Friday at 1 p.m. to 3 p.m. eastern time.

Thank you so much, everyone.

The meeting is adjourned.









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