

Written Submission for the Pre-Budget Consultations in Advance of the 2019 Budget

By: the Canadian Association of Fairs and Exhibitions

RECOMMENDATIONS

1. That the government recognize Canadian fairs and exhibitions as cultural and heritage events and amend the language of Canadian Heritage Grants for festivals to include fairs and exhibitions.
2. That the government allot \$10 million over four years from the Canadian Agricultural Partnership to support agricultural education, bio-security and safety, animal welfare, and community engagement projects at fairs and exhibitions across Canada.
3. That the government provide funding in the amount of \$1 million for a national survey of the economic and socio-economic impact of fairs and exhibitions across Canada.
4. That the government establishes a funding program in the amount of \$20 million per year specifically dedicated to the growth of fairs, festivals and events with a capacity to generate touristic and economic activity.
5. That the government provides exclusion for fairs, exhibitions and events in regards to sponsorships as it relates to Bill S-228.

BACKGROUND

Since 1924, the Canadian Association of Fairs and Exhibitions (CAFE) has represented almost 800 fairs and exhibitions across Canada. These events vary in size from rural one-day fairs to 14-day urban exhibitions. In total, our events see *35 million visitors each year*.

We are a national charitable organization dedicated to supporting fairs and exhibitions by developing programs, resources and services, building partnerships with key stakeholders, encouraging collaboration and innovation and collectively raising the awareness and profile of the industry.

The majority of our events have been around for decades and therefore hold deep cultural roots and traditions within their communities. Generations of families have been involved as volunteers, participants or visitors.

- 89% of fair visitors agree fairs are a major social gathering for the community¹
- 94% of visitors agree events like these are important to Canadian traditions²
- 88% of visitors agree these events enhance the quality of life for people living in the region³

Often, it is the one event of the year that not only brings together the entire community but is a driving force for economic stimulation, averaging an economic impact of \$17.2 million on the local economy per fair overall. Small fairs alone average \$750,000 in local economic impact; which in a small town represents a huge boon for business.⁴

The strength of our events comes from their creative, rich backgrounds, which are complemented with modern innovations, education and entertainment. Our events have been at the forefront of technological innovation and educational exchange for decades, having in the past been the one of the places where this information could be sought. Many people saw their first television, or a record player, at a local fair. Today, while individuals can find information elsewhere, it has not prevented our events from offering top-notch educational opportunities, particularly in relation to technology, agriculture and healthy living. More than 50 per cent of individuals say the educational component of our events enhances their visits and the top educational reasons for visiting fairs include: healthy eating, food safety, cooking and food preparation and agriculture and farming.⁵

Finally, we are one of the few events that offer real, authentic experiences that still see children and families get outside and do something, whether it's enjoying rides in the midway, visiting animals or playing games, to name a few examples.

¹ CAFE Economic Impact Study, 2008

² Ibid

³ Ibid

⁴ Ibid

⁵ Ibid

RECOMMENDATIONS

- 1. That the government recognize Canadian fairs and exhibitions as cultural and heritage events and amend the language of Canadian Heritage Grants for festivals to include fairs and exhibitions.**

While we understand the need for clear structure and limitations in the grants and funding opportunities offered by the Department of Canadian Heritage, too often funding that fairs and exhibitions seemingly could apply for is restricted to them. For example, festival funding: while some fairs are successful in receiving funds, often the fairs are beholden to the perception of not having enough local activities, or not representing enough arts activities at their event, when as explained above, sometimes these are the only places where local arts are showcased and fairs are some of the oldest heritage events in Canada.

As well, heritage capital funding is not accessible to many organizations because they rent rather than own the grounds. These organizations have decades-long leases with the grounds owners and are responsible for the upkeep and maintenance of the buildings, however are ineligible for funding.

Our events bring together a variety of Canadian talent, experiences, and innovations, thereby supporting Canadian artists and innovations and increasing our competitiveness. Some examples include the “Rising Star Talent Competition” at the Canadian National Exhibition, the countless handicraft competitions at smaller fairs, food festivals, artisan showcases, and much more. However, we have not received recognition as cultural heritage bodies. Too often fairs are categorized as farm fairs that solely host animal competitions and perhaps a midway. The majority of our events have diversified and expanded to reflect the life and times around them, and being supported as heritage institutions is necessary for the survival of these events. Therefore, we would urge the government to consider fairs and exhibitions as vital heritage institutions and amend the language of Canadian Heritage Grants (Building Communities through Arts and Heritage, the Canadian Arts Presentation Fund, Canada Cultural Investment Fund) to include fairs and exhibitions.

- 2. That the government allot \$10 million over four years from the Canadian Agricultural Partnership (CAP) to support agricultural education, bio-security and safety, animal welfare, and community engagement projects at fairs and exhibitions across Canada.**

Canadian fairs and exhibitions have access to 35 million visitors each year, while also being rooted in a history of agriculture. Several still host animal competitions and crop displays at their events and it is one of the few places where urban and rural life collide in a significant way (For example: Calgary Stampede, Canadian National Exhibition). Therefore, this is an excellent opportunity for the federal government to access the public in relation to agricultural competitiveness. The CAP is focused on expanding markets, sustainable and innovative growth and supporting a dynamic sector however no funding has been allotted to fairs and exhibitions, who unquestionably support each of those goals.

The \$10 million would be disseminated by CAFE to those who submit project proposals that provide educational opportunities about new advances in agriculture in line with the CAP

mission and other key industry issues (animal care, nutrition, animal lifestyle, GMOs, etc). This would expand the reach of the agri-marketing potential from major cities to small rural towns, by far the most effective way to promote agri-competitiveness and promote Canadian products. There is also an opportunity to effectively educate the public on key ministerial initiatives such as cannabis regulations and traceability regulatory changes in order to increase the success and therefore the competitiveness of these programs.

3. That the government provide funding in the amount of \$1 million for an in-depth national survey of the economic and socio-economic impact of fairs and exhibitions across Canada.

In order to understand the value of the fair industry, which relates to heritage, tourism and agriculture, and know our strengths and weaknesses to increase competitiveness, an economic and socio-economic impact study is desperately required. The last study was completed more than ten years ago and while it offers valuable data, it is out-dated and we have no comparison as to whether our fairs and exhibitions are growing, succeeding and remaining competitive sources of economic contribution.

In 2008, it was reported our events contribute \$1.0 billion annually to the economy and fair related spending across Canada supports 10,700 full-year jobs spanning many sectors. Furthermore, our events generate \$211 million annually in federal, provincial and municipal taxes. There is no denying that the Canadian fair industry has a significant impact on Canadian competitiveness, particularly as it relates to tourism; 59.6 per cent of non-locals who visit our events say they are “very likely” to return to the region for a vacation based on their experience at the fair. As well, our fairs draw, on average, 29.3 per cent from outside the local region.

However, as mentioned, these numbers are from 2008. In order to measure our current impact and define opportunities for growth, we require another national survey.

4. That the government establishes a funding program in the amount of \$20 million per year specifically dedicated to the growth of fairs, festivals and events with a capacity to generate touristic and economic activity.

Fairs, festivals and events contribute to the national economy directly and indirectly, through sales generated at the event as well as through related activities: hotel rentals, restaurants purchases, souvenirs, etc. Fairs and exhibitions alone generate \$97 million in federal taxes annually, while the overall economy benefits with the above mentioned \$1 billion each year.⁶

However there are little to no federal programs in place to support these events. If the federal government supported our events, facilitating a growth in touristic and economic activity, the economic spinoff would increase and lead to even more taxes and local impact annually. It would allow us to target new markets nationally and internationally and draw new visitors in to our events.

Furthermore, a portion of this funding should be developed as an incentive program for hiring Canadian service providers (entertainers, concessioners, vendors) at these events, thereby

⁶ CAFE Economic Impact Study, 2008

stimulating both the Canadian economy, supporting Canadian businesses and helping them grow while also supporting the events.

5. That the government provides exclusion for fairs, exhibitions and events in regards to sponsorships as it relates to Bill S-228 (An Act to amend the Food and Drugs Act (prohibiting food and beverage marketing directed at children))

Many local fairs and events rely heavily on the support from local businesses, sponsors, and corporations to sustain their community-building activities. Bill S-228 may impact upon their industries and their support of our events. Hundreds of small communities, many rural and remote fairs work very hard to continue their operations, despite revenue declines and ongoing logistical challenges. Without the support of the private sector partners who also support other events, like sports events that will be exempted under Bill S-228 or its associated regulations, these local communities will likely not be able to hold their fairs and exhibitions. Often fairs and exhibitions are one of the few community events that boost their local economy each year.

We as an organization believe our events be exempt from Bill S-228 because currently we have an extremely positive impact on tourism, the economy, and Canadian culture. The number one educational reason people come to the fair is to learn about healthy eating, and education is a significant component of our events.

CONCLUSION

Our industry needs further support because thriving fairs and exhibitions depend on adapting to the changing landscape before them in order to remain competitive. As we are a service-based, charitable, we are limited in the core funding we receive, and so – like organizations across the creative and culture industry – further support through the above recommendations would allow us to ensure a secure, stable organization that can meet the needs of our industry, with the potential to grow and develop. This will also allow each individual event to grow and expand in a competitive marketplace, of which the spinoff will be to the benefit of all of Canada.

The Canadian Association of Fairs and Associations is willing to speak before the Finance Committee.