

**Written Submission
for the Pre-Budget Consultations
in Advance of the 2020 Budget**

**By: The Canadian Association of Stand-up Comedians,
(CASC)**

LIST OF RECOMMENDATIONS

Recommendation 1: That the government fulfill and make permanent its current commitment of a \$16 million increase in budget over two years to The Canada Arts Presentation Fund (CAPF), to promote the talents of Canadian artists across the country.

Recommendation 2: That the government sustain current levels of federal tax credit incentives and funding for CBC/Radio-Canada, as well as Canada Media Fund (CMF) contributions, including the stabilization allocation, to strengthen the creation of original Canadian audio-visual content.

Recommendation 3: That the government maintain and continue investments made in Budget 2016 and 2018 for Canada's Creative Export Strategy, ensuring that Canadian comedians can access funding for export activities through an appropriate funding channel.

BACKGROUND

The Canadian Association of Stand-up Comedians (CASC) is an association for aspiring and established professional Canadian comedians, including stand-up, sketch, and improv artists.

Since July 2017, CASC's mission has been to build a thriving, dynamic comedy industry in Canada, by: engaging Canadian comedians through advocacy, career opportunity, and support for programming; plus, professional development, improved labour mobility across international borders, and industry education.

Canadian comedy artists are world leaders in entertaining and innovating through humour. CASC champions the fact that Comedians bring unique voices and perspectives to challenging issues that are relevant to other Canadians and citizens around the world.

In April 2019, CASC helped facilitate the forming of **The Foundation for Canadian Comedy (CANCOM)**, a foundation established to help create a funding infrastructure to strengthen the profitability and competitiveness of the Canadian comedy industry domestically and abroad.

Together CASC and CANCOM, both federally registered not-for-profit incorporations, will drive policy action and financial resources to help ensure that the above recommendations stimulate success for all stakeholders in the creation, production, publishing, presenting, broadcasting, promotion, and distribution of Canadian content.

COMMIT BUDGET INCREASE TO CAPF TO PROMOTE THE TALENT OF CANADIAN ARTISTS.

The current commitment of a \$16 million increase in budget over two years to The Canada Arts Presentation Fund (CAPF) demonstrates the government's belief in the importance of promoting the talents of Canadian artists in more communities across the country.

This belief is grounded in the cultural and economic benefits that come from enabling Canadians to see, hear and celebrate Canadian artists, and access artistic experiences that reflect Canada's unique diversity.

This kind of strategic and focussed support strengthens arts presentation in Canada by increasing presenters' access to a variety of artistic choices, and providing artists with access to robust Canadian arts presentation circuits.

One such arts presenter is the Montreal Just for Laughs Festival, produced by Just for Laughs/Group Juste pour rire, (JFL). The JFL 2018 Montreal event attracted close to 450,000 individual attendees, and contributed \$33.8 million in added value GDP⁽¹⁾.

In 2018, JFL featured over 1,000 comedians and performers from 20+ countries, and over 500 jobs were created or maintained in full-time equivalent. While tens of thousands of attendees came from outside of Canada, just under 90% of the total attendance were Canadians. The Festival proclaims to be a gateway to the best of Canadian comedy talent, supporting and strengthening it. CASC asserts that the Festival is an integral part of Canada's comedy legacy and vital to its future.

The highly sought after taped for TV Galas are one of the cornerstones of promotion at the Festival for comedians domestically and on the international market. Of the comedians listed online by JFL for the 2018 TV Galas, 26% were Canadians⁽²⁾. CASC believes it is imperative that a higher percentage of Canadian artists benefit from such promotion, made possible, in part, by funding through CAPF to JFL.

Therefore, fulfilling and making permanent the government's current commitment of a \$16 million increase in budget over two years to CAPF will help ensure an increase in the promotion of the talents of Canadian artists.

SUSTAIN FEDERAL TAX INCENTIVES, CBC FUNDING, AND CMF CONTRIBUTIONS TO STRENGTHEN ORIGINAL CANADIAN CONTENT.

The measures taken by the Federal Government through legislation, regulation, incentives and funding programs emphasize a priority for Canadian creativity and talent, and help Canadian creators share their stories with audiences coast to coast to coast and around the world.

The CMF reported that Canada's screen-based industry in 2018 provided 171,000 jobs for Canadians and contributed \$8.38 billion to the GDP⁽³⁾. Over its eight seasons, the total production economic impact of a single original Canadian comedy CBC television series, "Mr. D", generated \$126.5 million in economic activity, created \$93.9 million in GDP, generated \$10.5 million in federal tax revenues, and created 1,400+ jobs⁽⁴⁾.

Sustained funding will also enable the CMF to build upon its Early Stage Development Program to further strengthen our Canadian industry renowned for its talent, humour, and creativity. Companies owned by Canadian artists are given resources to develop their creative stories to eventually be explored in partnership with broadcasters, broadcast distributors and independent producers.

Individual Canadian artists, like comedians, can then extend the economic impact of the produced content in which they appear when they tour with live performances, as well as release albums and podcasts. CASC believes a strategy that capitalizes on the merits of Canadian creators at all levels in the modern screen sector value chain is crucial to Canada's success.

This is especially so because the evolution of the digital economy on the Canadian system has altered how content is funded, created, promoted, distributed and consumed in Canada and globally.

According to The Canadian Media Producers Association (CMPA), federal tax credits and CMF contributions combined to account for 18% of financing of English-language Canadian television production in 2017/18⁽⁵⁾. At the same time, foreign sources made up a 20% share of total financing. Therefore, there's a trend towards unregulated market contributors delivering more investment into Canadian production than the regulated sector. From 2013 to 2018, there was a 150% increase in foreign investment sources for Canadian production⁽⁶⁾.

Online and mobile platforms, as well as all rights licencing agreements with such service providers, prevent Canadian producers from maximizing their return on investment, affecting content production, budgets, distribution and consumption. Most (75%) of the approximate 25 online TV platforms available to Canadian consumers are foreign⁽⁷⁾.

While the Federal Government's objective is to capture a greater share of global markets by embracing culture and creativity as key drivers for economic growth, the increase of financing shares by foreign investment may interfere with our domestic ability to protect, promote, and support Canadian culture. Canadian sources must remain the stable majority stakeholders in financing the creation of original content in Canada, featuring the writing, direction and performances of Canadian creators.

Therefore, CASC recommends that the Government should maintain its CBC funding and its contribution to the CMF of \$134.1 million annually, as well as the remaining \$172 million stabilization allocation in order to mitigate the decline in contributions received from broadcasting distribution undertakings (BDUs). This will enable Canadian broadcasters to remain competitive in an evolving market while they adopt new online strategies and offer on-demand services to compliment linear offerings. This will also serve as a bridge between past models to contemporary models while the Government and regulatory bodies adapt policy and regulation to accommodate shifts in the market.

MAINTAIN AND CONTINUE INVESTMENTS TO, AND ENSURE CANADIAN COMEDIANS CAN ACCESS, CANADA'S CREATIVE EXPORT STRATEGY FUNDING.

Canada's cultural sector is renowned for its talent, creativity, innovation, and export. Canada's Creative Export Strategy is designed to promote content creation for international markets, increase the volume of content exports, create a leverage effect to finance additional content, and increase the reach and revenue earned by Canadian productions.

It's vital that Canadian artists and the content they create, whether it is live or produced, are not only discoverable to Canadians, but are also exportable on the international market. Of equal concern is that of artist labour mobility across borders, and CASC continues to work with Canadian Heritage and Global Affairs to reduce worker mobility issues that pose barriers to fully realize the Creative Export Strategy.

Specifically, original Canadian comedy content has a unique impact on stimulating the economy and creating jobs, and is also a proven leader in reaching international audiences. The live stand-up comedy touring sector generates USD\$300 million annually⁽⁸⁾. Gerry Dee, star of CBC's "Mr. D" tours live venues, as have the stars of "Letterkenny" in both the U.S. and Canada.

- Bell Media's CraveTV has stated that "Letterkenny's" debut was the biggest debut of ANY series on the platform since it launched in 2014. "Letterkenny" is distributed by Hulu in the U.S.
- Martin Matte's, "Les beaux malaises", is being remade in France, Italy, the U.K. and likely English Canada, and he became the first Quebec comedian to get a Netflix special.
- "Corner Gas" is a global franchise with markets in 60+ countries, now on Amazon Prime Video and CraveTV.
- "Baroness Von Sketch Show" and "The Kids in the Hall" were two of the "Top 10 Best Sketch-Comedy Shows to Stream", according to Vanity Fair, 2019

If Canadian comedy artists are left out of the mix of export funding and on trade delegations, we give up a big portion of revenue potential and cultural expression in the value chain.

Funding from the Creative Export Strategy, administered through Canadian Heritage's International Branch, should further showcase content from Canadian comedy artists. The Federal Government should ensure that comedians can access funding for export activities through an appropriate funding channel.

In addition, we commend the government for coordinating trade missions abroad to China, Latin America, and elsewhere with delegates from Canada's performing arts, museums, music, book publishing, film and television, gaming and design sectors. These trade missions are critical in supporting cultural exports and striking new international business partnerships. Canadian comedians would be a substantial addition to the delegation in future trade missions. CASC will promote these missions and ensure there is industry awareness.

CONCLUSION

In order to make Canadian content from talented and diverse artists more discoverable at home and around the world, it is imperative that:

- There is a large talent pool of experienced and well-promoted Canadian artists.
- The cultural identity, values and sensibilities of Canadian artists are crafted into exceptional audio-visual content that engages audiences at home and abroad.
- Produced and live content written and performed by Canadians stimulates the economy domestically and is profitable on the global export market.

Funding received by arts presenters from Canadian Heritage through the Canada Arts Presentation Fund will bolster a large talent pool when it's used to prioritize the promotion of Canadian artists in high profile opportunities.

The strength of Canadian audio-visual content in being profitable and engaging audiences requires a sustained balance of government incentives through funding for CBC/Radio-Canada, the CMF, and tax credits for BDUs.

Finally, channelling the cultural perspectives and creativity of Canadian comedy artists to international audiences via programs such as those administered through Canada's Export Strategy will help ensure Canada is competitive on the global market.

Promoting and investing in Canadian creators will make Canada a leader in responding to the current and future opportunities in the digital market. This requires enabling Canadian artists to maximize success domestically when creating and producing exceptional content that can be distributed globally.

Through the investment recommendations we have made, CASC and CANCOM ask you to collaborate with private and public stakeholders in building upon Canada's strong cultural sector and Canada's brand as a comedy nation.

END NOTES

- (1) Festival Attendance Survey by Elevent, and Economic Impact Study by KPMG; details by request.
- (2) <https://www.justforlaughs.com/about/press/just-laughs-reveals-lineups-their-galas>
- (3) https://www.cmf-fmc.ca/en-ca/global-assets/news/2019/legislative-review-01112019_en.aspx
- (4) https://cmpa.ca/wp-content/uploads/2018/11/CMPA_Economic-Impacts-of-Mr.D_Case-Study-Report1.pdf
- (5) <https://cmpa.ca/wp-content/uploads/2019/03/Profile-2018.pdf>
- (6) <http://www.michaelgeist.ca/2019/03/a-netflix-crisis-foreign-funding-now-by-far-the-largest-source-of-financing-for-canadian-fictional-english-language-tv-production/>
- (7) <https://trends.cmf-fmc.ca/out-to-conquer-canadian-tv-viewers-online-television-vs-conventional-television/>
- (8) <https://variety.com/2015/biz/features/the-standup-comedy-boom-thrives-in-houses-large-and-small-1201539189/>