



Submission to the Standing Committee on Finance

2020 Pre-budget consultation

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**PACT Recommendations:**

1. Ensure that the five-year \$180-million investment for the Canada Council for the Arts announced in Budget 2016 is fully realized and fulfilled in Canada's long-term fiscal plan by 2021.
2. Make the two-year, \$16-million investment to the Canadian Arts Presentation Fund (CAPF) announced in Budget 2019 a permanent addition, bringing the total investment from the government for CAPF to \$42-million annually.
3. Increase support for current and new professional arts training organizations, including those in the Indigenous arts training field, with an additional \$10-million annual investment into the Canadian Arts Training Fund (CATF).
4. In order to further support philanthropic growth in the theatre sector, increase funding to the Endowment Incentives component of the Canada Cultural Investment Fund (CCIF) by \$6.5-million annually.
5. Increase funding and support to create, enhance and develop Indigenous Theatre across the country.

## **Introduction**

The Professional Association of Canadian Theatres (PACT) is pleased to have the opportunity to contribute to the Standing Committee on Finance's final pre-budget consultation of the 42<sup>nd</sup> Parliament. As we move towards Budget 2020, we look forward to exploring ways in which government investments can further enhance and grow the Canadian theatre sector with the next Parliament.

PACT is the collective voice of professional Canadian theatres, a leader in the performing arts community and a devoted advocate of the value of live performance. We represent 150 English-language professional theatre companies operating in communities across the country. Our members are diverse, ranging from the largest performing arts organization in Canada to smaller theatre companies that serve their audiences in a wide variety of communities from coast to coast to coast.

Theatre, as part of Canada's \$54-billion cultural sector, contributes to jobs and the prosperity of our economy in communities large and small across the country. PACT's budget recommendations focus on measures that will strengthen the foundation on which Canadian theatres do their work and expand their reach to engage more of our citizens.

In making our recommendations, it is important to acknowledge the value of the Government of Canada's budget investments in recent years that recognize the importance of the arts in driving our country's economy. In Budget 2019, both the ongoing investment in working towards doubling the funding base for the Canadian Council for the Arts, and the new \$16-million, two-year increase to the Canadian Arts Presentation Fund were transformative for the sector. PACT and its members thank you for your support.

PACT has not yet appeared before the Standing Committee on Finance during this session of Parliament and would welcome the opportunity to witness before the committee to discuss these recommendations.

## **Recommendation 1:**

**Ensure that the five-year \$180-million investment for the Canada Council for the Arts announced in Budget 2016 be fully realized and fulfilled in Canada's long-term fiscal plan by 2021.**

The significance and importance of the 2016 Budget commitment to the Canada Council for the Arts cannot be understated. Federal support through the Council is a critical and pivotal part of the revenue mix of most professional non-profit Canadian theatres. It leverages other investment – thus enhancing productivity - and provides the ability for companies to innovate and respond to the changing nature of our country.

Following extended periods of flat or declining investment, the Canada Council is also now in a position to expand its investment to companies that had previously been shut out due to

inadequate resources. This means that many of the emerging diverse theatre organizations not previously supported, or poorly supported, are now more able to fulfill their potential. At a time when Canada is becoming increasingly diverse, this is important to ensuring the full engagement of all Canadians in our towns and cities.

The impact of the 2016 commitment to the Canada Council is just now beginning to be felt in theatres around the country. To fully realize the potential of our sector, and the economic and cultural opportunities this investment will provide, the pledge to double the funding to the Canada Council will need to be completed by 2021. It will be vital for the next government to continue with the addition of \$70-million (\$35-million annually) in new money for the final two years of this commitment.

**Recommendation 2:**

**Make the two-year, \$16-million investment to the Canadian Arts Presentation Fund (CAPF), announced in Budget 2019 a permanent addition, bringing the total investment from the government for CAPF to \$42-million annually.**

When theatre companies have the ability to bring plays and related programming to other communities and parts of the world, they improve the productivity of the workforce invested in a play and contribute to economic growth in businesses throughout the communities visited. More specifically, the economic impact of investment in a theatre production extends to the broader community, not only through revenue generated by ticket purchases, but also through ancillary spending on items such as meals and hotels.

CAPF allows theatre productions to be shared with Canadians in locations across the country. Once artists and organizations are funded for the creation of works through the Canada Council, CAPF supports the further presentation of these productions through professional festivals and events. This provides wider market and sales opportunities for Canadian theatres and broader access to artistic creations for Canadians. Furthermore, domestic presentation in diverse Canadian markets provides the opportunity for ongoing enhancement and improvement of productions, which can lead to creating a truly viable cultural export.

Following on the \$16-million, two-year increased investment in Budget 2019 to CAPF, we call on the Finance committee to recommend to the government that this increase be made permanent, putting CAPF at a total of \$42-million annually. Investment to CAPF creates synergies with other federal investments and enables Canadian productions to be competitive both in the domestic market and on the world stage.

**Recommendation 3:**

**Increase support for current and new professional arts training organizations, including those in the Indigenous arts training field, with an additional \$10-million annual investment into the Canadian Arts Training Fund (CATF).**

Funded through Canadian Heritage, CATF is one of the only sources of federal public funding that national arts training institutions can access to deliver nationally significant professional arts training. This investment ensures that training is of the highest quality, ensures financial and administrative stability, and develops artists who are recognized for their excellence in Canada and internationally. The program is currently oversubscribed, barely supporting an average of 39 training schools and distributes approximately \$22.6 million in grants annually. Graduates from CATF-funded organizations are working in our professional Canadian theatres and abroad.

The last time CATF saw renewed investment was in 2009 through Canada's Economic Action Plan. With 10 years passing since this renewed investment, and with increased costs and demand for arts pedagogy, major Canadian training institutions are now falling behind their international peers in scale and innovation. Small training programs are unable to grow due to lack of access to the funds that are needed. We recommend an annual increase of \$10-million to CATF to account for these changes and investment into creative skills development.

**Recommendation 4:**

**In order to further support philanthropic growth in the theatre sector, increase funding to the Endowment Incentives component of the Canada Cultural Investment Fund (CCIF) by \$6.5-million annually.**

The Endowment Incentives component of CCIF continues to help expand existing performing arts endowments and aid in the establishment of new ones. Since 2001, the accumulative federal investment of \$250-million has leveraged \$327-million in donations from the private sector for a total of \$577-million secured in endowment funds of arts organizations.

This program has contributed to the development of arts endowments for 233 organizations, small and large. The act of creating an endowment often signifies a level of organizational maturity, financial diversification and stability. The component, where the government matches up to one dollar for each dollar in private donations, has incentivized a culture of philanthropic giving and increased donor literacy in Canada's arts sector. With the demand for creating these sustainable funds, matching dollars have dropped from dollar-to-dollar government investment, to 66 cents.

With the aim of supporting the overall pool of recipients, we ask the Finance committee members to recommend to the government to include a \$6.5-million annual increase to the Endowment Incentive's component of CCIF, bringing the total available to \$25.5-million.

**Recommendation 5:**

**Increase funding and supports to create, enhance and develop Indigenous Theatre across the country.**

The National Arts Centre's Artistic Director of Indigenous Theatre (and PACT member) Kevin Loring told our national convention that "the future of Canadian theatre is Indigenous". We are ready to live these stories and are waiting for the wave of artistry to ripple throughout Canada's theatre community. Our nation, our communities and our audiences need to hear and experience these stories.

These voices are a vital part of Canada's artistic milieu and need to be nurtured and supported in order to be heard. We need to create and hold space where these voices can take centre stage and one of the ways of doing that is by ensuring the existence, capacity and growth of Indigenous Theatre.

PACT, along with its member companies, stand in solidarity with our colleagues who are producing and participating in Indigenous theatre creation, both at the NAC and across the country. We want to work with Finance committee members and the government to find solutions that ensure Indigenous theatre programming is undertaken and is funded via support from the federal government. This is just a first step in telling the greater Indigenous stories across the country.

#### **Working in collaboration with others**

The Professional Association of Canadian Theatres is an active member of the Canadian Arts Coalition (CAC) and we support the additional recommendations outlined in their submission.