

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

Submitted by:

The Canadian Entertainment Industry Retirement Plan

August 7, 2020

Recommendation:

That the government institute a temporary COVID-related emergency financial program, like the Home Buyers and Lifelong Learning plans, which would allow an individual to “borrow” from their RRSP with no tax implications. Once the pandemic emergency has passed, individuals would be required to pay back the money over a set number of years.

Submission:

The Canadian Entertainment Industry Retirement Plan is the savings and retirement plan for members of most IATSE (International Alliance of Theatrical Stage Employees) Locals, the Directors Guild of Canada (DGC), the BC Council of Film Unions, Entertainment Partners Canada and the Actsafe Safety Association. Established in 2004, there are currently 25,639 participants across Canada making contributions to the group retirement plan.

It is expected that the entertainment industry will be one of the last industries to be fully recovered following the pandemic state of emergency. As such, our members, who have appreciated the financial support that the government has provided over the last several months, may not find employment until well into 2021. Compounding this is the fact that the CERB may finish at the end of October and many of our members may not be eligible for regular EI. Should this become the reality for thousand of our members, it could mean personal financial devastation.

In early April, the Directors Guild of Canada, the IATSE, and the Canadian Entertainment Industry Retirement Plan proposed to Finance Minister Bill Morneau a temporary COVID-related emergency financial program. Similar to the Home Buyers and Lifelong Learning plans, the program would allow our members, as well as Canadians across the country, to make a limited, non-taxable withdrawal from their RRSPs. Once the pandemic emergency has subsided, those who made withdrawals would be required to repay the funds over a defined period of time.

Seeing as the federal deficit has increased substantially since the start of the pandemic, and recognizing that the government's resources are also stretched very thin, this proposal provides a way to allow Canadians access to much-needed funds at no or little cost to the government. Also, the plan could piggyback onto the same platforms that currently support the HBP and the LLP, which would also save the government time and resources.

CEIRP and its members are grateful to the Government of Canada for being exceptionally supportive of Canadians throughout this pandemic. However even with this support, our members and Canadians across the country are facing severely depleted personal finances. Their last resort is to access retirement savings, but withholding tax would significantly reduce their withdrawal amount, and they would have no way of regaining the contribution room, which would diminish their savings when they enter into retirement. Being able to use these funds during this critical time without these additional penalties would greatly benefit families across the country.

Thank you for your consideration.