



The voice of live
music in Canada
La voix du spectacle
musical au Canada

Arriving ALive:

Recommendations to Protect the Future of Canada's Live Music Economy, Infrastructure and Cultural Impact

BRIEF SUBMITTED FROM THE CANADIAN LIVE MUSIC ASSOCIATION (CLMA) AS PART OF THE PRE-BUDGET
CONSULTATIONS IN ADVANCE OF BUDGET 2021

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Recommendations:

1. That the government prevent the imminent loss of cultural infrastructure and talent through the creation of a multi-year Canadian Live Music Fund
2. That the government continue programs such as CEWS and others to ensure those in the live event/mass gathering industries can continue to function as long as mass gatherings are prohibited/limited
3. That the government establish an Economic Strategy Table on Creative Industries to ensure sector growth and maintain global competitiveness.
4. That the government make permanent the investments announced in 2019 in the two main programs benefiting more than 1,300 festivals and events, namely the Canada Arts Presentation Fund (+\$8 million/year) and the Building Communities Through Arts and Heritage program (+\$7 million/year).

INTRODUCTION

About the Canadian Live Music Association (CLMA)

The Canadian Live Music Association represents the stages upon which our artists stand, both indoors and out, and the supply chain that surrounds them – we are behind the people *behind* live music. From small venues to Canada's large-scale concerts, arenas and festivals, to performing arts centres, talent agents, artist managers, suppliers and others. Until recently, this vibrant industry contributed upwards of \$3b to Canada's GDP and supported 72,000 jobs – the lifeblood for many of our artists... for whom touring and live performance was their primary source of revenue.

Thank You

In addition to making recommendations to the committee in this brief, are writing to say thank you to the Government of Canada. We fully recognize the challenges you have, and continue to meet, head-on and we appreciate the effort you are making daily, for all of us.

The Long Road Ahead

As the weeks have turned to months during this time of crisis, it is now fully understood that live music will be among the last to recover, and that "when" that will be remains unknown. And that even when true recovery can begin, low consumer confidence will very likely impede a truly vigorous and comprehensive reboot. While we are all excited to watch parts of our economy open up safely, we remain deeply concerned about our sector's long-term recovery. Without additional support many in our industry will lose their livelihood. Artists will have substantially fewer places to play, and supply chains that help to underpin the ecology of the industry will be radically diminished. The acute erosion of the live music industry negatively impacts the quality of life of every Canadian.

We need your help.

We have used the term “the unimaginable is in motion” to describe the collapse of the industry for artists and the economy. If other relief programs end while our industry is still unable to fully reopen, if no additional sector-specific support for our industry can be found in addition to the Emergency Support Fund for Cultural, Heritage and Sport Organizations then (according to our most recent information) we could the live music industry – where most artists earn the majority of their revenue – deteriorate by an incomprehensible 96%.

Put another way, only 4% of the Canadian live music industry may be able to survive. This is an industry that saw its revenue stop, outright, in early March. **Extinction** of a huge part of our sector is an extremely real possibility, and is in fact beginning to happen, as companies close their doors forever.

Consumer Confidence

Additionally, the live music sector will be under siege for much longer than most stakeholders and policymakers could have expected at the outset of this crisis. A [study by Abacus Data](#) confirms that more than half of all **Canadians plan to refrain from attending** music venues (festivals, pubs, large and small venues, etc.) for 6 months or more *after* physical distancing restrictions are lifted. According to Canada’s chief public health officer, Dr. Theresa Tam, physical distancing could be in place for 2-3 years, [even with a vaccine in place](#) – creating an even more challenging timeline for a sector built on gathering people together for a shared and common experience.

Long-term Artist and Venue Impact(s)

Canada’s live music industry exists to provide a platform for our incredible artists and musicians. Data on the specific impact on artists was collected through an [Artist Impact Study](#). In just the first weeks of the pandemic closures, it found that **80% of artists need financial assistance** and almost half of the respondents reported that they have **lost more than 75% of their income**. Many artists typically employ on average approximately 4 people. Similar results were found by a study by Women in Music Canada, where 90% of its respondents indicated that the pandemic has had a [severe or moderate impact](#) on their career and livelihood. As well, the Toronto Musicians Association expects lost wages for musicians and makers in the GTA alone to represent about \$15-20M if restrictions continue through the calendar year.

In spite of these serious impacts, many stakeholders report that they (or their members or individuals or businesses they represent) do not qualify for federal relief announced to date - or equally concerning, they will be unable to continue to operate once federal relief or grants expire.

Looking ahead to reopening and rebuilding phases, **the most significant impact identified by the live music sector is the financial viability of the gradual reopening of venues**. While a measured lifting of restrictions is necessary to keep Canadians safe, many venues cannot “break even” at a reduced capacity or they have physical layouts that cannot accommodate physical distancing without significant capital expenditures. In many jurisdictions, physical distancing measures have capped capacities at very low numbers (such as 50 people, regardless of venue size), impacting the type of performance that can be delivered. As well, venues who can open but who cannot serve food or beverages, or sell

merchandise etc. may also not be able to “break even” as these are typically important revenue streams.

It is with these monumental challenges ahead of us that we ask the committee to consider the following recommendations – on behalf of our artists, industry and all Canadians.

Recommendations

1. That the government prevent the imminent loss of cultural infrastructure, talent and companies through the creation of a multi-year \$50m Canadian Live Music Fund.

We thank the Government for the allocation to the live music industry through the Emergency Support Fund for Cultural, Heritage and Sport Organizations. This short-term stop-gap has helped buy companies and organizations much needed time to plan, pivot and restructure, etc. However, many international examples of more developed approaches are emerging in response to the importance of the economic impact and job creation potential of the live music industry. Canada must stay competitive or we risk our reputation as home to some of the greatest artists in the world, as well as being known as a world-class destination for premier concert experiences, be they in small clubs, in concert halls or our hundreds of summer festivals.

We urge the Government to develop, in partnership with the CLMA, a “**Canadian Live Music Support Fund**” to stimulate and support event activity and safeguard the future viability and success of Canada’s live music sector. Such a fund will drive economic impact [similar to Australia](#) and many [other countries across Europe](#), where governments are working with industry to build investment and policy frameworks for the future.

A support fund could:

- Get people, and artists, back to work and keep them there
- Provide financial assistance for pandemic retrofitting capital investments in live performance venues: help venues manage the cost of implementing public health measures such as installing new HVAC systems, plexiglass barriers, cleaning supplies and hiring personnel related to [emerging protocols](#), etc.
- Help companies and organizations to stabilize and bridge to a time when they can be a meaningful part of the rebuild and recovery phase, even if remaining closed (or canceling events) is the most appropriate course of action until reopening is feasible
- Support innovative marketing partnerships to build consumer confidence and welcome Canadians back to live music
- Support the improvement of physical conditions for arts, heritage, culture and creative innovation for both **for and non-profit** companies/organizations
- Support the future of tourism broadly, and cultural tourism specifically, across Canada
- Support the production and technical community who have to date been left out of sector-specific allocations, but who are critical to the live music ecosystem

The CLMA has most recently asked Minister Guilbeault in letter dated June 18th, to work towards this recommendation, citing a variety of surveys and industry feedback that demonstrate growing and

urgent need. The CLMA can provide greater detail with regard to optional program design upon request.

2. That the government continue programs such as CEWS and others to ensure those in the live event/mass gathering industries can continue to function as long as such gatherings are prohibited/limited.

We support in full any brief submissions from the Canadian Association for the Performing Arts (CAPACOA), Music Canada and others who have identified “*continued financial support for those who are prevented from working due to restrictions*”.

3. That the government establish an Economic Strategy Table on Creative Industries to ensure sector growth and maintain global competitiveness.

The creative industries as a whole are a Canadian and global success story. In 2017, the creative industries in Canada accounted for \$53.1 billion in GDP — almost three per cent of overall GDP. More than 666,500 Canadians are directly employed in the creative industries, with countless spinoff jobs that contribute to the economy. The creative industries — which includes the music, book, magazine, screen-based media, interactive media, broadcasting, performing arts and digital sectors in addition to associated subsectors — is a key economic industry undergoing significant change with numerous opportunities.

Canada’s creative industries are a key economic sector that drive job creation and economic growth. They not only support Canadian culture and identity at home and abroad, but also invest in creators and communities from coast to coast to coast. These are businesses that help grow exports, make Canada globally competitive and ensure our economy is diversified. Helping the sector overcome challenges, especially as a result of the COVID-19 pandemic, and capitalizing on opportunities abroad will support job creation and economic growth.

The government’s own Economic Strategy Tables on Digital Industries noted in its report that: “To fully capture the potential of Canadian creative firms, we recommend the creation of a dedicated creative industries forum as a next step.”

We urge the Government of Canada to implement this, and Recommendation 80 from the Standing Committee on Finance’s report *Canadian Ideas: Leveraging Our Strengths* from February 2020: “Urgently assemble an Economic Strategy Table on Creative Industries to unlock the full innovative potential of these sectors, produce world class content, and share its creative works both at home and abroad.”

This *whole of government lens* on the creative industries is needed, now more than ever, and will significantly contribute to Canada’s post-pandemic economic recovery.

4. That the government make permanent the investments announced in 2019 in the two main programs benefiting more than 1,300 festivals and events, namely the Canada Arts Presentation Fund (+\$8 million/year) and the Building Communities Through Arts and Heritage program (+\$7 million/year).

Here we echo our colleagues at Festivals and Major Events (FAME) and CAPACOA and ask the Government to make the two-year 2019_20 Canadian Heritage investments permanent. We refer you to the briefs mentioned for details which we support in full.

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We appreciate the opportunity to submit this brief on behalf of Canada's live music industry and would welcome questions and comments. We would be pleased to appear before the committee at any time.

Sincerely,

A handwritten signature in black ink, reading "Erin Benjamin". The signature is fluid and cursive, with a small dot above the 'i' in Benjamin.

Ms. Erin Benjamin
President & CEO
Canadian Live Music Association