



Professional
Association of
Canadian Theatres

Professional Association of Canadian Theatres (PACT) Submission to the Standing Committee on Finance

2021 Pre-budget Submission

CONTACT

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PACT Recommendations:

1. That the government continues to extend financial assistance for pandemic relief and to provide recovery support for the live performing arts sector such as the Canada Emergency Wage Subsidy, relief supports for independent cultural workers, and increased funding through the Canada Council for the Arts and the Department of Canadian Heritage.
2. That the government increase funding and support for Indigenous, Black, and artists of colour, to create, develop, present and enhance theatre, and begin to address historic imbalances and systemic inequities against these artists.
3. That the government increase funding and support towards prioritizing climate change and protecting the environment within the creation, production, presentation and touring of live theatre across Canada.



Introduction

The Professional Association of Canadian Theatres (PACT) is pleased to have the opportunity to once again contribute to the Standing Committee on Finance's pre-budget consultation. As we move towards Budget 2021, it is essential to maintain government investments in order to stabilize and rejuvenate the Canadian theatre sector, a sector hit hard from public gathering closures during the COVID-19 pandemic. PACT's budget recommendations focus on measures that address damage to this vital sector as a result of the global pandemic, as well the historic inequities that this pandemic has brought to light.

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 over 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 small, rural companies to culturally diverse artists 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. The unprecedented and extended closure of theatres across Canada affects not only the artists and companies that make the work, but also the millions of Canadians that experience the joy of that creation, as well as the eco-system of businesses and organizations that support the theatre sector such as food suppliers, transportation, tourism, and more.

The theatre sector was amongst the first to shut down and will be one of the last to return to full operations. While the majority of the economy is starting to reopen, many theatres had to cancel most or all of their 20/21 seasons. It is not financially viable for many theatres to present shows at reduced audience capacity in order to observe public health and social distancing guidelines. If they do so, they risk accumulating a high deficit from the cost of producing and presenting over reduced ticket sales.

Further, the delay in the ability for creative workers to come together safely to develop and rehearse theatrical works further postpones reopening. And finally, while some theatres have embraced new ways of working with digital, online mediums, our in-person interactions between artistic works, our artists and our audiences and communities cannot be replaced, nor does it adequately cover expenses and earned revenue. It is in our cultural venues that the magic and resonance of creative works takes place.



At this point, we wish to acknowledge the investments that the Government of Canada has made in the arts and cultural sector. These investments highlight the government's belief in the importance of the arts in driving our country's economy and in reflecting the values of our society. *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.*

Economic Impact

To further understand the current context of Canadian theatres, PACT reached out to its member companies over the last month with a survey. The survey was answered by 120 members and this incredible response outlined detailed concerns around four main areas:

1. The impact of COVID-19 on the theatre sector, looking specifically at:
 - 79% of respondents have cancelled between 1-5 productions
 - 93% of respondents have postponed between 1-5 productions
 - 84% of respondents have cancelled and postponed between 1-8 community and educational events
 - Current revenue loss for companies ranges from \$10,000 to \$4 million, however, many haven't been able to calculate and expect this numbers to change
2. Anticipated revenue losses, including:
 - Ticket Revenue (ranging between \$20,000 to \$7M but many companies cannot project losses yet)
 - 36% of respondent expect cuts from government funding (20% average cut mostly from the provincial funding)
 - Revenue loss from other sources (rental spaces, cafes/bars, drama camp/school programming, etc.)
3. Ability to access government emergency supports, which highlighted:
 - Information on the programs the theatre sector has accessed (CEWS – 83%; CEBA – 45%; Canada Council for the Arts emergency funds – 70%; among others)
 - Data on other sources of support (provincial 68%; municipal 30%)
 - Importance of the CERB program to support individual theatre artists and independent arts workers
4. How theatre is trying to adapt to COVID-19 re-opening protocols:
 - Using digital tools to reach their audiences (little to no revenue from these activities)



- High concern regarding how to handle health and safety procedures on routine theatre activities (rehearsals, auditions, wardrobe fittings, etc.)
- The most common measures that companies are considering for reopening are PPE (gloves, masks), disinfecting constantly, and limiting the number of people in venues.
- Too many unknowns. Without clear reopening guidelines for the sector, it is difficult for companies to estimate costs and how to prepare.
- Call for long-term support from the government and the extension of relief programs like CEWS and CERB

Recommendation 1:

1. That the government continues to extend financial assistance for pandemic relief and to provide recovery support for the live performing arts sector such as the Canada Emergency Wage Subsidy, relief supports for independent cultural workers, increased funding through the Canada Council for the Arts and the Department Canadian Heritage.

The live performing arts was one of the first sectors to shutdown in March. The current shutdown has resulted in massive underemployment, lay-offs and unemployment within our sector, both on the producer or management side, and especially so for independent skilled workers and artists. While many if not most theatres continue to support their communities and provide alternative means of programming, all theatres continue to experience devastating loss of ticket sales, subscriptions, sponsorships, food and beverage sales and other revenue.

Across Canada, regions, provinces and cities, are slowly and safely progressing through phases of re-starting their economies and regular operations. Unfortunately, following advice from public health and out of an abundance of caution, creation of live theatre remains at a stand-still. Due to its nature, live theatre involves gatherings of audiences and actors for the work to happen, this is particularly difficult to do during a pandemic. Theatres will also struggle to operate at a reduced capacity due to logistical and financial reasons. Actors and crew find it difficult to create, rehearse and perform a work while maintaining social distancing.

A return to live theatre within our venues – when it is safe to do so - will see a dramatic increase in expenses including venue infrastructure improvements (enhanced HVAC), PPE and sterilization supplies, contactless ticketing systems, an additional challenge may be audiences who are reluctant to return to venues. This will result in increased expenses without the offset of sufficient revenue. The following recommendations are proposed with the above challenges in mind;



- i) Increase funding allocations to the Canada Council for the Arts and the Department of Canadian Heritage and work with the provinces and territories to increase funding programs available at those levels, that are complementary to increased investments at the federal level.
- ii) Institute extended employment benefits (Like CERB) for individual arts professionals that remain without adequate employment opportunities.
- iii) Likewise, extend CEWS support for theatre companies until the end of 2021 at which time companies should have established some degree of normal operations.
- iv) Implement funding increases to the Department of Canadian Heritage, Health Canada, Infrastructure Canada and other programmes that will facilitate the necessary changes to health and safety infrastructure and protocols to mitigate against the spread of contamination.
- v) Work with all arts and culture stakeholders to design, implement and fund a national marketing campaign aimed at encouraging Canadians to return to the various arts and culture venues as patrons and audiences. This endeavour should be supported by direct tourism investments via the Regional Development Agencies.

Recommendation 2:

2. That the government increase funding and support for Indigenous, Black, and artists of colour, to create, develop, present and enhance theatre, and begin to address historic imbalances and systemic inequities against these artists.

There is no doubt that the pandemic has hit the live arts sector hard. Artists that have been historically underserved are perhaps hardest hit in this moment, and must be recognized during this crisis. These imbalances have been further highlighted by the recent social justice protests. While we are grateful for all efforts in emergency relief that have been implemented since March 2020, we know that IBPOC artists and organizations that have received lower or no operating or multi-year funding have had limited or no means of receiving this emergency support. Phase 2 funding Canada Council for the Arts has begun to address this and is greatly appreciated, however, more accessible funding that addresses historic imbalances that have prioritized and unequally benefited Predominately White Organizations (PWIs) needs to occur.

It is important to state that the IBPOC community of artists lacks presence and voice within the arts service organization networks, with the overwhelming majority of ASO's run by white leaders and predominately white boards of directors. This lack of diversity within these organizations must not further de-prioritize or quiet the vital importance and necessity of specific funding increases and new initiatives specific to IBPOC artists and organizations.



Increased and sustained funding will help to enrich and diversify Canada's live arts sector, brings more voices, perspectives and stories to the stage, and will provide greater relevancy and engagement with Canadian audiences.

Recommendation 3:

3. That the government increase funding and support towards prioritizing climate change and protecting the environment within the creation, production, presentation and touring of live theatre across Canada.

Although we are in the midst of a global pandemic, we cannot afford to de-prioritize our fight against climate change. At PACT's last conference in 2019 our organization's members, large and small, from across the country stated clearly that they wish to take action to ensure that they are creating and producing work in an environmentally sustainable manner.

We are currently working with partner companies including (Quebec Drama Federation, Julie's Bicycle, The Centre for Sustainable Practice in the Arts (CSPA)/The Arctic Cycle, Ecosceno and the Conseil québécois des événements écoresponsables) on a project to test the feasibility of adapting Julie's Bicycle's innovative Creative Green tools to the Canadian theatre ecology.

The development of this arts-specific environmental assessment model is the first building block in the infrastructure of a more environmentally sustainable sector. The model will allow the sector to create benchmarks against which companies can measure their progress over time.

However, this is only one project, a lot of work is being done by many other organizations to enable our sector to transition to greener creation practices. We are at a pivotal moment globally where our immediate actions will affect the sustainability of life on this planet and we cannot afford to refuse to take action now.

