



Submission to the Standing Committee on Finance
2019 Pre-budget consultation
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Sara Meurling
Executive Director
Professional Association of Canadian Theatres

sara@pact.ca

PACT Recommendations:

1. Ensure that the five-year \$180million investment for the Canada Council for the Arts announced in Budget 2016 be fully realized and fulfilled in Canada's long-term fiscal plan.
2. Increase the funding to the Canada Arts Presentation Fund for performing arts presenters and festivals by \$30 million in order to create synergies with other federal investments and to enable Canadian productions to be competitive both on the domestic market and on the world stage.

Introduction

The Professional Association of Canadian Theatres (PACT) is pleased to have the opportunity to contribute to the Standing Committee on Finance's pre-budget consultations. As it considers Budget 2019, and fiscal measures that could be undertaken by the Government of Canada, the Committee is seeking ideas and recommendations that would allow Canadians and Canadian businesses to be more productive.

- Canadian theatres are vital businesses operating across Canada, and most are registered charities, recognizing their special place in our communities.

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. It follows that PACT's recommendations focus on measures that will strengthen the foundation on which Canadian theatres do their work and expand its reach to engage more of our citizens, particularly those outside major metropolitan areas.

In making our recommendations, we are building upon the Government of Canada's 2016 and 2017 budget initiatives that recognize the importance of the arts in driving our country's economy. In particular, the unprecedented actions to pledge significant increased investment in the Canada Council for the Arts and cultural infrastructure will have a far-reaching and profound positive impact not only on Canadian artists and arts organizations, but on the growth of our cultural and national economy. We recognize the profound importance of this. Thank you.

As part of one of Canada's strategically important economic sectors, theatre is part of the broader arts sector that is poised to expand its reach to Canadians and beyond, ensuring that regardless of place, our citizens have access to professional artistic presentations. With our recommended measures, Canada's diverse professional theatre sector will continue to make an important contribution to quality jobs and prosperity in our communities and our country.

PACT's recommendations have been developed with the insight of our Advocacy Committee and the stated priorities of our member theatre companies.

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 (CCA) cannot be understated. Federal support through the CCA is a critical and pivotal part of the revenue mix of most Canadian theatres. It leverages other investment – thus enhancing productivity - and provides the ability of 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 increasingly diverse, this is important to ensuring the full engagement of all Canadians in our towns and cities.

- Canadian research finds that 94% of us agree that the arts are a valuable way of bringing people together from different languages and traditions.¹

Through the Canada Council investment and other elements of the Creative Canada policy framework, Canadian theatres are now poised to expand their activities beyond our borders. Some theatres were part of the China Cultural Trade Mission in April 2018, demonstrating the potential for theatre export.

- China is Nova Scotia Mermaid Theatre's second largest market, earning 23% of its revenue from China in 2016-17. They expect to see continued growth.

To be ready for export though, theatres need a solid financial base upon which to innovate and take artistic risk. The increased Canada Council investment allows this.

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 opportunities this investment will provide, the pledge to double the funding to the Canada Council will need to be realized by 2021 as outlined in Budget 2016. We urge the Finance Committee to ensure the commitment to the CCA is fulfilled in Canada's long-term fiscal plan.

Recommendation 2:

Increase the funding to the Canada Arts Presentation Fund for performing arts presenters and festivals by \$30 million in order to create synergies with other federal investments and to enable Canadian productions to be competitive both on the domestic market and on the world stage.

When theatre companies have the ability to bring plays and works to other communities and other parts of the world, they improve the productivity of the workforce invested in a play and contribute to economic growth in businesses throughout the community. More specifically, when more audience members purchase theatre tickets and attend plays and engage in the ancillary activities that come with that like meals and hotels, the impact of investment in a theatre production extends to the broader community and becomes greater, meaning higher productivity.

- The Canada Arts Presentation Fund (CAPF) is the key program and policy investment to allow this. At present, the program is vastly over-subscribed. Created in 2001, it stands at \$32 million. Demand has increased substantially, with no increase in allocated resources.
- CAPF is key to bringing theatre and other artistic productions to smaller, rural and remote communities.

¹ http://epe.lac-bac.gc.ca/100/200/301/pwgsc-tpsgc/por-ef/canadian_heritage/2017/051-16-e/report.pdf p. 21.

The Canada Arts Presentation Fund (CAPF) allows the initial investment of bodies like the Canada Council for the Arts in plays and theatre production to be leveraged and brought to Canadians in communities across the country. This provides more market and sales opportunities for Canadians and Canadian theatres. Further, domestic presentation in diverse Canadian markets enhances and improves the play, helping to create a cultural export.

Canadian festivals that present plays also provide key opportunities for advancing the domestic and international market potential of Canadian theatre. International presenters travel to Canada to see the work and consider it for their markets. The result is that from cultural exchanges in Tunisia and South Africa to large-scale presentations in Singapore and New York City, theatre puts our country on the map and extends the impact of all investment in it, including federal investment.

It follows then that former Canadian Heritage Minister said last fall, “More than ever, creative entrepreneurs must look to global markets to be competitive, generate revenue and jobs, and grow.” She also said “a strong domestic market is vital. It’s a launch pad for homegrown talent and a precondition for global success.”

Working in collaboration with others

The Professional Association of Canadian Theatres is an active member of the Canadian Arts Coalition (CAC) and our recommendation on the Canada Arts Presentation Fund is aligned with theirs.

About PACT

PACT, the Professional Association of Canadian Theatres, 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.