

February 12, 2021

The Hon Chrystia Freeland Minister of Finance

The Hon Mona Fortier Associate Minister of Finance

Department of Finance Canada 90 Elgin Street Ottawa, Ontario K1A 0G5

Submission Re: Budget 2021

Dear Ministers Freeland and Fortier:

On behalf of the Toronto Arts Council – Canada's largest municipal arts funder - we are writing to ask that you build on the Canada Emergency Response Benefit (CERB) and Canada Recovery Benefit (CRB) by adopting a basic income guarantee in Budget 2021.

Toronto, as you are no doubt aware, is home to more artists than any other city in Canada. Although comprising **8%** of the country's population overall, Toronto's non-profit arts sector attracts **38%** of national audiences and almost **30%** of all revenues and expenses. We at Toronto Arts Council know the community and its challenges well.

Canada's arts sector has been devastated by the pandemic. Arts and entertainment across the country have suffered even more serious effects than the accommodation and food or transportation sectors. The GDP of the sector has **fallen by 43.6% year over year**.

And, it is the individual creative artist who has paid the greatest price for this loss: hours worked in the arts, entertainment and recreation sector declined 36.6% overall in 2020 and declined **60.7%** for those in the performing arts.

We extend our sincere appreciation to you for your leadership and the work of the Government of Canada in implementing and extending the many emergency response programs to assist Canadians affected by the pandemic. In particular, we point out the extremely positive impact of the CERB and CRB. Not only have these programs been lifesavers for individual workers across the country, including artists, but they can also serve as a model for the future.

Although exacerbated by COVID, income precarity for artists has been a growing problem for decades, as was documented in Toronto Arts Foundation's <u>Arts Stats 2019: Going</u> <u>Without; Artists and Arts Workers in our Creative City</u>. Artists face income insecurity as a result of their dependence on precarious short-term contracts combined with their lack of access to benefits, paid sick leave, or employment insurance. And as we know, income precarity has always disproportionately affected vulnerable and marginalized

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communities including people with disabilities, LGBTQ2+, Black, Indigenous, people of colour, refugees and immigrants.

Canada's Employment Insurance program has not adapted to the realities of the gig economy or the self-employed and most freelance artists do not meet El's required criteria. Even when artists do qualify for El, they risk loss of benefits if they choose to accept part-time or temporary work opportunities while in the program.

The case for an effective and equitable basic income program for Canada's artists is clear.

**The opportunity is now.** CERB and CRB have proven that it is possible to provide meaningful support to individuals facing income precarity, and the implementation of these programs has generated widespread public support for a permanent program to address basic income.

As members of the Toronto Arts Council Artists' Income Precarity Working Group, we recommend that a basic income guarantee include the design principles outlined here:

- Build on existing government mechanisms (such as the Canada Workers Benefit or Guaranteed Income Supplement) to expedite implementation and minimize costs of administration;
- Include self-employed and gig workers by focusing on income rather than employment
- Include the provision for auto-enrolment, similar to Old Age Security, which waives the requirement for an application, improves service delivery of benefits and reduces administrative costs;
- Determine income support levels regionally to ensure adequate support for individuals in major urban centres without disincentivizing participation in the workforce in low cost regions;
- Ensure adequate levels of support by using the CERB amount of \$500/week as a precedent and creating a consistent monthly benefit to address volatility of "gig worker" incomes;
- Plan for a permanent, not temporary or emergency program

Artists are workers, and in many ways precarity among artists is no different than those of other gig or freelance workers whose livelihoods were precarious even before the crushing impact of the pandemic. All workers deserve dignity, security, and the ability to meet their basic needs.

But artists play a unique role in this country, and never has that been clearer than today. At the outset of the pandemic Canada's artists responded to the needs of Canadians from coast to coast. They learned new technologies and harnessed their imaginations and talents to digital platforms and innovative outdoor performances. They reached out to seniors in care and front-line workers and they gave us company when anxiety threatened to overwhelm. Their art reminded us that better times will come again, and that joy can come in unexpected places.

And now, as the country is looking towards recovery, we know that it is our artists who will lead the way. The arts will engage people, encouraging them to emerge from their solitude and participate in community once again. They will collaborate with other sectors to develop and implement innovative solutions and strategies for recovery.

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There could not be a better time to recognize this contribution with a basic income safety net.

Thank you again both for your personal support and that of your government. We are confident that together we can look forward to a strong path to recovery.

Yours truly,

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