

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

By: Toronto Arts Council

February 25, 2022



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List of Recommendations

Recommendation 1:

Create a short-term, temporary (3 year) fund to compensate arts organizations for performance & exhibition stoppages due to the pandemic:

- Model on the [Short Term Compensation Fund for Canadian Audiovisual Productions](#) supported by Canadian Heritage and launched in 2020
- Include eligibility for both commercial and not-for-profit arts companies
- Include retroactivity
- Do not require provincial closure regulation for eligibility
- Include organizations offering free events

Recommendation 2:

- Follow through on commitment to launch an Arts and Culture Recovery Program to mitigate the impacts of reduced capacity in cultural venues, as outlined in Minister of Canadian Heritage Mandate letter

Recommendation 3:

Modify the Hardest Hit Business Recovery Program:

- Increase the reimbursement levels to 75%
- Change the “claim period” requirement from one to six months
- encourage private sector philanthropy by allowing performing arts companies to exclude donated revenue from calculations

Recommendation 4:

Implement a permanent Guaranteed Basic Income program to modernize Canada’s Employment Insurance to include self-employed and gig workers:

- benefit amounts to be variable according to regional cost of living
- \$500 per week benchmark set by CERB is an appropriate standard for urban centres

February 25, 2022
Standing Committee on Finance
Government of Canada

On behalf of Toronto Arts Council — Canada’s third largest arts funder — we are writing to ask that the 2022 federal budget provide increased emergency response for the country’s arts sector which has been so devastated by the pandemic.

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.

Arts and entertainment across the country are facing catastrophic losses due to the pandemic. The GDP of the sector fell by **43.6%** in the first year. The fallout in arts and cultural industries is ongoing and without increased intervention, recovery to pre-pandemic levels of production and employment will be halting and slow.

The individual creative artist has paid a huge 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, including theatre, dance and music. The pandemic continues to deeply affect the sector, particularly the performing arts where large audience gatherings are key to generating revenue. Moreover, many artists also work in the tourism and hospitality industries and have been doubly affected by the massive reductions in operations in those sectors.

Toronto Arts Council’s recommendations for the federal budget will complement the government’s stated goals to “bridge Canadians and Canadian businesses through the crisis and towards a robust recovery”. They will support a much faster return to pre-pandemic levels of arts production including the corollary benefits of increased artists’ and arts workers’ incomes, the reinstatement of audience confidence, an expedited return of local, national and international tourism and the revitalization of hospitality sectors and vital city centres. Supporting these recommendations will meet federal policy objectives to create jobs, help businesses across the economy and support affected sectors.

Recommendation 1: Creation of a fund, similar to the [Short-Term Compensation Fund for Canadian Audiovisual Productions](#), launched in 2020 and recently extended for an additional year, would offer critical support to organizations affected by multiple pandemic related closures. Ensuring that both not-for-profit and commercial arts organizations are eligible, and not limiting to organizations with ticket revenue will increase employment opportunities for many artists and arts workers who are employed throughout the industry.

Recommendation 2: Follow through on commitment to launch an Arts and Culture Recovery Program to mitigate the impacts of reduced capacity in cultural venues, as outlined in Minister of Canadian Heritage Mandate letter. This provision will directly support organizations facing losses of earned revenue as a result of requirements to reduce venue capacity. This support should be offered regardless of whether capacity reduction is mandated by government or implemented to encourage audiences to return.

Recommendation 3: Modify the Hardest Hit Business Recovery Program to increase the reimbursement levels to 75%, comparable to CEWS. By changing the “claim period” requirement from one month to six months, those organizations with fluctuating revenues would not be disadvantaged. And by allowing arts charities to exclude donated revenue from calculations, additional private sector philanthropy would be encouraged and eligibility would be increased for those organizations which have seasonal fundraising campaigns resulting in higher revenues during some months of the year.

Together, recommendations 1, 2 and 3 will provide sufficient economic security to allow productions, performances and exhibitions to be planned and produced, beginning immediately.

Recommendation 4: Toronto Arts Council once again calls on the federal government to modify the Canadian Employment Insurance by creating a Guaranteed Basic Income (see previous [TAC submission](#) here). Since our earlier submission, other jurisdictions including [Ireland](#), [San Francisco](#) and [New York City](#) have introduced basic income support systems. With this critical innovation, the government will be setting in place a foundation of support that will prevent a recurrence of financial precarity for those most vulnerable to economic disruption in the future.

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.

There could not be a better time to recognize this contribution by providing arts organizations with essential supports to allow reopening and to support individual artists and arts workers with a guaranteed basic income that will meet the challenges of the 21st century.

Thank you again for the Government of Canada’s emergency response support to date including CERB, CRB and CEWS. We are confident that together we can look forward to a strong path to recovery.

Yours truly,



Dina Graser
Chair of the Board



Claire Hopkinson, M.S.M.
Director & CEO