



Written Submission for the Canadian Heritage Recovery Consultations

September 7th, 2020

BACKGROUND (AS PROVIDED BY CANADIAN HERITAGE)

The cultural, heritage and sport sectors were among the first to experience the immediate financial impacts of COVID-19 and will be among the last to return. These sectors are not only an important driver of the Canadian economy, but also play a critical role in nation building, fostering Canadian identity, and social cohesion. These guidelines are intended to assist with the development and consideration of written proposals that aim to support arts and culture, heritage, and sport organizations in the recovery period, where COVID-19 health and safety risks are expected to remain significant and normal economic linkages may still be damaged. If applicable, information is also requested on partnerships, costing, and return on investment.

Your proposal should align with priorities of the recovery framework to:

1. Foster the sustainability of the arts and culture ecosystem by ensuring more stable sources of revenues for organizations and better remuneration for artists, creators, and cultural workers;
2. Increase the demand for Canadian art, productions and cultural products;
3. Increase the number of individuals from under-represented and equity-seeking groups who can earn a living from the creation and production of art and culture and participation in sport, including in management and leadership positions;
4. Increase the number of people who live in Canada who practice a sport on a regular basis (for sport-related sectors only); and
5. Reduce the environmental footprint of the art, culture, heritage, and sport sectors.

Organization information

Organization name: CAPACOA (Canadian Association for the Performing Arts / Association canadienne des organismes artistiques)

Organization address: 200-17 York Street, Ottawa, Ontario, K1N 5S7

Organization description: National arts service organization supporting the performing arts touring and presenting community

Author of proposal: Frédéric Julien, with support from members and partners

Proposal

For the live performance sector to recover from the COVID crisis and to rebuild upon more sustainable and equitable foundations, the following investments, policies, tools and infrastructures will be needed:

1. Make permanent the two-year supplements for live performance funding programs announced in the 2019 federal budget – Canada Arts Presentation Fund, Building Communities Through Arts and Heritage, Canada Music Fund -- and currently set to terminate on March 31st, 2021.
2. Financial assistance for pandemic retrofitting capital investments in live performance venues.
3. Extended wage and income support until government-mandated restrictions on live performance events are in effect, plus another three months.
4. Adoption of data standards to represent performing arts information and development of sector-owned knowledge graph interlinked with other knowledge bases in a decentralized linked open data ecosystem.
5. New policies and tools to measure and track to what extent artists and cultural workers from equity seeking groups are present on stages, in higher management and on boards of directors.
6. Research, tools and assistance to measure the environmental footprint of key activities within the live performance sector.
7. Intensified efforts to collect sales tax and income tax from multinational corporations that conduct business in Canada.

Alignment with recovery framework

1. Fostering innovation, resilience, and sustainability

If we want to increase the demand for the performing arts and enhance the sustainability of the sector, perhaps it is time to shift the focus slightly less on supply and more on the demand for the performing arts. Live performance works require a lot of efforts and resources to create, develop and produce into a series of performances. Rather than focusing mainly on producing more works, equal attention could be given to getting these works seen by more audiences. Under normal circumstances, these are roles for the domestic and international touring and presenting markets. However, in the context of the COVID pandemic, touring activities (and cultural consumption / tourism) are now happening on a much narrower geographic scale. Even when travel restrictions are lifted, will the sector want to go back to previous modes of dissemination (and will audiences want to go back to previous modes of consumption)? This would be oblivious to risks of further pandemics and to the needs of addressing the environmental footprint of the sector. A more sustainable model (from financial and environmental standpoints) could involve more tightly knitted tours: more performances in front of more audiences, over fewer dates and over shorter distance. And more sustainable cultural consumption might involve more “near me” entertainment choices for local consumers, leisure tourists and business tourists. In any of these scenarios, touring will remain an effective means of enhancing productivity in the performing arts: a means of presenting more performances out of existing productions, and in more communities. Such touring activities require agents and managers, as well as presenting organizations and festivals rooted in their local community. These are the stakeholders whose primary role is to connect the supply with the demand.

In order to achieve a better and more sustainable supply and demand balance, we need:

- extended wage and income support (proposal 3);
- infrastructure funding for pandemic retrofitting (proposal 2); and,
- ongoing funding support for presenters, festivals and concert promoters (proposal 1).

Other measures such as FAME’s proposed bailed-out fund may also be needed to save presenting organizations from bankruptcy.

In addition, the needs of municipally-owned and other public venues – who are not eligible to the wage subsidy – have yet to be addressed.

Online dissemination (live and on-demand streaming) may be seen as a means of reaching more and new audiences. But is it really the panacea? At present, streaming is approached very much under the same ‘supply paradigm’ as offline events: arts organizations supply as much content as they can, they market it as best as they can, and they hope they’ll reach some audience. (There is notable difference though: most arts organizations miss out entirely on value creation from online events – they use platforms that keep all revenues and all participants’ data for themselves).

Whether online or in-the-flesh, the performing arts supply faces similar challenges in connecting with the demand – in being ‘discovered’ by the right audiences. In the era of algorithmic recommendation, this discoverability issue requires an additional paradigm shift. In addition to connecting supply and audiences through traditional marketing means (and by “traditional”, we include social media), arts organizations need to help recommendation algorithms connect *data about the supply* with *data about the audience*. In other words, we need not only to shift our focus away from the supply and to the demand, but we also need to adopt a new data-centric culture about both the supply and the demand.

- For this data-centric transformation to take place, the live performance sector needs shared data models and interconnected knowledge bases (proposal 4).

2. Diversity and inclusion

In order for the live performance sector to become truly inclusive and for individuals from BIPOC and other equity-seeking groups to have the same fair chance of earning a living in this sector, we first need to know the lay of the land. We need accurate data on who is on our stages, in board rooms, and in higher management positions. At present this kind of data is collected by the sector on an occasional basis, it is dispersed, it is not comparable, and it is not always reliable. How can we hope to change something that isn’t measured? How can we hold institutions accountable? And how can we change funding mechanisms?

We realize this is a highly complex issue. There are privacy concerns. There are safety concerns. And, most of all, there are human sensitivities. But these complexities didn’t prevent the federal government from taking action. The federal government [proposed amendments to the *Employment Equity Act*](#) to achieve better salary information reporting by employers. The [Centre for Gender, Diversity and Inclusion Statistics](#) was launched. And Statistics Canada implemented long needed [changes to census questions about gender and diversity](#).

How can the live performance sector be part of this essential data-driven and human-centered change? We are talking a lot about this in our sector. About the need to move over, to hand over space. We are creating professional development and mentorship programs to accelerate the change. The next step is to measure if and how change is indeed happening. And we must find ways to achieve this in a safe and respectful manner, while avoiding as much as possible increasing unduly the administrative burden upon arts organizations.

3. Environment

As we mentioned above, the environmental footprint of the arts could be reduced by creating efficiencies in tour logistics and by fostering proximity consumption. In addition, the COVID pandemic forced artists and performing arts organizations to turn to more intimate forms of artistic expressions and different means of presenting them to audiences. Some observers celebrated the rise in the supply of online performing arts events as a means of reaching more audiences at a lower carbon footprint. But is it really?

The carbon footprint of video streaming is subject to debate. The [International Energy Agency](#) estimated that footprint at 0.028-0.057 kgCO₂e per half-hour of streaming. And the [Shift Project](#) estimated it at 1.6 kgCO₂e, the equivalent of driving 6.4 kilometers.

What about the footprint of a performance on tour? Research in this area is really limited. A research project by [Popakademie Baden-Württemberg and the Green Touring Initiative](#) tracked the emissions from a 2014 tour by indie band We Invented Paris. They found that the main sources of emissions are the public traveling to the location and the emissions of the venue itself.

Energy efficiency retrofitting investments could obviously help reducing the carbon footprint of the live performance sector. But to what extent exactly?

More research, tools and assistance to measure the environmental footprint of key activities within the live performance sector are need (proposal 6). The Quebec Drama Federation is currently leading project to adapt [Julie's Bicycle](#) assessment tools for the province of Quebec. If this pilot is successful, scaling across Canada should be considered. Financial assistance could take the form of a digital and environmental transition program as proposed by Festivals and Major Events.

Other priorities

Partnerships

Live performance funding programs (proposal 1) are already leveraging support from other levels of government, from private sponsors and donors, as well as from ticket buyers. Wage subsidies (proposal 3) enable this leverage power to be preserved while activities are limited by public health authorities.

Pandemic retrofitting investments (proposal 2) will require matching funds from other levels of government.

Proposal 4 – data standards and a sector-owned knowledge graph – is absolutely leveraging partnerships with the private sector, with universities, with the Wikimedia Foundation, and with the international community. A pan-Canadian knowledge graph called Artsdata.ca is being developed by a Montreal startup with support from CAPACOA and many arts organizations. Data modeling activities initiated by CAPACOA and the Bern University of Applied Sciences have scaled up to rally a community of more than 80 international partners from 29 countries. A W3C community group for Performing Arts Information Representation is in the process of being created with the support of York University. Most of these activities are already supported by the Government of Canada or by the Canada Council for the Arts. However, further resources may be needed to allow them to scale and to come to fruition.

Costing

Investments presenting and touring programs (proposal 1): \$25 million per fiscal year (at the level of 2019 budget, and excluding any other special funds to bail-out and/or to rebuild the sector, as circumstances may require).

Pandemic retrofitting investment (proposal 2): \$10 million per year over two years (in addition to current funding in the Canada Cultural Spaces Fund).

Data standards and knowledge graph (proposal 3): \$4 million per year over four years (part of which can be provided from existing programs).

Proposals 4, 5 and 6 were not costed.

Return on investment (social, environment, economic)

Economic impact

As the department of Canadian Heritage is well aware, the live performance domain is an important economic driver and an essential partner to the tourism industry. The live performance domain contributed \$2.8 billion to the Canadian Gross Domestic Product in 2017. And it accounted for 70,000 jobs.¹

However, public health restrictions have deprived the sector of pretty much all earned revenue sources, and the effect has been dramatic. The GDP for the Arts, entertainment and recreation sector in June 2020 was 59.0% lower in June than in February 2020.² This is the sharpest drop of all sectors, even Accommodation and food services (-45,4%). Of all sub-sectors, performing arts, spectator sports and related industries are most deeply impacted. Employment was still down 40,700 in August 2020 compared to August 2019 (-26.7%)³.

It is extremely difficult to anticipate what these economic indicators will look like in 2021 and beyond. Whether the sector is in rebuild mode or in recovery mode will depend heavily on the level of support provided by the Government of Canada.

Health impact

Even though performing arts attendance is construed as a passive activity, the physical health benefits shouldn't be discarded. There is a growing body of research confirming a strong correlation between performing arts attendance and many health indicators, including self-perceived vitality, self-rated mental health and longevity. While the mechanisms underlying a potential causal relationship have yet to be identified, research found that listening to music induced positive changes in neurotransmitters, peptides and cells related to the immune system. These include immunoglobulin A⁴, the first line of mucosal defense against SARS-CoV-2, and cytokines⁵, the protein involved in fatal inflammatory responses to SARS-CoV-2.

¹ Statistics Canada, [Table 36-10-0452-01 Culture and sport indicators by domain and sub-domain, by province and territory, product perspective](#).

² Statistics Canada, [Table 36-10-0434-01 Gross domestic product \(GDP\) at basic prices, by industry, monthly \(x 1,000,000\)](#). Note: The Live Performance domain in the Culture Satellite Account is a different economic activity grouping than the Arts, entertainment and recreation sector [NAICS 711]. Exact mapping of the Live Performance domain to the North American Industry Classification System is provided in the [Classification Guide for the Canadian Framework for Culture Statistics](#), 2011.

³ Statistics Canada, Labour Force Survey, by selected industries, Canada, unadjusted for seasonality, August 2020. [Calculations and by CAPACOA](#).

⁴ Chanda, Mona Lisa and Daniel Levitin (2013), "[The Neurochemistry of Music](#)", *Trends in Cognitive Sciences*, Vol. 17, Issue 4.

⁵ *Medical Daily* (2015), "Awe-Inspiring Moments Lower Inflammation Marker Cytokines, Positively Impact Health"; reported by CAPACOA (2016), in "[Awesome music is good for your health](#)".