



CANADIAN ASSOCIATION  
FOR THE PERFORMING ARTS  
ASSOCIATION CANADIENNE  
DES ORGANISMES ARTISTIQUES

## Opening Statement

CAPACOOA Appearance before the Standing Committee on Canadian Heritage as part of the study of Arts, Culture, Heritage, and Sport Sector Recovery from the Impact of COVID-19

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# Opening Statement

Thank you, Madam Chair, for conducting this important study, and for the opportunity to appear before the committee.

## Key economic indicators

All parts of the cultural sector were profoundly affected by the COVID pandemic, although none as deeply as the live performance domain, which includes performing arts companies, music venues, performing arts centres, festivals and many artists.

While the business model of the performing arts used to be a successful one, it was definitely not pandemic proof.

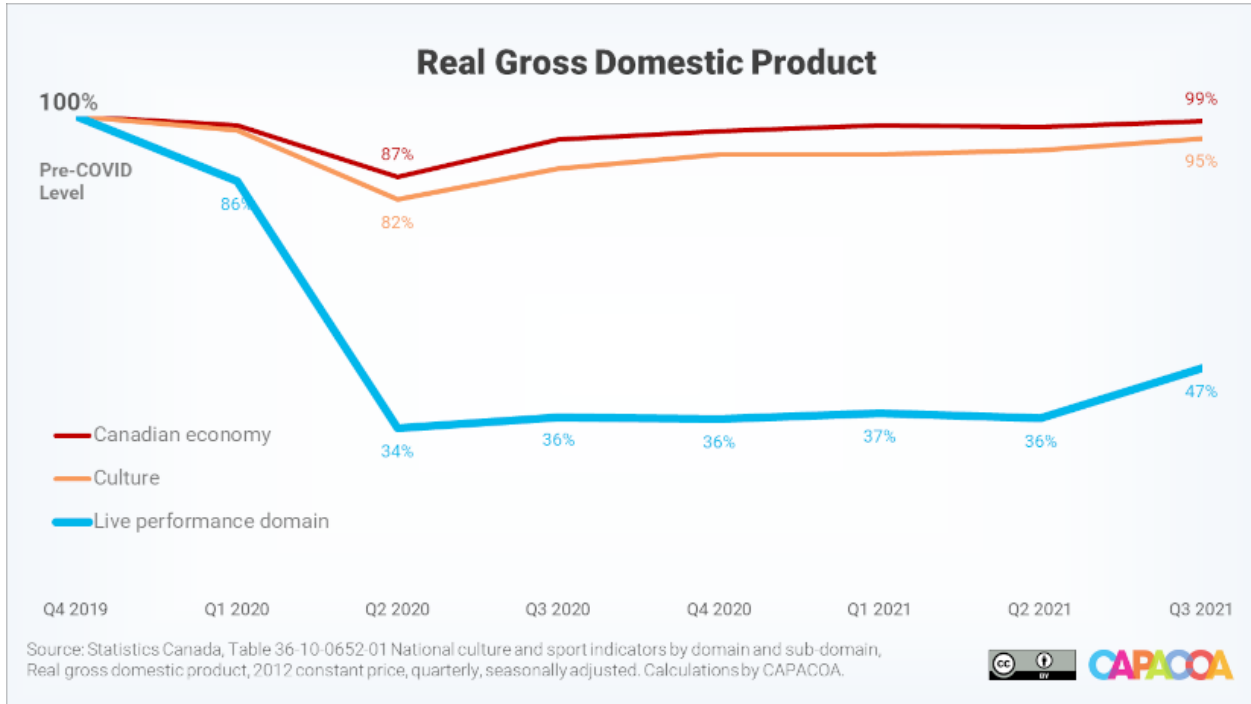
Earned revenues from ticket sales, concession and rentals used to represent as much as 43% of performing arts companies' revenues in 2018.<sup>1</sup> In March 2020, the unimaginable happened: most of these revenues suddenly disappeared.

According to Statistics Canada's National Culture Indicators, the real GDP of the live performance domain fell 66% over the first two quarters of 2020.<sup>2</sup> And then it stayed there, as successive waves of the pandemic led to rolling cancellations and postponements of performances.

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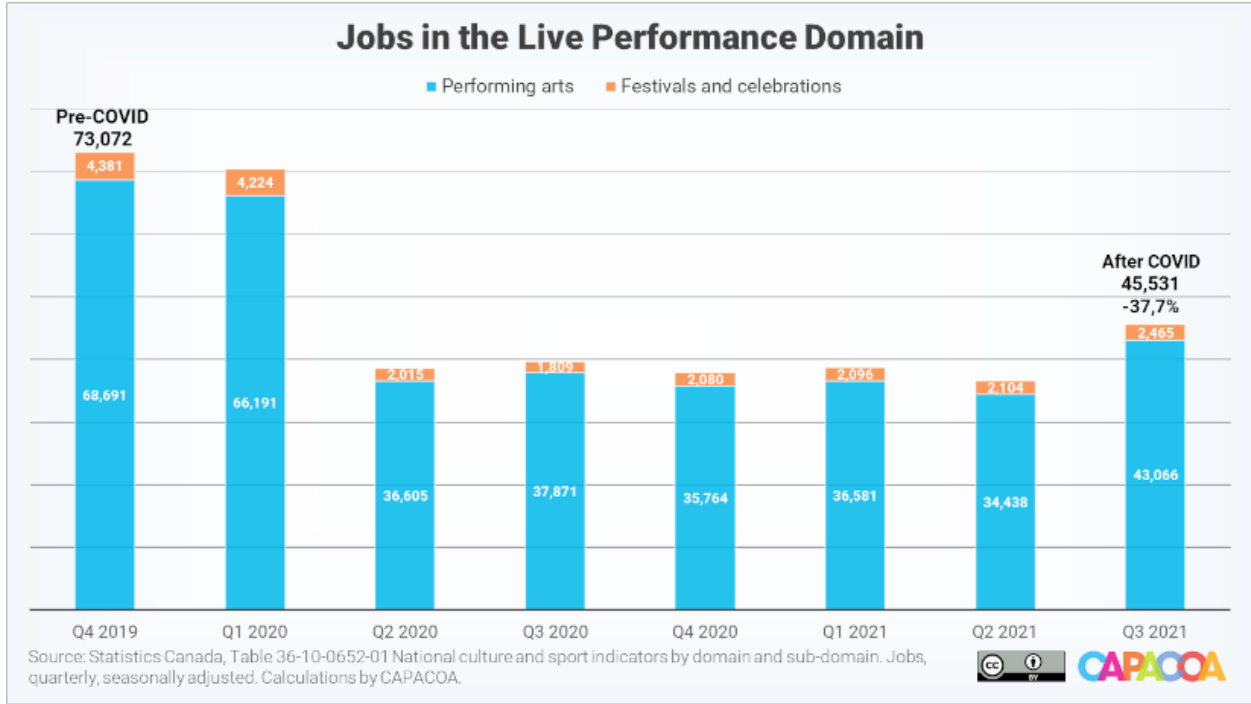
<sup>1</sup> Statistics Canada, [Survey of Service Industries: Performing Arts](#), Table 21-10-0182-01 Performing arts, summary statistics and Table 21-10-0187-01 Performing arts, detailed sources of revenue, not-for-profit.

<sup>2</sup> Statistics Canada, [Table 36-10-0652-01 National culture and sport indicators by domain and sub-domain](#).



There were encouraging signs of recovery during the third quarter of 2021, but those were quickly dashed by the Omicron wave.

Employment also fell sharply, although not quite as deeply as GDP. By the second quarter of 2020, the sector had lost 34,000 jobs – 47% of its workforce.



Thanks to support measures such as the Canada Emergency Wage Subsidy, employment levels stabilized throughout the rest of 2020, and eventually rebounded in the third quarter of 2021. But they are still 38% below pre-pandemic levels.

It remains difficult to predict if this rebound will hold and what employment growth levels might be expected in 2022.

## Sustainable employment

At a town hall held on January 25th, CAPACOA members told us they anticipate challenges in rehiring and retraining personnel. Casual, part-time and contract workers, who were among the first to be laid off, may have taken full-time jobs in other sectors where salaries can keep up with the increasing cost of life. In particular, the scarcity of stage technicians is a big concern. What's the incentive for these workers to come back to the performing arts sector?

Our members believe "sustainable recovery has to involve sustainable employment."

The precarious situation of self-employed workers, in particular, is top of mind for everyone. Through the loss of income arising from cancellations of performances, everyone realized just how vulnerable these artists and technicians are.

Programs such as the Tourism and Hospitality Recovery Program and the Canada Performing Arts Workers Resilience Fund are applauded by the sector. But will they be sufficient?

Arts administrators are understaffed and feel overwhelmed by the demands of short-term emergency funding applications and reporting. They are also concerned that these programs may end well before the sector sees the recovery through. Performing arts organizations are currently laying out 3-5 year plans for their rebuilding.

## Audience (re)development

Besides labour issues, the performing arts sector is very preoccupied by changes in cultural consumer behaviours, arising from the collective trauma of the pandemic. After having diligently listened to orders to stay home and to avoid social gatherings for almost 2 years, many arts goers are now hesitant to go back to the theatre or the concert hall.

According to a national study conducted by Nanos Research, 4 in 10 culture goers are not yet ready to return to indoor performances. Another 1 in 10 say they may never return.<sup>3</sup>

Shared leadership and direct government assistance will be needed to rebuild consumer confidence. We have to shift the public perception of a live performance – from a hazardous activity, as it currently stands, to a healthy and positive one.

According to the General Social Survey, people who attend plays, comedy shows or concerts, are 15% more likely to report very good or excellent mental health.<sup>4</sup> Don't we all need this at the moment?

## Rebâtir sur de nouvelles bases

Avant de conclure, il convient de souligner que cette crise s'accompagne aussi d'occasions de rebâtir de nouveaux modèles opérationnels et de financement.

- Le secteur du spectacle demeure résolu à participer à l'établissement de relations positives et respectueuses entre les peuples autochtones et allochtones.
- La diffusion du spectacle en ligne permet de rejoindre de nouveaux auditoires, bien que cette nouvelle pratique demeure à la recherche d'un modèle d'affaire viable.
- L'économie de l'expérience offre de belles occasions de partenariat entre le secteur du spectacle et celui du tourisme.
- Le mouvement des données ouvertes nous permet de rendre l'offre de spectacles plus facilement découvrable par les consommateurs.

Cela dit, les travailleurs et travailleuses du spectacle sont mentalement et physiquement épuisés. La pente qu'ils s'appêtent à remonter va être longue. Leurs aspirations à rebâtir sur des bases nouvelles buteront sur plusieurs défis. Ils auront besoin de toute l'aide de leurs associations et des gouvernements afin de redonner aux arts de la scène la place centrale qu'ils méritent d'occuper dans nos collectivités.

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<sup>3</sup> Nanos Research, [Arts Response Tracking Study, December 2021](#), commissioned by Business/Arts and the National Arts Centre.

<sup>4</sup> Hill Strategies Research, [Canadians' Arts Participation, Health, and Well-Being](#), based on Statistics Canada's 2016 General Social Survey, 2021.