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• (1100)

[English]

The Chair (Mr. Scott Simms (Coast of Bays—Central—Notre Dame, Lib.)): Welcome, everyone. Pursuant to Standing Order 108(2) and the motion adopted by the committee on October 23, 2020, the committee resumes its study of the challenges and issues faced by the arts, culture, heritage and sports sectors during the COVID-19 pandemic.

We have three witnesses to start. Before I do, I would just like to point something out for my colleagues both here and on Zoom. The official end of this meeting is one o'clock, eastern time. However, anticipate that being stretched by possibly up to 10 minutes. I say that because in the second hour we are going to experience undoubtedly some technical issues. I don't want to shortchange the second hour because of those issues, so from here going forward, meaning the next few meetings especially about this study, anticipate up to a 10-minute extension. Given the technical situations, I think that's only fair to our witnesses and to you, colleagues as well, and I hope you don't mind. Please plan accordingly in case you want to schedule meetings just after that.

That being said, we have with us from Catherine C. Cole & Associates, Catherine Cole, principal consultant.

[Translation]

We also welcome Mr. Clément Turgeon Thériault, executive director of the Regroupement des festivals régionaux artistiques indépendants, and Ms. Julie-Anne Richard, executive director of the Réseau indépendant des diffuseurs d'événements artistiques unis.

[English]

To our panellists, you get up to five minutes.

Mr. Tim Louis: I have a point of order, Mr. Chair.

I'm not sure if anyone else is hearing it, but I'm having a lot of difficulty with some sound quality and echoing. Judging by others nodding, and so we can fully hear the chair, is that something we could address?

The Chair: By a show of hands of those of you on Zoom, are you experiencing the same problem? Oh yes, it's nearly unanimous. We'll suspend for a couple of minutes to see if we can fix and test this.

• (1100)

(Pause)

• (1105)

The Chair: We're back in session. I've just received an explanation as to why this is. The audio in the room where I am is at a normal volume, which is probably what you're hearing. To remedy that we are going to try to lower the volume within this room so that you can hear it at a manageable level for those of you zooming in and on this lovely display gallery.

Let's get started, and if there are any more difficulties, please just signify with a wave of the hand that you wish to interrupt.

Ms. Cole, you have up to five minutes for your initial presentation.

Ms. Catherine Cole (Principal Consultant, Catherine C. Cole & Associates): Good morning, everyone. I really appreciate the opportunity to speak with you today.

Whether or not museum staff have been able to work on site or museums have been able to reopen varies regionally. We don't yet know the full impact of closures on the future of Canadian museums, but it's estimated that one third of all museums in the U.S. and two-thirds in the U.K. will close permanently.

Museums operate on a combination of government investment, earned revenues and private funding. Their ability to generate revenues is extremely limited at this time. Corporate sponsorships are limited because high-profile activities have been cancelled. Some private funding has been redirected towards pandemic relief. Ironically, the more successful museums have been in reducing reliance on government funding, the more seriously their bottom line has been impacted.

Where possible, museum professionals expect to continue working from home part time post pandemic. Staff who require regular access to collections or visitors have been laid off: registrars, educators and sales staff. COVID-19 has discouraged young people working in museums, while some senior staff are retiring early and others may work longer than expected due to loss of retirement savings.

Museum closures have interrupted relationships between staff, volunteers and audiences. Museums work collaboratively in and with communities, and much of this work, particularly in indigenous and migrant communities, has been disrupted and may need to be rebuilt.

Where they have had the capacity to do so, museums have developed digital resources, providing access to collections online, educational programs, virtual tours, etc. When museums in the U.K. reopened after the first closure, they found that many visitors were new to museums, having discovered them through virtual programming. Where museums have reopened with timed tickets, they now have access to a database of visitors that could be used for audience evaluation.

But not all Canadians have equal access to digital technology. People living in northern and remote communities do not share the broadband capacity of those of us in southern cities. I work in the Arctic, where meetings are held by teleconference due to poor connectivity. Low-income Canadians do not have Internet access at home or multiple computers to allow all family members to go online, as has been demonstrated by the shift to online learning in schools.

It is expected that international tourism won't reach 2019 levels until 2023. A survey conducted by Hill Strategies in May indicates that it will also take years for local visitors to return to museums: only 30% of previous visitors expected to visit immediately when museums and galleries reopen; 15% planned to return between one and five months after they reopen; 12% planned to wait six months or more, until a vaccine is available; and 42% of visitors were unsure when they will return. A follow-up study in August suggests that exhibiting organizations have lost 63% of their visitation and will not reach 2019 levels until at least 2022.

COVID-19 has highlighted other issues that have had an impact on museums. For example, the disparity between rich and poor in society underscores the need for museums to develop programming for marginalized communities. Global social upheaval has reinforced the need for museums to work towards decolonization, respect for human rights and social justice.

In the short term, the museum community would benefit from a dedicated relief fund to support lost revenues and an emergency development fund for digital activities.

In the long term, the sector needs more flexible federal funding, like that of the Canada Council, and investment in operations, including for organizations without staff to allow them to improve sustainability; programming, in addition to collections management and travelling exhibitions; cultural diplomacy, through international heritage practice; and the work of individual museum professionals in the gig economy, where, globally, nearly 30% of independent museum professionals are considering a change in career due to insecurity.

The federal government invests in few of the thousands of museums in Canada. Other levels of government often provide a greater proportion of museum budgets. The only federal funding available to most museums is through Young Canada Works, which, while valuable, could be improved. For example, the two years post-graduation and under-30 eligibility criteria do not reflect the reality of the sector. Young adults are often still looking for full-time work years after graduation, and many graduate after the age of 30.

The duration of the international internship component, with which I am most familiar, should be extended to eight months or a

year, because it takes time to get settled and learn how museums work in another country. As the former secretary-general of the Commonwealth Association of Museums, I've sent interns to the Caribbean, Africa, the South Pacific, South Asia and the U.K., where they've had invaluable experiences that have benefited them personally and our Canadian museums as they diversify audiences and welcome migrants and new Canadians.

• (1110)

Canadian Heritage should focus on the new national museum policy, the need for which was identified in this standing committee's report, "Moving Forward", and included in the minister's mandate letter. Canadian Heritage also has a role to play in response to the Senate report, "Cultural Diplomacy at the Front Stage of Canada's Foreign Policy", which largely overlooked the work that organizations like the Commonwealth Association of Museums do, and with investment could contribute to cultural diplomacy.

The world will emerge from the pandemic a different place, and Canadian heritage organizations have an opportunity to be part of ensuring that it is a better place.

Thank you.

The Chair: And thank you for that.

We're now going to Mr. Turgeon Thériault for up to five minutes, please.

[*Translation*]

Mr. Clément Turgeon Thériault (Director General, Regroupement des festivals régionaux artistiques indépendants): Good morning.

Thank you very much for giving me this time.

I'm speaking to you today as a representative of the Regroupement des festivals régionaux artistiques indépendants, or RE-FRAIN, which includes more than 80 arts festivals across Quebec.

It's March and the programming announcement season is upon us. Organizers from across Quebec have spent the last few months imagining their festival, building it and financing it. From one day to the next, our industry had to stop everything amidst the greatest uncertainty. In the meantime, our organizations have adapted, have been resilient, inventive and determined. For the vast majority of arts festivals, the main concern was to keep their resources employed in order to maintain the knowledge acquired in recent years, in addition to continuing their business relationships with the various partners and funding agencies.

The government has been proactive in providing funding through a number of programs, which has allowed businesses to continue some of their operations. There has been financial assistance for employees and rent, emergency assistance, and much more. The government has also announced increased flexibility in the accountability of several programs, including those of Canadian Heritage and Tourisme Québec.

Several members of REFRAIN have taken advantage of this crisis to reinvent themselves and to test formulas for projects that could take place during a pandemic. These include the transition to a digital or hybrid offer, performances in front of people's homes, shows with reduced capacity and mobile performances. Our members have used their imagination to continue working during this crisis. Throughout this process, some organizations have fared well, while others have found it harder to adapt, for a variety of reasons.

New festivals in existence for two years or less that did not already have government support received little or no financial assistance to get through the crisis. Organizations with limited structures and volunteer resources found it more difficult to navigate the programs and complete all the necessary applications for funding. There is also the fact that the environment in which the festival was held did not always allow for the introduction of alternative projects, and that not all artistic disciplines are recognized at the same level.

Although the more established festivals have managed to get through the crisis, several other events have been weakened, while others are questioning their existence. Many competent people have gone to work for other organizations or have reoriented their careers, leaving a big gap in the structures.

Government support has helped limit the damage, but the real challenge will come in the coming year. The future of many festivals will be decided in 2021, and the government will have a key role to play in this transition period. We can't talk about a recovery period yet, because everything indicates that the summer of 2021 will be similar to the summer of 2020.

Here are some thoughts and requests from our group.

We are asking for early confirmation, in early 2021, that federal programs will be renewed for the next year, and for a faster response to funding requests.

We recommend that multi-year agreements of three to five years be put in place to allow events to project into the future and to better plan for the recovery period, which will take a few years.

We request special funding for recent festivals three years old and under. They should be eligible for existing Canadian Heritage programs or have access to special funds during the crisis.

We would like to see a grant to support innovative pandemic initiatives modelled on the SODEC provincial grants, and the acquisition of infrastructure and equipment needed to implement health measures should be made eligible.

We also recommend more flexible evaluation criteria for existing programs, a flexibility that Canadian Heritage has already announced. There is talk of a decrease in the ratio of self-generated

income and less consideration of support from local partners, all of whom are affected by the crisis.

You also need to accept the surpluses generated by some festivals during the crisis, instead of penalizing them, and recognize that these surpluses will serve as a stimulus fund and compensate for the loss of several private partners.

We are asking for an increase in the envelopes of existing programs to compensate for the loss of own-sourced revenues, but also for the loss of private sector contributions and some funding from Crown corporations such as Loto-Québec.

We suggest the creation of programs to promote projects with digital content or on-site projects.

• (1115)

Thanks to the contribution of our respondents—60 festivals responded to the REFRAIN survey—we have targeted concrete and simple solutions, which we are proposing. These will solve some of our problems. They will enable us to continue our activities and prepare for a recovery that should extend over the next two years.

The event industry is essential, in normal times. Arts festivals are essential to the vitality of a community and they contribute directly to the well-being of the population. It is therefore essential to understand that this event industry will be extremely important when this crisis is over.

Thank you very much.

The Chair: Thank you very much.

Ms. Richard, you have the floor for five minutes.

Ms. Julie-Anne Richard (Director General, Réseau indépendant des diffuseurs d'événements artistiques unis): Good morning.

I thank the committee for allowing the Réseau indépendant des diffuseurs d'événements artistiques unis, or RIDEAU, to share its views and ideas on the current situation and to discuss with the committee how best to move forward.

RIDEAU has 170 members, the presenters and managers of 350 performance venues and festivals in seven distribution networks throughout Quebec. In normal times, it offers 3.5 million spectators 14,000 performances annually.

Show presenters play a central role in their communities by allowing citizens to have access to a professional, affordable, rich and diversified cultural offer throughout the year, throughout the territory of Quebec.

Our sector is certainly going through its worst crisis ever. In March, it will be one year since almost all the theatres have been closed throughout the province. Obviously, the survival of several organizations is threatened.

The distribution activities of the RIDEAU members generate annual revenues estimated at \$155 million. The business model on which distribution is based in Quebec includes only 5% to 15% of revenue from grants. The remainder comes from income generated largely from ticket sales, rentals, donations and sponsorships. In March, Quebec's multidisciplinary presenters will have lost approximately \$130 million in income they normally generate.

In August, employment for presenters of arts, sports and similar events was down 58.2%, and for performing arts companies it was 49.1%. This indicates how dramatic the situation in the performing arts still is, and that the recovery is likely to be very long and slow.

The numbers tell us that the performing arts and sports sub-sector has never really recovered from the first wave of the pandemic. In October, employment in this sub-sector was even lower than in April. Compared to the same time last year, employment is now 32% lower, representing 48,000 fewer workers in the performing arts.

At present, the motivation of the work teams is at its lowest. Workforce retention is difficult. Surveys tell us that until a vaccine has been widely administered, the public will not return to the concert venues.

One of the needs targeted during the crisis is predictability. Beyond the lack of the missing financial resources, what the performing arts sector is currently suffering the most from is the lack of predictability. For a multidisciplinary presenter, the development of a series of performances involves several activities that usually take place over several months or even a year. The marketing of a show alone extends over several months. Small-scale management such as we have been experiencing since the beginning of the crisis is therefore extremely difficult and exhausting.

We also know that the recovery in our sector will be a long one. This leads us to the conclusion that whatever support measures are put in place, they should be in place for at least two years to allow the sector to plan its recovery over as many seasons.

Distribution is one of the shortcomings of the \$500-million emergency fund to support cultural, heritage and sport organizations. Unfortunately, for the multidisciplinary presenters, this program has completely missed its target. By giving more grants to those who already had a lot, it completely obliterated the idea that it was the less subsidized presenters that were most weakened by the crisis. The latter have seen their autonomous revenues shrink by 90%.

In terms of the best support measures, we believe that unilateral measures should be avoided, as was the case when the emergency fund to support the cultural organizations I just mentioned was allocated, including the amounts allocated through the Canadian Heritage and Musicaction programs.

The Canada Emergency Wage Subsidy was a flagship measure for arts presentation organizations. Its extension beyond June 21, 2021, for the performing arts sector seems to us to be fundamental as the recovery will be long. This is consistent with the need for predictability expressed by the community.

In keeping with this need for predictability for organizations, it is becoming urgent and necessary that the two-year investments in the Canada Arts Presentation Fund made by the federal government in Budget 2019, which runs until March 31, 2021, be made permanent.

● (1120)

In terms of structuring measures, we first recommended a program to compensate for losses associated with ticket sales, such as the program currently being provided by the Quebec government. This is the biggest issue facing presenters.

Second, tax incentives for sponsorships and donations would also help large companies get back on their feet. In addition, support for the boldness and circulation of shows will certainly be essential.

Lastly, we propose that funding be allocated to professional coaching and training for our managers, who must navigate through choppy waters in the coming months and years.

Thank you.

[English]

The Chair: Thank you very much.

We'll now go to our rounds of questions.

We'll start with you, Mr. Aitchison, for six minutes, please.

Mr. Scott Aitchison (Parry Sound—Muskoka, CPC): Thank you very much.

Thank you to each of the presenters. That was excellent.

From what I'm hearing not just from the presenters today but from multiple presenters we've had at previous committees, it feels like many of the programs the federal government has put in place have helped. They have helped to keep the lights on, at the very least. There's a definite need to extend some of those programs. But it feels like I've also heard about expanding different programs. I guess I'm wondering specifically, because recovery will take some time, which I've heard a number of times as well, if as part of that recovery there are specific recommendations for any new programs to help.

Ms. Cole, I'm thinking specifically about museums. Going back to my experience in small-town politics, we had a little museum in Huntsville that we were always struggling to make more viable. Are there ideas for new programs to help museums specifically adapt to not just the pandemic but maybe a new reality for museums in general? I'm wondering if maybe there's a better way to approach government funds for these kinds of things.

• (1125)

Ms. Catherine Cole: I certainly think there are better ways of going about it. One is just recognition of the fact that this is a three-tiered funding structure. It's federal, provincial and municipal. They all depend on one other, yet they don't seem to communicate very effectively between one another. Each program has different deadlines and different reporting requirements. It just makes it way too much work for small museums to participate in all of this when the possibility of return is so low.

The federal funding specifically is really limited to very few museums. Most small museums in the country are not eligible for it and would never be able to get any funding from the federal government, except for Young Canada Works. That seems to me to be unfair towards the heritage sector when in the arts sector, through the Canada Council, organizations large and small, collaboratives and individuals and everybody, can apply. They don't necessarily have to be arts events that are of national historic significance. It's a different criterion for the two.

When the last national museums policy was introduced 30 years ago, it wasn't resourced effectively at the time. Now we're that much further back. I mean, 30 years ago was pre-Internet. Just think about how much the museum world has changed as a result of that. Yes, there is funding available for digital technology things, but again, that's also very difficult to access. I think greater flexibility is absolutely critical to all of this, as is less reporting. For Young Canada Works, the amount of reporting you have to do is just ridiculous. So much of it is repetitive. It's a huge amount of work.

The other issue is that a lot of these small community museums are as much senior centres and drop-in centres as they are museums. They play a really strong and important role within the community as a place for people to acknowledge their heritage, to have a sense of identity, to have a sense of belonging and all of that. They don't necessarily meet the international standards of museum professionals, so they're being judged for something that they're not even trying to be. Again, that's also an unfairness issue.

The other thing I'm very concerned about is the whole nature of volunteerism, which I know is much bigger than this committee. I think our current board structure is failing. It's failing in the arts, it's failing in heritage and it's failing all over the place. Too much is expected of board members and volunteers. Again, society has changed so much in the last 30 or 40 years that we no longer have that kind of time to dedicate to these organizations. The expectation is that volunteers will just pick it up. I'm afraid that after the pandemic, volunteers won't be there to pick it up. That's one of my biggest concerns, really. It's not a money issue but a governance issue.

Mr. Scott Aitchison: Thank you for that.

I'm wondering if you could expand a little more on volunteerism. That's something I haven't heard yet. You're right. I think there's a generational gap in some ways when it comes to volunteerism. I think about smaller rural communities, as well, where it was far more common and it's less common now. Do you have some thoughts on what we might do with governance of these smaller museums, like the Muskoka pioneer village in Huntsville, for example?

Ms. Catherine Cole: I think the expectation is that the boards will provide that governance function and the accountability. They are there as a buffer for the government to know that the money's not being just walked away and that people are behaving appropriately.

The actual professional standards in this field are incredibly high, and the risk and liability issues are very high. It's really too much for volunteers to take on.

What is the solution? I've been struggling with that for a long time. When I was secretary-general of the Commonwealth Association of Museums, it was a volunteer role. For seven and a half years I was running an international development organization on top of my consulting practice, and I just got burned out. I'm sure you as MPs experience this, but there are only so many weeks in a row that you can work 90 hours without feeling it.

I honestly don't know what the answer is, but I think smaller boards and more funding to be able to hire paid staff. Most of these very small museums we're talking about have no paid staff during the winter, which is when most museums that are seasonal institutions are trying to raise the money. That's when you're doing your program planning, developing new activities and raising money. These programs tend to fund people to mow the lawn and keep the doors open.

The Chair: Thank you.

I'm sorry. I have to stop it right there. We've run out our time of six minutes.

• (1130)

[*Translation*]

I'd like to welcome you, Mr. Lauzon.

You have the floor for six minutes.

Mr. Stéphane Lauzon (Argenteuil—La Petite-Nation, Lib.): Thank you, Mr. Chair.

I want to thank all the witnesses. Art and culture are important to our government.

Mr. Turgeon Thériault, thank you for giving me a brief overview of the programs set up by the government to try to support this sector. Nothing is perfect. As we know, a pandemic of this nature doesn't come with an instruction manual. However, you didn't talk about sponsorships for small events, such as independent arts festivals.

How is the relationship with sponsors in this pandemic period? Has this factor affected you?

Mr. Clément Turgeon Thériault: Yes, it has affected us. It was less serious last summer, because some of the sponsors, private companies, hadn't yet assessed the effects of the pandemic. We still managed to carry out some of the events with a budget that made sense. Some events lost almost all their partners last summer.

I also represent festivals in the regions. Festivals that take place in smaller communities sometimes rely on businesses that have fewer resources. These businesses may be garages or supermarkets, for example. However, all these businesses in small communities are extremely weakened. We can already see concrete evidence of this. Some partners can no longer fund an event because their losses are too significant. Obviously, their priority isn't to maintain the sponsorship, but to pay their employees and contribute to the recovery. Although we don't yet know whether this area will be affected, we're even thinking of companies such Loto-Québec, a major partner in the festival industry.

Currently, casinos and bars are closed almost everywhere. Large companies of this nature are unable to generate a significant amount of revenue, which can affect festivals. I'm talking about small businesses, but this also applies to large companies. This is a major issue. We're already losing a great deal of box office revenue. I'd say that this loss amounts to 80% when we put on shows with limited capacity. In a pandemic period, we sell little, if any, beer. However, beer sales generate a fairly substantial amount of revenue. If we also lose sponsorship revenue from the private sector, there are consequences.

Mr. Stéphane Lauzon: I also wanted to ask you this question. I want to hear more about the revenue generated on site. Apart from beer, there are the admission tickets. You're affected because of the revenue tied to the events. However, in terms of funding, you receive assistance from the municipalities, RCMs and the Quebec government, which has related programs.

I want you to tell us what you think would help the most to get the economy moving again quickly.

In your opinion, what would be the key way to revive festivals and to keep them running?

Mr. Clément Turgeon Thériault: To quickly answer the first question, which concerned how this affects other types of revenue, such as box office revenue, I'll share the example of our festival, the Festif!, in Baie-Saint-Paul. We obviously have box office revenue, which constitutes our core revenue, and our bar revenue, which is the revenue from the sale of beer and non-alcoholic beverages. In small communities, such as Baie-Saint-Paul, there's no accommodation available, so we organize campgrounds on site. We generate substantial revenue. However, when things aren't as busy, we can't set up campgrounds, and we lose this revenue. We lose rental income from food stands, for example, or merchandise stands. There's all this revenue on top of the box office and bar revenue.

There are several short-term solutions. I spoke about the assistance for innovative initiatives provided by the Société de développement des entreprises culturelles, or SODEC. A number of festivals have submitted an application. This type of program, which provides new money, focuses on innovation. It asks event organizers to rethink their approaches. This has enabled us to keep a number of people employed. We've run micro festivals, which are small-capacity festivals. This funding made up for our loss of box office and bar revenue.

We can also talk about increasing grants. I'm thinking of the program implemented to compensate for the loss of box office revenue.

This model could be applied to festivals. It could involve introducing a percentage increase for existing grants, similar to what was announced, to compensate for some of the loss of box office revenue. I'm thinking of building communities through arts and heritage, or BCAH, a Department of Canadian Heritage program. For example, if I have \$75,000, the government could increase its support by 10% or 15% automatically for festivals that have already submitted an application. The government could establish funding so that new festivals and festivals that couldn't access the Department of Canadian Heritage support would be able to access it for the next few years.

There are different approaches. Some models have worked. You have already implemented a very effective emergency assistance program at Canadian Heritage. There are measures in place, so a basic solution would be to maintain and improve them. We can also talk about compensation for the loss of private income. There are different approaches. We shouldn't talk about figures, but rather about an analysis procedure, so that the funding—

• (1135)

Mr. Stéphane Lauzon: I don't want to interrupt you, because this is very useful. However, I want to know the difference between festivals in major centres and festivals in rural areas.

[English]

The Chair: I'm sorry, Mr. Lauzon, perhaps you'll get some time later.

[Translation]

Mr. Champoux, you have the floor for six minutes.

Mr. Martin Champoux (Drummond, BQ): Thank you, Mr. Chair. I want to inform you that I'll be sharing my time with my colleague Ms. Desbiens, if you agree.

I want to thank all the witnesses who have taken the time to come and meet with us today and answer our questions regarding this very important issue.

Ms. Richard, I want to speak to you because you raised a very good point in your opening remarks. You spoke about the government's \$500 million fund, which the multidisciplinary presentation sector hasn't been able to access. I'd like to hear more about this matter.

What shortcomings have prevented these presenters from accessing the money?

Ms. Julie-Anne Richard: It's actually quite simple. Multidisciplinary presenters in Quebec basically receive their grants from the Canada arts presentation fund. However, the grants awarded to presenters are extremely small.

It should also be noted that, apart from the slight increase in 2018, two budget years ago, the funding has remained stagnant since 2008. The Department of Canadian Heritage chose to increase by 25% all the grants awarded to organizations that it was already funding. The same applies to Musicaction, which was able to receive part of this funding. On a unilateral basis, everyone received an additional 25%.

That's good for organizations that had large grants. They received an additional 25% in funding. However, we know that the pandemic has deprived both organizations and presenters of their self-generated revenue. The grants helped all the organizations keep running their operations. That said, for some organizations, grant revenue amounted to only 2% to 3% of their sales figures. These organizations have been the hardest hit by the pandemic.

To give you an idea, I can tell you that one major presenter with \$5 million in sales received the equivalent of 0.2% in assistance from the emergency fund. We're talking about \$11,000 for \$5 million in sales, which practically collapsed with the pandemic. As a result of the decision to not conduct a more detailed analysis of the sector's needs, the mark was missed for presenters in particular.

Mr. Martin Champoux: Do you think that the presenters can weather the storm for a long time to come? In your opinion, what should be done in the coming months to adapt everything, apart from, of course, maintaining and ensuring sustainable funding to avoid falling back to the 2008 levels?

I may be giving you the answer to a certain extent, but do you think that some presenters will be spared the consequences?

Ms. Julie-Anne Richard: One obvious source of stress for presenters is not knowing whether the \$16 million allocated to the Canada arts presentation fund for two fiscal years will be renewed, or whether it will be made a permanent part of the program. These amounts expired on March 31, 2020. Presenters have nonetheless counted on this revenue. Some presenters that were unable to access the program because the funding was too limited could be completely excluded from the program. We must quickly find out what will happen to this money in the budget.

I'll address the Canada emergency wage subsidy. It has really helped keep the presentation organizations running. We know that the economic recovery will take a long time and that, for now, the timeline is extended to June 2021. However, I want to point out to the committee members that it would be useful to adjust the wage subsidy based on the recovery of the various sectors.

Once again, the situation isn't consistent from one economic sector to the next. Some sectors have been able to benefit more from the recovery, which has been slow to start. However, in the arts sector, we can see that everything is still closed right now. The situation varies from sector to sector. This astute implementation of the grant would be an important part of the assistance that we could receive.

• (1140)

Mr. Martin Champoux: I have a very brief question for you.

In the structuring measures that you say are necessary for the recovery, you spoke of support for boldness. I find this idea very in-

teresting. Can you elaborate on the importance of creativity and originality?

Ms. Julie-Anne Richard: I'll give you a brief answer.

In their mandate, multidisciplinary presenters have a mission to support disciplines that reach a potentially smaller and more niche audience, such as contemporary dance and classical music.

However, the business model requires more profitable shows to balance these budgets. Given the pandemic, the weakened budgets and the deficit fiscal years that will certainly be a reality for organizations in the coming years, it would be tempting for presenters to simply focus on safe disciplines such as comedy, for example. We know that comedians fill theatres.

However, support programs that really specialize in boldness would enable presenters to absorb some of the financial burden, because these disciplines often run at a loss when presented.

Mr. Martin Champoux: That's very interesting.

Thank you.

I'll let my colleague Mrs. Desbiens continue.

Ms. Julie-Anne Richard: Thank you.

Mrs. Caroline Desbiens (Beauport—Côte-de-Beaupré—Île d'Orléans—Charlevoix, BQ): I want to thank my colleague and all the witnesses.

My question is for Mr. Turgeon Thériault.

Since we've discussed the concepts of predictability, I'd like to hear your views on how festivals in the regions affect tourism retention and the vitality of the community.

Mr. Clément Turgeon Thériault: Festivals have a huge impact in the regions. The benefits, especially the economic benefits, are obviously considerable.

This goes beyond economic benefits. Take the example of our festival in the small town of Baie-Saint-Paul, near Quebec City. A festival is often a very important promotional showcase for a region. Many young people discover the city through the festival and they'll want to return. People regularly find Baie-Saint-Paul so outstanding during the Festif! that they decide to come and ski there during their winter break. This idea of promoting the regions through our festivals is very important, in my opinion.

On top of providing economic benefits, festivals are a source of pride for communities and the public. Dozens of loyal volunteers return each year. Young people also do internships at the Festif! and at all festivals in Quebec. Festivals are an important way to engage communities. The social benefits are considerable.

Most festivals, especially festivals in the regions, work with people in the regions, such as brewers—

The Chair: Thank you, Mr. Turgeon Thériault.

Sorry to interrupt you, but we must move on.

[English]

Ms. McPherson, for six minutes.

Ms. Heather McPherson (Edmonton Strathcona, NDP): Thank you to all of our witnesses for being here today. It's been very interesting and informative to hear from you.

I want to thank Ms. Cole for joining us today, and speaking so strongly about the needs of museums, particularly museums that are in smaller communities that are run by volunteers.

Ms. Cole, you spoke about the audience collaboration being disrupted. In particular, I'm interested on what the impacts of that would be in those communities you talked about that don't have access to strong enough technology.

Could you discuss how COVID-19 has had this deep impact on indigenous communities, on remote communities, and what you think those rebuilding initiatives should look like?

• (1145)

Ms. Catherine Cole: I am working on planning a feasibility study for the Nunavut Heritage Centre in Iqaluit. We have been unable to do any community consultation related to that project, aside from telephone calls. It's really important to bring people together in a room, to have the elders speak to the community members, to have people listen to what they have to say, and to think about how to move the project forward. That's not able to happen right now.

Communities are extremely protective of their elders, and as you know, many indigenous communities are in dire straits. Nunavut has been really hard hit in the last few weeks. I understand the breakout in Rankin Inlet occurred because they were medevac'ing somebody from Arviat who had to stay in Rankin for several hours at the airport, and then infected people in Rankin on the way out. These are really fragile communities.

They were fragile before. The loss of traditional culture among Inuit people is a really serious emergency situation for Canada. The importance of these heritage centres...One just opened in Labrador and another one is under development in Labrador. Ours is in Nunavut. Much like the small rural communities we were talking about before, they have an important role in terms of coalescing the sense of community identity and pride, and connecting people to the world.

We've been talking about developing virtual educational programming for the schools, but their schools haven't been able to go online. The teachers in their schools are writing up assignments. The kids come into the school, pick them up, and take them home to do. They don't have computers at home. They don't have that kind of access. It's easy for us in the south to just say, "Well, just go online." It doesn't happen that way, so it's a very dire situation.

The federal government has announced some funding for additional infrastructure for indigenous centres, and we're hoping we'll be able to access that for our centre, but then, of course, it's the operating funding that will always be difficult to get.

Ms. Heather McPherson: Yes, it's a challenge.

One of the things you talked about is the challenge of accessing that funding, and how the reporting is onerous. The standardization among the different levels of government is onerous.

What recommendations would you put forward to the federal government on that?

Ms. Catherine Cole: We need to streamline things as much as possible. Obviously, we need accountability. I'm not questioning that. I was talking to a colleague last week who said that for the emergency funding, it took her literally 20 minutes to fill in the form to get a huge amount of money compared to what it takes for us to get the \$30,000 to hire two interns through Young Canada Works.

The emergency funding has rolled out quickly, and relatively easily for people. Why is the ongoing funding so difficult?

Ms. Heather McPherson: As someone who has worked in the charitable sector for decades, that is not the only federal funding that is onerous to access.

Ms. Catherine Cole: They all are, yes, and to be honest, it's not just federal funding either. I was doing a focus group with people in B.C. once about their arts funding, and one of the people in the focus group said, "We might as well fill in the application in our own blood." The person who hired me to do the work asked me to take that line out. I said, "Well, she said it." This is how people feel about how onerous the reporting structures are, so they need to be simplified.

Ms. Heather McPherson: Maybe that's one of those silver linings from COVID-19, that we now know that it is possible to do this in a way that is less onerous, particularly on small volunteer-run organizations.

Ms. Catherine Cole: My comment about not needing to have full-time paid staff to be able to apply for some of these things...The first time I applied to the museums assistance program for the Commonwealth Association of Museums I was able to apply for it, but the second time a rule was in place that you had to have full-time paid staff in order to apply. That was just deliberately shutting us out of that program.

Ms. Heather McPherson: It was particularly onerous, yes. Then you talked about—

Ms. Catherine Cole: It was impossible because we didn't have full-time paid staff, so we couldn't apply. There are the people who say you have to have an audit. If your budget is \$75,000 a year and you have to pay \$5,000 of it for an audit, it's just disproportionate to how much money you have. You need to have reviews in those situations, not full audits. It's just that kind of flexibility....

• (1150)

Ms. Heather McPherson: It seems they are very easy fixes, too.

I don't have very much time, so I have one last question very quickly. You talked about what we could do for volunteers to make sure that they are better supported. Would the federal government providing some kind of insurance program be helpful?

Ms. Catherine Cole: Yes, that would be helpful. I know the Canadian Museums Association does provide a lower rate of insurance for board members, but even that is prohibitively expensive for some people. I know of situations, like a theatre board I was on. People came in to join the board, found out what the situation was and walked out of the meeting saying that they couldn't be a part of it because it was just too risky.

I know people who have put their own personal line of credit on the line for the organization. That's too much.

Ms. Heather McPherson: It's unsustainable.

I'm probably out of time, but from one Edmontonian to another, thank you for your time.

The Chair: Thank you, Ms. McPherson.

Mr. Waugh, you have five minutes, please.

Mr. Kevin Waugh (Saskatoon—Grasswood, CPC): Thank you very much, Mr. Chair.

You know, today is the economic update by the federal government. We all know they're well into \$300 billion since COVID hit. We're probably headed to \$400 billion. When I hear funding for two years through to five years, we all know that the federal government and taxpayers will have a profound change heading out of COVID, without question. I see it here in Saskatchewan with the museums that are struggling. Every arts and culture sector in this country is struggling.

I'll start first with you, Mr. Turgeon Thériault. You have 80 festivals in Quebec and you had some very good numbers on the rent and wage subsidies. A lot of these festivals shut down in 2019 in the fall, when they were done. It could be two years now before they resurrect themselves because they didn't have 2020, so your base is gone.

You talked about sponsorships. Companies will definitely be looking at ways to reinvent themselves as we go forward. This is really a serious situation that you have because you do a lot of beautiful rural festivals in Quebec. That's where the culture in Quebec is the most important, as you well know.

We're losing the younger group that needs to experience what culture is all about. We haven't had it for over a year, maybe two years in some cases. Maybe just talk about that if you don't mind.

[*Translation*]

Mr. Clément Turgeon Thériault: We think it will be possible to hold festivals in 2021. However, we don't think it will be possible for them to resemble the festivals held in 2019, with huge ticket counters and free performances where people can move around without a wristband, for example.

For 2021 to happen, we need the government to sit down very soon with key event industry stakeholders to prepare guidelines that will help us in the summer of 2021. It is still possible to save the 2021 summer season, but we need clear guidelines from the gov-

ernment to know what the probability of allowing gatherings of 250 people with two-metre distancing is, for example. We are a creative industry and, with guidelines in place, we could work with those guidelines to be able to host festivals.

I agree with you. Losing a year of festivals is extremely difficult; losing two years will be even more difficult. We risk losing certain resources with a corporate event memory. For example, if a sponsorship professional who is working for a festival decides to leave because they no longer have a job, that festival just lost an important funding resource. Everything could ramp up quickly.

I said this quickly in my remarks, and I think that my event industry colleagues will agree. We will quickly need government guidelines. Normally, at this time of the year, I already have 70% of my programming confirmed. My partners are already confirmed, as well as the Hydro-Québec stage. I currently have none of that. I have only one confirmed artist. We will need government assistance. We must find ways to ensure that something will happen in 2021.

• (1155)

[*English*]

Mr. Kevin Waugh: The government announced \$500 million, and \$72 million went to sport organizations. I believe they still have \$18 million. At least when the minister came to committee about a month ago, they still had \$18 million out of the \$500 million they wanted to disburse. Out of the \$500 million, then, how much did your organization and your people get? Do you know off-hand?

[*Translation*]

Mr. Clément Turgeon Thériault: Unfortunately, I cannot tell you the exact amount for everyone. I can talk about my organization, which has received emergency assistance from Canadian Heritage. Honestly, however, that's not enough to address all the issues.

It may be a good idea to put this question to Ms. Richard for broadcast locations and performance halls. Among other issues, there have been problems in terms of compensation for ticketing revenues that are not affecting festivals yet. So it would be useful to see how this measure applies in halls.

If I may speak about the provincial side of things, we have received more funding from SODEC, and most festivals have received more funding for their initiatives from the province than from the federal government.

The Chair: Thank you very much.

[*English*]

We're going to move on from here.

Mr. Housefather, you have five minutes, please.

Mr. Anthony Housefather (Mount Royal, Lib.): Thank you very much to all the witnesses.

I'm going to be sharing the last minute of my time with Ms. Dabrusin.

What I think I heard from each and every one of you is that the programs that we need to provide for financing have to be sustainable for at least two years, preferably longer, for all of your industries, museums, theatres and festivals to get back on track.

[*Translation*]

I would like to begin with Mr. Turgeon Thériault.

I want to start by congratulating you on the Festif! of Baie-St-Paul. I did not know you were its founder. That's really an incredible asset for the Charlevoix region. I think that, last time I attended, 70 musicians were participating. It's really amazing.

Mr. Clément Turgeon Thériault: Thank you.

Mr. Anthony Housefather: I understand what you are doing for your festival, but what about the other festivals you represent? Is REFRAIN new for this year? Why did you decide to form a group during the COVID-19 pandemic? Are those all outdoor festivals with musicians?

Mr. Clément Turgeon Thériault: Yes. REFRAIN was created during the pandemic. It is an initiative from Patrick Kearney, the organizer of a Montreal festival. The goal in the beginning was to create a discussion group between the organizers of some 10 festivals to share our best practices and concerns, and to talk about new funding measures in our regions.

We quickly saw the interest of joining together, and REFRAIN now consists of 80 festivals, with some just starting out and others more established, such as ours. I represent a lot of music festivals, but there are festivals across all disciplines: visual arts, circus arts, literature, and even recreational science. The festivals take place both indoors and outdoors, in the regions or in cities such as Quebec City and Montreal.

We now have a panel of people from some 10 festivals that meet every week, and a committee that brings together the organizers of 80 festivals that meets bi-weekly or monthly to discuss new government announcements. Some organizers are a bit less familiar with the structures and steps involved in funding requests. We are submitting joint requests to the government. Soon, we will develop portals to help promote all those festivals.

Mr. Anthony Housefather: That's amazing.

I see that the truly important thing is to know what health measures must be complied with so that organizers of outdoor festivals can recruit artists and open again next summer. That is important.

I have a question for you, Ms. Richard. I understand theatre shows a bit better. You represent about 170 members, and you have at least 200 performance halls. Do you anticipate reopening next summer if you know what sanitary measures must be followed? I know that organizing an event requires a lot of work, probably a year of planning, but I am not sure.

Can you tell me about the process?

● (1200)

Ms. Julie-Anne Richard: Of course. Most of the 350 performance venues that are members of RIDEAU are broadcasters with

a season that lasts more from September to late May or early June. Some of our broadcasters have a more specific offer during the summer, but that is a minority. That is why the short opening time we had this summer has not affected our members tremendously. They were more focused on restructuring and planning their fall, which unfortunately did not bear fruit as they had hoped.

I still have some hope that next summer will be a structuring moment. We anticipate that our members will resume or renew activities more in September 2021.

Mr. Anthony Housefather: Thank you, Ms. Richard.

[*English*]

I'll pass the time to Ms. Dabrusin now.

Ms. Julie Dabrusin (Toronto—Danforth, Lib.): Thank you.

[*Translation*]

Thank you, everyone.

Your comments have been very interesting.

[*English*]

Ms. Cole, it's been great to see you again and to talk with you about museums.

You talked about volunteer museums and small organizations. I was wondering if you've had a chance to touch base. I understand that 72 small museums and heritage organizations did receive emergency funding, including Natashquan—it has a small organization—Star City Heritage Museum in Saskatchewan and Elnora & District Museum in Alberta.

Small museums that became eligible for emergency funding through an expanded museum assistance program for emergency funding included seasonal museums and ones that only had volunteers.

Have you had a chance to touch base and see how that was received?

Ms. Catherine Cole: I have spoken to colleagues who have received the funding. That was the example I was giving where it was very easy to get the money. That was great. The only concern is how long that funding will last. As my colleagues in the performing arts were saying, this is just the beginning of the recovery period.

It's necessary to do it again and again for the next couple of years. But yes, it was very welcomed when received.

The Chair: Unfortunately, I have to cut it right there.

Thank you to our panellists for joining us today, Madame Richard, Monsieur Turgeon Thériault, as well as Ms. Cole.

We're going to try to make this as seamless as possible for our next panel. We're going to suspend for a few minutes.

• (1200) _____ (Pause) _____

• (1205)

The Chair: Okay, everyone, welcome back.

This is, of course, pursuant to standing order 108(2), a motion adopted by the committee of October 23. The committee resumes its study on the challenges and issues faced by arts, culture, heritage and sports sectors during the COVID-19 pandemic.

At this point we have three guests with us from three different organizations. We have, from Arts Commons, Alex Sarian who is president and chief executive officer; from the Canadian Association for the Performing Arts, Frédéric Julien, director, research and development; and from ParticipACTION, Elio Antunes, president and chief executive officer.

The way we normally do this is you get up to five minutes to start your presentation. I will be a little lenient.

We're going to start with Mr. Sarian from Arts Commons.

Mr. Alex Sarian (President and Chief Executive Officer, Arts Commons): Good afternoon, Mr. Chair and honourable members of the committee. Thank you for the invitation to speak to you about the impacts of the COVID-19 pandemic on the Canadian arts and culture sector.

Before I start, I want to express my gratitude to the Government of Canada for your support of our sector. Most notably, programs such as the Canada emergency wage subsidy and the Canada emergency rent subsidy have allowed organizations like ours to navigate the pandemic. I'll speak more on this later, but I wanted to start by expressing our immense gratitude.

As a citizen of this country who recently returned to Canada after 35 years of living abroad, I am humbled by the committee's invitation to participate in today's session. It is my privilege to represent Arts Commons, the largest arts centre in western Canada and the nation's third largest arts facility. Occupying more than 560,000 square feet in downtown Calgary, Arts Commons stewards an artistic ecosystem that consists of six resident companies, each a world-class institution that contributes to the cultural fabric of Canada.

Under more traditional circumstances, Arts Commons hosts approximately 1,800 events per year welcoming 600,000 visitors of all ages and partnering with more than 200 local community groups. Our focus on collective impact allows me to speak to you today on behalf of a vibrant community of artists, arts professionals and audiences who continue to struggle in the absence of in-person cultural experiences that remind us of our shared humanity. This is a community that recognizes that, while science will get us out of this pandemic, it is the arts that will get us through it.

As the husband of a veteran New York City public school teacher, and in my role overseeing all global education and community engagement programs at Lincoln Center for the Performing Arts before starting my tenure at Arts Commons, it became my core belief that one of the strongest ways for arts organizations to remain relevant is by embracing our civic responsibilities. There has never been a more urgent time to do that than now.

Understanding how we intersect with areas such as creative youth development, mental health, tourism and economic revitalization, just to name a few, allows us to measure our impact on society and reposition ourselves as massive contributors to the socio-economic recovery of our nation. While the pandemic has made clear that this civic call to action is necessary, it has also reminded us of the fragility of our sector. The financial implications of the pandemic are considerable. Financial oversight is and will continue to be extremely critical; however, that oversight cannot just focus on business results but must focus on our ability to operate compassionately as well, which is why Arts Commons has been active developing new programs and investing in our infrastructure and future while we remain closed to the public.

The business model needed to support a thriving arts organization has never been a simple one, and at Arts Commons we are critically aware of managing risk. In fact, in February, we moved quickly to implement our existing risk management plan. The plan could never have predicted the magnitude and duration of the pandemic. The financial impact to our operations was significant, including over 41% lost in earned revenues for our 2019-20 fiscal year alone. Despite this projection, we chose to not make quick decisions around cutting expenses in the short term. Instead, we focused on three primary objectives.

One was remaining a values-led institution, two was protecting and retaining staff, and three was focusing on the future. While our goal was to manage the crisis, ultimately the question that guided all of our decisions was whether we would be able to reopen by focusing on the right priorities, keeping our people safe and preparing for a future that would need the arts more than ever. Over the last 10 months, we have built reopening scenarios, researched government support programs and drafted budget forecasts countless times. Through our efforts, we have accomplished many successes, but I'd like to call your attention to four of them.

First, we have retained 93% of our salaried staff at full pay and kept them engaged in the maintenance of our facilities, the creation of new programs and the development of re-entry and reopening protocols. Keeping our core staff employed was made possible by the federal government's Canada emergency wage subsidy programs resulting in recoveries of over \$1 million.

Second, we provided our casual staff with a week's pay following our closure and provided them with access to our employee family assistance program, giving them access to free, confidential services on topics such as health and wellness, financial planning and mental health wellness and counselling.

• (1210)

Third, we supported our resident companies by waiving all venue occupancy fees from April to August, saving them nearly half a million dollars. While this meant revenue loss to Arts Commons, we have been able to recover just over \$298,000 through the Canada emergency commercial rent assistance program.

Fourth, not only did we pay all artists the full value of the contracts that could not be fulfilled for the remainder of our season, but we hired more artists and technical support staff in the creation of new programs that allowed us to remain connected to our audiences in safe ways, while supporting local freelancers who were most impacted by the loss of opportunities in the gig economy.

I am proud of how Arts Commons has navigated this pandemic to date, and I am grateful to all orders of government for their support.

With that said, the ongoing effects of the pandemic are deteriorating our ability to generate any earned revenue during our current fiscal year. It is clear that we are running a marathon, when what we trained for was a sprint.

It is with this in mind that I humbly urge the committee to consider the following three things.

The first is to continue supporting organizations most impacted by ongoing closures through the continued extensions of programs such as the Canada emergency wage subsidy and the Canada emergency rent subsidy.

The second is to recognize, in the development of these programs, that not all businesses will resume at the same speed and to work closely with performing arts centres to create ongoing, sector-specific supports, as the timing for the reopening of our facilities remains unknown.

The third is to work closely with our organizations to reimagine a more sustainable future. In particular, Arts Commons recently announced the design phase of the Arts Commons transformation project, which would launch next year. Canada would be the first country to have a performing arts centre be designed since the pandemic started.

We have a wonderful commitment from our municipal and provincial governments, and we are looking for this committee's support as we continue discussions with the federal infrastructure minister.

The Chair: Thank you.

Monsieur Julien, you have up to five minutes, please.

• (1215)

Mr. Frédéric Julien (Director, Research and Development, Canadian Association for the Performing Arts): Thank you, Mr. Chair, for the opportunity to appear before the committee today.

No matter what Statistics Canada indicator you look at, live performance industries are the furthest away from recovery. As a matter of fact, they haven't even begun their recovery. According to the labour force survey, the broader arts, entertainment and recreation sector lost 37,000 jobs in October alone.

However, let's zoom in and have a look at the performing arts, spectator sports and related industries.

As the charts in our reference document show, the performing arts and spectator sports subsector never recovered from the first wave of the pandemic. In October, employment in this subsector was even lower than in April. Compared to last year at the same period, employment is now 32% lower. That's 48,000 live event workers.

Performing arts companies are the hardest hit among the hardest-hit industries. Data for this industry group is now getting so sparse that it must be interpreted with caution. However, if figures I was sent by Statistics Canada are accurate, then almost three in four performing arts workers lost their job in October, compared to last year at the same period.

Participation in the labour force is also declining, which suggests a migration of the workforce to other sectors. The labour force shrank by more than 20% in October. This subsector risks facing a major shortage of skilled workers when live performance activities resume.

GDP statistics are equally troubling. In spite of modest growth over summer months, the GDP of the arts, entertainment and recreation sector in August was 52% lower than a year ago. In comparison, the accommodation and food services sector was 33% lower than last year.

We've heard from restaurant owners how they need almost a full week to get their supply chain in motion after a shutdown order is lifted. In the live performance sector, it's a matter of two to three months. The critical path for resuming a live performance series involves several activities: negotiating and signing contracts with performers, booking tech crew and front-of-house staff, promoting the event, selling tickets for at least four weeks and, finally, holding the event.

If the vaccination campaign goes well, some small-scale festivals may be allowed to take place during the summer months. However, the real recovery of the sector will only begin in September 2021, when theatres, concert halls and performing arts companies launch their fall and winter seasons. This is a long time without much earned revenues.

The recovery of the sector will be a slow one. Under normal circumstances, national and international tours are planned and booked 18 to 24 months in advance. The time frame for the recovery of the sector is the lifting of all restrictions on gatherings, plus at least 18 months.

Let's turn to gaps. Venues owned by municipalities and educational institutions are not eligible for the wage subsidy or the new rent subsidy. As a result, most have had to permanently lay off staff.

These publicly owned venues are a strategic part of the performing arts value chain. They serve as mid-points in touring circuits that also involve not-for-profit presenters in rural and more remote areas. Their participation in national tours makes the difference between a tour that is financially viable and one that doesn't reach the break-even point.

[Translation]

I will now switch to French to talk about support measures.

Considering the event sector's current devastation, its revival or, rather, its rebuilding will require a holistic approach based on a range of measures. The government will have to ensure to support all the players in the event value chain. As long as the emergency phase lasts, the government will have to continue to provide emergency support measures targeting the hardest-hit industries.

In addition, measures specifically targeting event industries will have to be implemented before the recovery phase begins. Those measures could include funding for creative projects, touring and performance presentations, strategic support to help the sector adjust to the changes in cultural consumer behaviours following the pandemic, assistance for workforce training, as well as leverage funding for activities likely to generate own-source revenues or other types of revenues.

When it comes to existing programs, it should be noted that investments over two years earmarked by the federal government in budget 2019 will end on March 31, 2021. I am talking about the Canada arts presentation fund, the building community through arts and heritage program and the Canada music fund. That funding must be extended. The government should actually consider those programs as recovery tools and set aside additional money for them.

Finally, organizations that use performance halls will need investments in infrastructure, so as to bring their facilities up to date based on the risks associated with the COVID-19 pandemic and with other pandemics that will come sooner or later.

Thank you for your attention.

• (1220)

The Chair: Thank you, Mr. Julien.

[English]

Well, here's an organization that's no stranger to anybody in this country, is it? It's ParticipACTION. Talk about a national reputation. My goodness, you're up there with *Hockey Night in Canada*.

Mr. Antunes, you have the floor, sir, for up to five minutes.

Mr. Elio Antunes (President and Chief Executive Officer, ParticipACTION): Thank you very much. I appreciate the opportunity to speak to you today, and I also appreciate the recognition that our brand has with the committee.

Since 1971, ParticipACTION has been working toward a Canada in which physical activity is a vital part of everyday life. As Canada's leading physical activity organization, we deliver innovative engagement initiatives and thought leadership activities to help Canadians be more physically active and less sedentary no matter where they live, work or play.

ParticipACTION is part of what is often referred to as the SPAR sector, which stands for sport, physical activity and recreation. This includes organizations at the national, provincial, territorial and municipal levels working together to promote participation in physical activity and sport.

There are over 33,000 SPAR organizations in Canada, of which 71% are community organizations like the local YMCA or hockey association or curling club that are such an essential part of our collective social fabric, delivering programs and helping build strong communities.

The pandemic has left its mark on virtually every aspect of our lives, and the thousands of organizations I speak of are no exception. From the 2020 Olympic Games to the local soccer league, there have been widespread cancellations and suspensions of programs and events, affecting not only revenues but the ability of Canadians to participate.

The results from a recent national survey of SPAR organizations indicate a dire need for support. Some 99% of these organizations have been affected by COVID, and 21% may not recover without additional support, resulting in fewer opportunities for community programming. Programs that once may have had thousands of eager Canadians waiting to join are now running at an average capacity of 45%, and almost a quarter of the organizations in our sector are not currently delivering any programming at all.

The relief measures provided have been pivotal to the continued survival of so many of us in the sector, and we thank the government for its support. However, 65% of local community clubs and associations have not been able to access emergency funding.

As important as it is to consider the impact of COVID on organizations, we must not forget its overwhelming effect on individual Canadians. Physical activity levels have endured significant and sustained decline since the pandemic was declared, an unintended consequence of abiding by public health guidelines, resulting in the closure or suspension of facilities and programs across the country.

This past April, in the midst of the pandemic surge, fewer than 3% of Canadian children were meeting recommendations for physical activity, sedentary behaviour and sleep—a stark contrast to the already low 15% doing so before the health crisis.

Canadian adults are not faring any better. Since March, many of the daily rituals that were the foundation for much of our incidental movement, like commuting, grabbing a coffee or walking to a meeting, have been reduced or eliminated, resulting in incidental physical activity, which is the majority of activity we get each day, remaining alarmingly low. Not surprisingly, more than 60% of Canadians report spending more time using the Internet and watching TV during the pandemic, significantly increasing our unhealthy sedentary behaviours.

The pandemic and its resulting restrictions on social and economic life have also had a widely reported impact on mental health, with over half of Canadians reporting worsening mental health as a result of COVID. There is well-documented evidence linking the benefits of physical activity to mental health, such as decreased anxiety and depression, improved resiliency and lower stress. Unfortunately, however, most Canadians are not engaging in physical activity and sport participation as a coping strategy.

The pandemic is also deepening pre-existing inequities. Significantly fewer individuals belonging to visible minority groups are physically active compared to those identifying as Caucasian. Further, only 6% of girls versus 13% of boys are meeting physical activity guidelines.

Considering that research overwhelmingly supports the positive association between physical activity and various facets of health, including mental health, it's essential for the Government of Canada to recognize the powerful role that physical activity and sport participation can play in our collective efforts to help Canadians recover from the impacts of COVID. We therefore recommend two key initiatives.

The first is the delivery of a national public education campaign to motivate and support Canadians to get outdoors and be active while still abiding by public health guidelines. Different jurisdictions are finding it challenging to navigate public health requirements of distancing while promoting the importance of staying active. There is a need for consistent and clear messaging on how physical activity can be done safely and on its mental health benefits.

The second recommendation is to declare June 2021 Canada Moves month, in which sport, physical activity and recreation organizations at the community level will be encouraged and resourced to provide free programming as part of ParticipACTION's existing Community Better Challenge, an annual initiative to find and recognize the most active communities in Canada.

• (1225)

The spring of 2021 will be time to bring the country together, connect with one another and celebrate our communities while charting a path forward beyond COVID-19.

It is also ParticipACTION's 50th anniversary, an ideal opportunity to help celebrate an iconic Canadian brand by helping us do what we do best, encouraging Canadians to get healthy and get active.

Canada Moves would allow families and vulnerable groups to experience sport and physical activity programs without having affordability as a barrier to participation. It would help stimulate re-engagement in local sport and physical activity programs by enabling community organizations to retain members and continue to deliver essential programming. Essentially, we would provide 2,500 community organizations with grants to offer free programming for the entire month.

COVID-19 is more than a generational health and economic crisis. Our government should be commended for its efforts in mitigating the spread of the virus while protecting the livelihood of everyday Canadians, but we need to work just as hard to address the enormous social impact this pandemic has had on our communities. Now more than ever, physical activity and sport participation need to be promoted and prioritized to help Canadians stay healthy in mind, body and community spirit.

Thank you.

The Chair: Thank you, sir.

Let's go straight to the questions.

Mr. Shields, you have up to six minutes, please.

Mr. Martin Shields (Bow River, CPC): Thank you, Mr. Chair.

Thank you to all the witnesses being on here today. I totally agree with ParticipACTION. Students have stayed home for months on end; this is a serious problem. The program that was involved in schools for many years, ParticipACTION, was dropped. I don't know why it was dropped from the school system, but that's a challenge.

Welcome to Arts Common and Mr. Sarian. That's a great part of the Calgary arts scene and the Canadian arts scene. It's a fantastic place in theatre.

One of my former students from a university class, Craig Hall—

The Chair: Sorry, Mr. Shields, we'll just stop the clock for you right there. Ms. Dabrusin has a point of order.

Ms. Julie Dabrusin: I'm really sorry, Mr. Shields. It's not about your question. It's that the sound is really hard on the ears.

The Chair: I think it might be the same problem we had prior. I'm going to get Mr. Shields to move just a little farther away from his microphone and maybe we could lower the volume within this room, because Mr. Shields is in this room right now with us.

Please proceed, sir.

Mr. Martin Shields: Ms. Dabrusin, sorry to have been so loud.

Craig Hall, a former student in a class of mine at university, is director of Vertigo Theatre. It's a great place.

I introduced my kids to arts in the Arts Common and we've attended many events there over the years.

I want to go back to your last three points. I think you were just getting into them, and you didn't have time for the last one, the future that you're looking forward to. Could you spend a little more time on that?

Mr. Alex Sarian: Absolutely, and thank you for giving me the time to do that.

Number three is really about empowering arts organizations to reimagine what it means to be sustainable. As you can imagine, in coming to Calgary from the United States, the funding model is completely different. In the United States, we are at risk at being perhaps overly dependent on the private sector, whereas here the perception might be that we are overly dependent on the public sector. One of the things that we want to come out of this is to be able to diversify our revenue streams as much as possible, so that when pandemics do occur, the rug is not pulled out from under us.

One of the ways in which Arts Commons is attempting to tackle this is by the development of what we're calling the Arts Commons transformation project, which is an expansion and modernization campaign that consists of building a new extension to our facility and almost doubling our square footage, because our facility has been operating at capacity literally since the year we opened in 1985.

It would do a couple of different things. It would allow us to monetize and commercialize activities in a way that then allows us to bring that money back into our local economy and back into our local residential companies. As you know very well, Arts Commons, much like Lincoln Center, is based on this idea of an ecosystem, where we need to be talking about economies of scale and we need to be talking about shared resources.

A performing arts centre like Arts Commons allows organizations such as Theatre Calgary and the Calgary Philharmonic and so many other community-based companies to access a world-class venue and tap into audiences at a fraction of the cost of what it would normally be, but that business model requires Arts Commons to sustain that practice. The ability to increase our square footage allows us to generate more commercially based earned revenue to then pour back into our ecosystem.

The only last thing I'll say on it is that this has been a project that has been in the works for many years, but there has been a unique opportunity, given the investment in infrastructure, to revisit this right now. In the near term, this would create over 3,000 jobs in construction and would add hundreds of millions of dollars to Alberta's GDP. In a time when the arts sector is normally seen as hem-

orrhaging money, this is an opportunity for the arts sector to give back in times of crisis.

We have launched the RFP for design consultants around the world and locally, and what we are hearing is that people are chomping at the bit to work on this, because it would be the world's first performing arts centre to be designed since COVID hit. It would be a manifestation of what we are learning in terms of HVAC, security and health, and in terms of how people navigate through space and what it means to have a flexible performance and cultural centre.

It's a great opportunity. As for the timing, it's one of the silver linings that has come out of this for us. In the long run, it will lessen our dependency on government funding, because we will have the ability to monetize and activate this new building and our increased square footage in brand new ways.

• (1230)

Mr. Martin Shields: Thank you. I really appreciate the forward thinking that you're looking at.

If there were one other thing that you would ask for from the federal government, what would it be?

Mr. Alex Sarian: As I mentioned earlier, we have confirmed pledges from municipal and provincial governments. We have a pledge that was made last year by the federal government of \$80 million, and we are now in conversations with the infrastructure ministry to see if that pledge can come to fruition. I would ask this committee for your support and advocacy as we continue those conversations at the federal level so that we can break ground as early as 2022.

Mr. Martin Shields: Thank you very much.

The Chair: Thank you, Mr. Shields.

[*Translation*]

Mrs. Bessette, go ahead for six minutes please.

Mrs. Lyne Bessette (Brome—Missisquoi, Lib.): Thank you, Mr. Chair.

I thank the witnesses for joining us today.

My questions will be for Mr. Antunes.

I understand ParticipACTION's position well. I started cross-country skiing at the age of two. Now that I am a member of the federal Parliament, it is important for me to continue to exercise every day. It helps me better do my job and feel better in my skin. That's really important for me.

A number of sports are played in small organizations' facilities. We have noted an increase in the use of Parc d'environnement naturel de Sutton, a place for hiking, which leads to a much faster trail degradation. This park had to close partially during the week to get some relief.

Mr. Antunes, how are those community organizations doing during this COVID-19 crisis and, more importantly, how can those local organizations be better supported?

[English]

Mr. Elio Antunes: COVID has impacted our lifestyles. We're in front of screens now more than we ever have been before. We need to be a bit more purposeful in our physical activity, whereas before a lot of our day-to-day physical activity was generated by walking to and from the bus stop or going out for lunch and grabbing a sandwich.

In saying that, I think we need to also support Canadians with this notion that physical activity...yes, you could visit a facility and enrol in a program, but you can be physically active just by going outside and going for a walk. We need to encourage Canadians to be thinking about physical activity as a way to support their mental health and their other day-to-day issues.

Our platform as an organization is everything gets better when you get active. We need to have Canadians think about physical activity, not as something that you put on a to-do list, but something that is incorporated as part of your everyday lifestyle.

Community organizations are a key partner of ours. In saying that people can just go outside, obviously people want to participate in sport, as an example. To be physically active they need to enrol in a particular program. Many have been suspended or closed as a result of the pandemic.

We need to support these local community organizations to be able to continue to reach out and engage Canadians in a responsible and safe way. Most of the emergency relief funding that has been provided has benefited national and some provincial organizations, but it has not filtered down into the local organizations.

Part of our proposal is to support these local community organizations, many of which are volunteer based and volunteer run. Giving them money will be helpful, but we're positioning that support in the context of a national campaign around this Canada Moves month in June so they can utilize and leverage that focal point as a way to re-engage people within their local programming.

• (1235)

Mrs. Lyne Bessette: Thank you very much.

[Translation]

We know there is a difference between sports and physical activity. As you said a few moments ago, sports are organized or associational activities such as soccer or badminton, while physical activity such as walking or skiing is done informally. We must absolutely find ways to increase the amount of physical activity among Canadians. You also talked about this.

As part of a recovery, is there a new normal concerning physical activity that is taking over? Do you think there will soon be an increase in demand?

[English]

Mr. Elio Antunes: That's our organization's whole wish, that we would have an increase in demand for programming. But, as I said before, I think people have been so preoccupied with keeping their jobs and the economic impact on their families' livelihoods that physical activity hasn't been top of mind. Yet physical activity is one thing they could do to help mitigate some of that stress and anxiety that COVID is impacting on their lives.

We really need to get people to think about physical activity as a mechanism to support their lifestyle as opposed to, as I said, just putting it on a to-do list.

I think engaging in sport is very important as well. There are other benefits to engaging in organized sport beyond being physically active: co-operation, learning how to compete. Those things are very important as well.

As I mentioned, I think it's not a one or the other. We need to support Canadians' intentions to lead an active, healthy lifestyle to help manage and cope with their mental health, but we need to provide opportunities in local communities for them to engage in more community-based sporting programs. Both have merit.

Mrs. Lyne Bessette: Thank you very much.

[Translation]

Are local organizations ready for the recovery?

How would it be possible to provide more support to organizations, now that we are seeing a change in Canadians' habits?

[English]

Mr. Elio Antunes: I think there are two things we could do to support these local organizations. First is to ensure that we have some consistent messaging across the country and that's where our public education campaign recommendation comes in.

Every jurisdiction has used different guidelines or has communicated the guidelines in different ways. Quite frankly, Canadians are confused to some extent on what they can and can't do, where they can and can't go, what programs they can enrol in and how best to enrol in these programs and still be safe and abide by public health guidelines.

There is some work to do to provide some leadership and continuity around messaging to ensure that Canadians understand what they can and can't do.

I think the second thing, as I mentioned, is to support these local organizations. One of the key aspects is that they're dependent upon registration fees for their livelihood. Those registration fees have obviously dried up, so we need to re-engage Canadians in those programs. I think Canadians will be a little more resistant to going back and registering in those programs because of being isolated for such a long time.

Our recommendation is to create this platform, this month. We can use that as a way to re-engage and spark interest in local programming again by providing financial support to allow local organizations to provide free programming for the entire month and to be able to invite people back into their programming.

• (1240)

[Translation]

The Chair: Thank you very much.

Mr. Champoux, you have the floor.

Mr. Martin Champoux: Thank you, Mr. Chair.

Once again, my sincere thanks to the witnesses for coming before the committee today.

Mr. Antunes, I will let you get your breath back. I am going to come back to you because I have a few questions for you.

So, Mr. Julien, let me start with you.

I cannot help noticing the fact that you too are talking about the additional financing in the 2019 federal budget that will come to an end on March 31. It seems to me that the industry is demanding with one voice that those additional amounts be made permanent, so that you do not return to 2008 funding levels.

Have you raised that issue with the people you deal with in the government? What has their response been? What signals do you get when you point out the need?

Mr. Frédéric Julien: We have raised the issue on a number of occasions with officials at Canadian Heritage and with people in Minister Guilbeault's office. The response from Minister Guilbeault was very positive, but we are still waiting to find out what the sector can expect on March 31. That's the only answer I can give you; we are really still waiting for a signal on what will happen with those programs.

With the Canada Arts Presentation Fund in particular, it is important to remember that the program had not been increased since 2007-2008. The additional funding provided was an improvement, therefore, an indexing that brought the program's funding to a level similar to when it was created in 2001. So we are not looking for a significant increase in 2019, but rather for an indexing.

As things develop, when activities resume, it seems appropriate to us to consider these programs as tools that could help us move the recovery forward, specifically by considering additional funding.

Mr. Martin Champoux: Thank you very much, Mr. Julien.

Let me come back to you, Mr. Antunes.

ParticipACTION, your organization, has been part of the lives of almost all Quebecers and Canadians since the 1970s. We remember the fun little spots that really encouraged physical activity and stressed the benefits of getting out, moving a little and having fun, rather than on performance. I liked that spirit very much.

When it started, ParticipACTION used to compare the health of a 30-year-old Canadian with the health of a 60-year-old Swede. I remember wondering whether that meant that Swedes were not as fit as Canadians, or vice versa. Given your organization's approach, we can understand what was intended.

Could you tell me the situation we are in today: is that comparison still valid or have we improved?

[English]

Mr. Elio Antunes: The 60-year-old Swede was at the same level of health as a 30-year-old Canadian, implying that Canadians weren't as healthy or as active as the Swedes.

I would say the situation is still true. For physical activity, Canada does not rank at the bottom, but it is certainly closer to the bottom compared with other countries. We do work with other countries when we look at children and youth as a collective. Some countries do things much better than we do and we do certain things better than other countries.

However, this is a global issue. Globally, people are not as active as they need to be to experience health benefits. Canada is not alone in that regard, but certainly our country can and should do more to get Canadians more physically active not only for the benefits of movement, but, as I mentioned, as a way of coping with some of the mental health issues that we're all struggling with as a result of COVID.

[Translation]

Mr. Martin Champoux: When the first wave of the pandemic began, people were trying to buy bikes for their children for the summer and it was basically impossible. In fact, a number of physical activities have seen a resurgence in popularity. Still today, you have to get up pretty early to buy cross-country skis, because it is almost mission impossible.

Is it your impression that your organization could play a role in suggesting other activities, other ways of capitalizing on this kind of craze for physical activity? Do you have a game plan of that kind?

• (1245)

[English]

Mr. Elio Antunes: We do. In fact, we have actually used technology as a way to communicate, as many other organizations are doing. We created the ParticipACTION app. Through the app we are delivering supports and practical strategies on what Canadians can do to be physically active.

We just finished off a month-long challenge called the "Great Big Move" where we encouraged Canadians to get into groups virtually to be physically active and accumulate their physical activity. By doing so you could unlock certain milestones that exposed you to the various aspects of Canada, celebrating all of what Canada has to offer from a physical activity perspective.

We are looking at innovative ways of using technology to be able to get people into groups. That's one of the key things that has been missing. People are now isolated and physical activity is very much something that, if you're doing it with someone else or in a group, you're a lot more accountable. We have kind of lost that. We lost that at the local gym. We're not going to that with our friends anymore, so we're creating ways to engage virtual groups through physical activity in fun ways.

Our two recommendations include a national public education campaign because we still need to be reminded. Yes, some of us are trying to buy exercise bikes, but the vast majority of Canadians just don't have physical activity on their radar. They don't see the opportunity to use physical activity as a way to cope with some of the stresses they are encountering. We need to continue to communicate, to engage and educate, and provide practical strategies to help Canadians and their families to be more physically active.

The second recommendation is to creatively look at a national unity opportunity. Hopefully, by June 2021, we will be in a position to do that, where we're engaging communities to support individuals in being physically active.

We want Canadians to want to be physically active, to understand the benefits and then we want communities to be able to support those activities as well.

[Translation]

Mr. Martin Champoux: Thank you very much, Mr. Antunes.

The Chair: Thank you very much, Mr. Champoux.

[English]

Ms. McPherson, you have six minutes. please.

Ms. Heather McPherson: Thank you, Mr. Chair.

I would like to thank all of our witnesses today. It has been very interesting to listen to you.

I want to congratulate Mr. Antunes. Fifty years is a remarkable thing. When I was in grade 6, I was the flexed-arm hang champion at Brander Gardens elementary school in Edmonton.

I have some questions for you. One of my concerns is the impact that multiple levels of funding disappearing will have on the sports sector in our communities. In Edmonton, for example, the municipality—the City of Edmonton—is cutting funding and grants for a lot of organizations that depend on those grants.

Can you talk about the impact of the lack of funding through a variety of different mechanisms that we have seen during COVID-19?

Mr. Elio Antunes: It's a comprehensive issue. As I mentioned, our sector is made up of national, provincial, territorial and municipal organizations. We all depend upon one another to support Canadians to be active and to participate in sport. If one piece of the sector falls, then the whole system is compromised.

Many of the emergency relief programs that have been available have been supporting national organizations like ParticipACTION. We are, obviously, very grateful, but when it comes down to the local level, that money has not filtered down. In fact, as you mention,

in many cases governments are cutting because they have to redirect resources to other areas.

That will put significant pressure on the whole system because there are over 33,000 organizations, 71% of which are local community organizations. I should also say that 73% of all of those community organizations are volunteer run. They don't have large staffs to be able to find money or to go to sponsorship. If those organizations don't get the type of support they need to sustain ongoing programming, they will likely close up shop. This means we won't have those local organizations offering up programs for Canadians to be able to participate in, whether that's joining a hockey league or a soccer club. Those programs may just disappear in our local communities.

Not only does it have an impact on our ability to participate in physical activity and sport as Canadians, it really impacts the cultural social fabric of Canada that these organizations contribute to.

• (1250)

Ms. Heather McPherson: Thank you.

Similar to Madam Bessette, I'm a mother. My two children are both athletes, and one thing I'm realizing—all of the things you say really resonate—is that there is more screen time. It is difficult to keep that going.

There are some other deep impacts. My children are both at home now. Their school has gone to online learning, and there is no physical education happening within the schools either. We have lost that piece. My children both do sports, and so they also have lost their ability to train with their clubs and with their teams.

Is there any plan to support the coaches, trainers and all of those pieces of this puzzle that provide training and are now required? My daughter does her swim training in her bedroom right now. Are there ways that we can support those coaches, trainers and individual leaders?

Mr. Elio Antunes: Certainly. My colleagues in the sport system would be better qualified to give you a more detailed response and [Technical difficulty—Editor] someone from the sport sector meet with you.

Many of the national sport organizations have developed strategies to support their programming, whether virtually or otherwise. I would say that's where those discussions are happening, at the national sport organization table. I'm not really part of that. I'm more on the participation side. Certainly, those discussions are happening. Those organizations are committed to ensuring that the right supports are put in place to enable children, youth and adults to continue to participate in sport at the level at which they participated in the past.

Ms. Heather McPherson: You have talked a bit about Sweden, of course, and what we've seen with Canadians not being active and not participating. What have you learned from other organizations around the world? How are other countries dealing with this? This is not something that would be unique to Canada. It would be international in scope.

Mr. Elio Antunes: It's certainly not unique to Canada. At the same time, I think the countries that are doing well, to be very frank, have significant government support from both a policy perspective and an investment perspective. We don't have that in Canada, at least not from a policy perspective. We don't value the role that physical activity plays in our society the way some other countries do. Australia in particular recently developed a whole new strategy with significant investment around re-engaging its citizens back into physical activity and sport. I would say that's one thing we need—a higher priority and emphasis and focus on the role that sport and physical activity play in our country from both a health perspective and a social engagement perspective.

We've learned, though, that some of the countries that are doing well actually have implemented physical activity as part of more lifestyle behaviours. Active transportation has been a big focus. This is a huge opportunity for us, because many of our cities have now dedicated biking lanes or walking paths. That's something we need to ensure we continue to support and build. As opposed to taking them down when the crisis is over, we need to really ensure that our cities and the places where we work and live are supportive of and conducive to being physically active.

Ms. Heather McPherson: Thank you so much. That was very interesting.

I'm sure I'm out of time.

The Chair: Yes, I'm afraid you are, Ms. McPherson.

That said, I have a point of clarification that I have to clear up right now. You were the flexed-arm hang champion?

Ms. Heather McPherson: That's right.

The Chair: I used to be pretty good at that myself.

Ms. Heather McPherson: So we have a way to get physically active in our committee.

The Chair: Ah, there you go.

I wasn't particularly athletic. It was just that I was so short, there was too much of a distance to the ground for me to let go.

Voices: Oh, oh!

The Chair: Nevertheless, congratulations on your title.

Up next is Mr. Waugh for five minutes, please.

Mr. Kevin Waugh: Thank you, Mr. Chair.

Mr. Antunes, earlier this month, the YMCA closed two facilities in Regina. I used to be on the YMCA Saskatoon board. I can tell you that the YMCA deals with the most vulnerable people in our communities. Now Regina has closed two. They have only one left, and in a fairly good neighbourhood, I might add. Regina closed one on the east side and one in the downtown.

This is a major catastrophe, I would think, for YMCAs across the country. We are seeing it here now with Regina closing two of their three locations. I'd like your comment on that.

• (1255)

Mr. Elio Antunes: It's devastating. We are concerned that this will continue with YMCAs, with local sport clubs and recreation

and community centres. As I mentioned, many of these organizations are dependent upon the registration fees of their programs to sustain their operations. With us not registering in those programs for such a long time, it has a significant economic impact on their organizations, which prevents them from operating.

That will have a significant impact, as I mentioned, not only on our ability to access local programming to be physically active. There are also the contributions, well beyond physical activity, to the social issues facing communities and under-represented groups, as you mentioned. It's critical. I fear that COVID will reshape our SPAR sector landscape in the future, which will look very different. That will be very unfortunate, if that's the case.

Mr. Kevin Waugh: I should mention the Regina Marlins swim team. Their home was in downtown Regina, at the YMCA, and now they've lost that. There's another catastrophe, a really good swim club in this province now looking for a new home because of the closure of the YMCA.

I'm going to move on.

Mr. Julien, thank you for your presentation and thank you for sending it out earlier. The numbers on the labour force survey are not surprising, where the arts, entertainment and recreation sector lost 36,000-plus jobs in October. Performing arts, spectator sports and related industries lost 4,800 more in October. As we go on with COVID, those are startling numbers. Could you maybe just talk about that?

You had a really good presentation. Unfortunately, all the arrows pointed down. They were all red, and I think it's going to take a long time before your organization and others in this country turn this around. Thank you for the survey, and I want you to comment on the numbers that you produced here in front of the committee today.

Mr. Frédéric Julien: Thank you.

I'll answer the member by first providing a bit of context on these statistics. The labour force survey provides information on employed people. To be deemed employed, whether you are on payroll or you are self-employed, if you worked any number of hours during the reporting period, you count as employed. Our sector is one in which there are many freelance workers, so what you're actually seeing is a more positive outlook on reality by virtue of the fact that we have many self-employed workers who would have been deemed employed just because they worked a few hours during the reporting period.

In terms of labour, one of the big problems is that we are facing a significant exodus of the the workforce to other parts of the economy. When the activities finally resume, arts organizations will have to rehire; they will have to train their staff. Therefore, this is an opportunity to do things differently. The kinds of skills that will be required in 2021 and beyond are arguably different kinds of skills from those that were needed even 10 years ago. In terms of professional development training that can be provided to staff and entry-level training, this is an opportunity to provide new digital skills to our staff, but also to ensure that as we rehire, equity principles are observed. It's an opportunity to make this workforce more representative of the makeup of the Canadian population.

Mr. Kevin Waugh: Well said.

Thank you very much, Mr. Julien.

Chair, I'll turn it back to you, as my five minutes are up.

The Chair: Thank you, Mr. Waugh. Yes, you're just three seconds shy, the sign of a former broadcaster indeed.

Now we'll go to the final questions from the Liberals. I have two names: Mr. Louis and Mr. van Koeverden, so I'm going to split the time.

Mr. Louis, I'll let you know when your two and a half minutes are up. The floor is yours.

Mr. Tim Louis (Kitchener—Conestoga, Lib.): Thank you, Mr. Chair, I appreciate that.

I thank all the witnesses for being here, for their advocacy and their testimony.

I would like to focus my time on Mr. Julien.

I also read the report you had. It was very informative and something I haven't heard discussed much. We talk about investments in infrastructure, investments in careers, and I appreciate how you referred to it as the entire chain of jobs in the arts sector.

You mentioned the wage subsidy, rent subsidy and the CERB, the support they've provided and the need to continue that. We talk about the supply side: presenters, festivals, artists and concert promoters. Could you elaborate more on the demand side and how we could support increasing the demand for the arts as we come out of this, maybe partnerships with different levels of government or with patrons, with supporters? Can you share some ideas or some possible best practices on how we can focus and support enhancing the demand side of the arts?

Thank you.

• (1300)

Mr. Frédéric Julien: This is a very important and relevant question.

We can safely presume that the behaviour of customers will be different after the pandemic. It has already evolved significantly over recent years particularly due to the consumption of culture online, so it will continue to evolve.

There will be a need to assist the sector in making better meaning of these changes in behaviours. In terms of how we can also better

understand the demand, one initiative that is going on in Montreal, called Synapse C, is, for example, looking at consumer data, what people buy, when and why, going quite granular to better understand the demand and then make their recommendations.

There is also a need for investment into the development of a more data-centric approach to both supply and demand. Nowadays, people find their cultural activities using digital devices, and the job of those digital devices is to match information data about the offer with the supply, with data on the demand. We need to become more adaptive at representing our information as data that those machines can then use to make better recommendations to our users.

The Chair: Thank you.

Go ahead, Mr. van Koeverden.

Mr. Adam van Koeverden: Thank you, Mr. Chair. It's really nice to be here on the heritage committee.

My questions will be for Mr. Antunes.

I'm a big fan of your work and a big fan of your organization.

[*Translation*]

I have the app on my phone, I will gladly discuss it with my colleague, Mr. Champoux.

[*English*]

who now has the app on his telephone, so we'll be doing push-ups after the meeting.

Mr. Antunes, I'm really, really excited to support Canada Moves month in any way that I can and to celebrate ParticipACTION's 50th anniversary together with Canadians. I would love to hear more about removing the barrier of affordability for 2,500 community organizations that would get grants. I'd also like to highlight that we announced \$14 million for community sport organizations on Friday. It wasn't the best time of the week to share really good news, but it is good news. It is the remainder that Mr. Shields—I think it was—referenced earlier.

My question is with respect to the 60% of organizations that have not been able to access the support. How can we broaden eligibility and how can we support Canada Moves month and hopefully make 2021 Canada Moves year? We both know that it's incredibly necessary and important.

Mr. Elio Antunes: There's much to do. One kind of focused opportunity, as we mentioned, is to declare June as Canada Moves month. Our idea was that we're already implementing a community engagement initiative called the ParticipACTION community better challenge, which is trying to find the most active communities across the country.

That initiative is already being funded and invested in by the Government of Canada. What we'd like to do is leverage that opportunity to provide up to \$10,000 in grants to up to 2,500 organizations, a \$25-million one-time commitment to be able to resource those local organizations to kick-start re-engagement in their local programming. What we would do is leverage the opportunity that we already have in the market with communities, so now let's just resource the local organizations to be able to actively participate, attract and engage people in those local programs as part of the ParticipACTION community better challenge.

Our expectation is that the benefits of that kick-start will be far-reaching well beyond June and our community better challenge. Those organizations will have the ability to continue to re-engage local community members in their programming.

• (1305)

Mr. Adam van Koeverden: I'll just do a quick follow-up.

I'm curious about the 60% of organizations that do not have access. How can we broaden eligibility? What is the barrier to access?

Mr. Elio Antunes: We work with a lot of them. We have about 10,000 local organizations that we work with on an ongoing basis. The challenge is that a lot of those organizations are volunteer based. They're small organizations, and they may not have the re-

sources to be able to go out and fill up locations or get corporate sponsorship.

For all of the programming that we do, we usually have micro-grants associated with their programming to provide support to those local organizations to be able to reduce barriers to participation. This will be a significant influx of revenue that these organizations may not be eligible to receive in any other way.

My answer would be that the eligibility would be based on organizations that are connected already to our organization and that are delivering programming. We would obviously have committees in place to look at criteria. Under-represented and equity-seeking groups would be part of that. Then we would provide those grants, and they would implement those programs and report back.

The Chair: Thank you very much, everyone.

Thank you to our witnesses: Alex Sarian from Arts Commons; Frédéric Julien from the Canadian Association for the Performing Arts; Elio Antunes from ParticipACTION, who taught me how to use the ParticipACTION app. I suggest you download one from an app store near you.

We'll see you again this coming Friday for the same subject.

The meeting is adjourned.

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