



FAME
FESTIVALS AND MAJOR EVENTS
FESTIVALS ET ÉVÉNEMENTS MAJEURS
CANADA

ANNUAL REPORT

2016

COVID-19:
Survive
the crisis

photo crédit: Francos de Montréal



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FESTIVALS AND MAJOR EVENTS CANADA (FAME) IS A PAN-CANADIAN COALITION REPRESENTING SOME 500 FESTIVALS AND EVENTS OF ALL SIZES THROUGH A COMBINATION OF DIRECT AND AFFILIATED MEMBERSHIP.

AIMS TO:

- **Raise awareness** of the importance of the Canadian festivals and events industry as an economic driver as well as a key export, growth, and development sector.
- Act as the **recognized spokesperson** for the festivals and events sector at the national level and engage with partners, governments, and the general public. For the industry, we aim to become a forum for the exchange of best practices and consultation in terms of operational excellence and product quality.
- Publish **economic data** and research results that highlight the importance of the Canadian festivals and events sector; and present comparative analyses of the competitive position Canada occupies at the international level in this growth sector.
- **Improve the policies and public financing** of festivals and major events.
- Work in collaboration with governments and various industry organizations with the goal of increasing Canada's **economic prosperity**.

NEW MEMBERS*

FAME is delighted to welcome the arrival of these four new association members to the fold:



Événements Attractions Québec

The Québec association has some 300 member festivals throughout Québec, of all sizes and missions.



Regroupement des événements majeurs internationaux

REMI has 27 active members and 6 affiliated members in Québec.



Ottawa Festival Network

The Ottawa Festival Network, which is well established in the federal capital, brings together about 100 events.



Atlantic Presenters Association

The Atlantic Presenters Association (APA) is the regional arts presenter's organization for the four Atlantic Provinces: Newfoundland and Labrador, Prince Edward Island, Nova Scotia and New Brunswick. Some 30 events are members.

And of these three new members:



Vancouver Fringe Festival



Latin Sparks Festival



TD Sunfest

*During the membership period, from April 1st 2019 to March 30th 2020

EXECUTIVE DIRECTOR'S MESSAGE



A TIME TO ACT AND PERSEVERE

Less than a year after receiving and welcoming positive news about funding for its members, Festivals and Major Events Canada (FAME) quickly got to work in Ottawa to ensure the sustainability of the investments made, to avoid the impact of possible cuts and, as much as possible, to prevent a rather surreal administrative situation at the Department of Canadian Heritage.

Then came the COVID-19 pandemic.

The ensuing crisis was far from over as we were completing this annual report. But one thing is already certain: it will have an enormous impact on festivals and events across Canada and could lead to the disappearance of many of them.

Because they are both "hyper-seasonal" and "hyper-social," events and festivals are in the eye of the storm. While they have year-round expenditures, they usually only generate revenues for three to 10 days, as a general rule. Already, significant deficits are emerging among those who—often with only a few weeks or months' notice—have decided to cancel their activities and among those who have simply followed public health guidelines.

FAME is currently trying to persuade the federal government to provide festivals and events with much needed assistance through specific measures that are in addition to those being provided for all companies and workers. We hope that our appeal will be heard this time.

I say, "this time," because the survival of the industry, which includes hundreds of small community events, is at stake. "This time," because it is absolutely essential to avoid the indecision and inaction that has too often, and for too long, characterized the last decade.

Let us remember, for example, that for more than 10 years now, all cultural stakeholders have been advocating, with greater intensity each year, for a reinvestment in Canadian Heritage. The Liberal Party came to power in 2015 on the promise of providing better support for

culture. This has been fulfilled in a big way at the CBC and the Canada Council for the Arts. But it was done while ignoring performing arts presenters, mainly supported by the Canada Arts Presentation Fund and the Building Communities through Arts and Heritage Program, two important "tools" that were at the time routinely renewed without increases.

However, the needs of these two Canadian Heritage programs were glaring, recognized, and well-documented. It was estimated that there were at least 40% more applications than available funds. The only way to accept new "clients" who had emerged in the last decade was by cutting grants to existing clients.

In 2017, and even more so in 2018, Festivals and Major Events Canada, along with many allies, conducted an intensive advocacy campaign. Finally, in early 2019, the Minister of Finance confirmed millions of dollars in new support in his budget. In the end, \$7 million was added to the \$17.7 million budget of the Building Communities through Arts and Heritage Program, and \$8 million was added to the \$32.5 million budget of the Canada Arts Presentation Fund. Some 1,350 festivals and events benefited from these announcements in 2019-2020, and again in 2020-2021, although this second season has largely been cancelled due to the pandemic. After that? For now, nothing.

This means that, if nothing more is done soon, by 2021, festivals and events could again receive from these two programs the same grants that they were getting back in 2018.

Or they could be told later this year that, in 2021, they will be receiving the 2018 amount and then, sometime in the spring or summer of 2021, after the federal budget, receive an upward adjustment—equivalent to the amount they would have received in 2020.

With 500 festivals and events in Canada, the Festivals and Major Events Canada major coalition now includes member festivals and events of all sizes in most Canadian provinces. It also has associate members, such as Événements Attractions Québec (300 festivals and events in Québec); the Ottawa Festival Network (some 100 festivals and events in the region); the Regroupement des événements majeurs internationaux (27 major Québec events and six affiliate members); the Atlantic Presenters Association (more than 30 festivals in the four Maritime provinces) and Event Atlantic (with upwards of 40 members in Atlantic Canada). We will continue to work diligently to create a better business environment for all, with a focus on growth, security (and public health!), and creativity.

MARTIN ROY

SUPPORT FROM ACROSS CANADA

For two years, dozens of cities, associations, festivals, events and elected officials have been demonstrating their support for FAME's campaign calling on the Government of Canada to finally create a better business environment that would benefit everyone.

Support increased as never before. About 100 letters were sent to the Minister of Finance and to officials responsible for Public Safety, Canadian Heritage and Tourism. All signatories supported FAME's position of keeping festivals and events safe, of ensuring their continued growth, and of the importance of "creation."

Letter signatories include major players in the tourism industry in Canada such as the **Tourism Industry Association of Canada**, the **Tourism Industry**

Association of British Columbia, the **Alliance de l'industrie touristique du Québec**, the **Tourism Industry Association of New Brunswick**, the **Tourism Industry Association of Ontario**, the **Office de Tourisme du Québec**, **Festivals et Événements Québec**, the **Ottawa Festivals Network** and the **Regroupement des événements majeurs internationaux**. Other signatories include the **Manitoba Hotel Association**, the **Ontario Restaurant Hotel & Motel Association**, the **Hotel Association of Greater Montreal**, the **Canadian Association of Fairs and Exhibitions**, **Tourisme Montréal**, **Tourisme Mauricie**, **Tourism Toronto** and **Montréal International**. The cultural sector is also represented through the **Canadian Arts Coalition**.

Support was also received from many elected officials from all levels of government and from various parties, such as the mayors of Montréal and Québec City, 25 members of the House of Commons, as well as ministers of the Government of Québec, namely Nathalie Roy at Culture and Communications and Caroline Proulx at Tourism.

In a letter, the Minister of Canadian Heritage himself, Pablo Rodriguez, confirmed to FAME that it could "count on [his] support in [its] campaign to request a revision, or even an increase, of the budget envelope of the CAPF"- the Plan's "Focus on creation" component- which resulted in significant announcements in the 2019-2020 federal budget.



SUPPORT FOR EVENTS IS NOW UNANIMOUS AMONG FEDERAL PARTIES

Liberal The government of the Liberal Party of Canada has added **\$15 million per year (for two years) to the two Canadian heritage programs** that are the main tools available to some 1,350 festivals and events in Canada.

The government of the Liberal Party of Canada has created the **Canadian Experiences Fund**, which supports festivals and events in certain priority areas (In line with FAME's Growth pillar).

The government of the Liberal Party of Canada is **assessing the possibility of expanding access to the Communities at Risk: Security Infrastructure Program** (In line with FAME's Security pillar).

Our party and our leader, Justin Trudeau, have firmly decided to support the cultural industry, including **major and minor festivals**. We understand the importance of being able to count on reliable funding, allocated in advance, for the long-term planning of major events. We recognize the value of all that these festivals contribute to the country."

CPC Prior to the 2019 federal election, the CPC proposed a **reinvestment in the Building Communities through Arts and Heritage Program** (in line with FAME's Culture pillar). "To better support local festivals, community anniversaries, and important community events, we will **extend the Building Communities Through Arts and Heritage Program for an additional three years**. This funding will provide more opportunities for individuals to celebrate local talent and commemorate the history of their communities. We will also ensure that this program highlights the hidden gems in rural and remote areas, including Northern Canada."

The Conservative Party introduced the **Marquee Tourism Events Program** (nearly \$100 million for 2009-2010 and 2010-2011) and made a positive evaluation. "MTEP project activities aligned with the intended outcomes of the program and created positive benefits for recipients."

NPD The New Democratic Party would initiate a **study on the impacts that major events and festivals have on the tourism industry** and would explore the idea of adding a major events section to the Canada Experiences Fund (CEF). (In line with FAME's Growth pillar)

The New Democratic Party would review the Security Infrastructure Program to understand if the inclusion of major events would be the best option for keeping public events safe. (In line with FAME's Security pillar)

The New Democratic Party would explore funding options to better support Canadian and Indigenous artists, including **long term funding for Canada Arts Presentation Fund (CAPF) and the Building Communities Through Arts and Heritage program**. (In line with FAME's Culture pillar)

BQ "The BQ has always viewed **festivals and the tourism they attract as a driving force in our economy**. It supports adding a sixth pillar to the Canadian Experiences Fund: the events component. The **budget allocated to this fund should be increased** so as not to penalize the other components." (In line with FAME's Growth pillar)

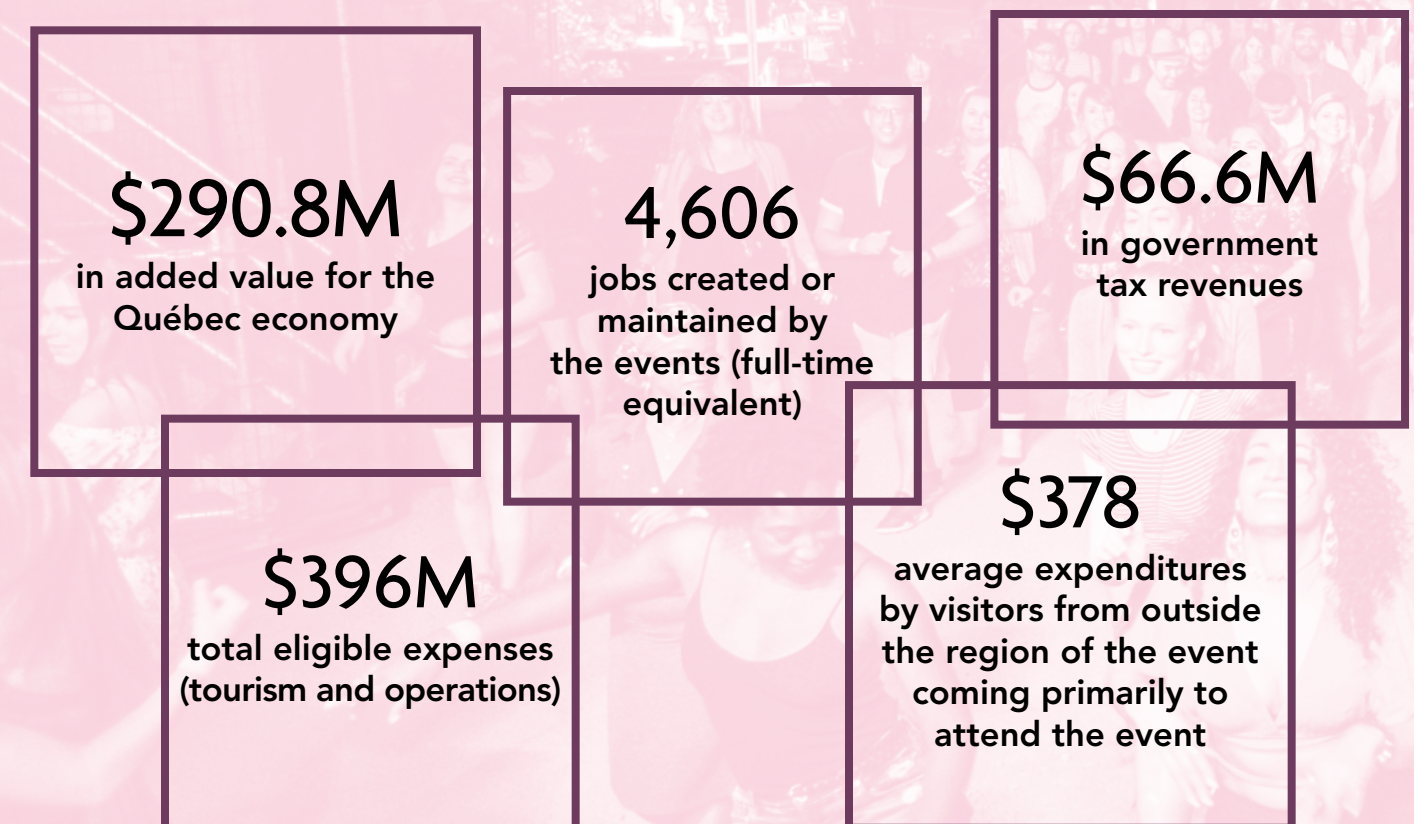
"The Bloc believes that the federal government should contribute to **facilitate the organization of major events**."

NEW STUDY SHOWS THE IMPORTANCE OF FESTIVALS AND EVENTS FOR THE ECONOMY AND TOURISM

Highlights of the KPMG study released on May 31, 2018

The study, commissioned by the Regroupement des événements majeurs internationaux (RÉMI), covers **nine members of FAME** and concludes that the Government of Canada received 1.78 times what it invested in events through taxes. While it subsidized 17 events with up to **\$9.7 million**, the **federal government** received **\$17.3 million**, before even considering the economic impact and the creation or maintenance of jobs for the middle class.

THE BENEFITS



Festivals and events: a reason to travel domestically or from abroad

- No fewer than **190,603** tourists came from outside the province where the 17 festivals and events reviewed by the study were held, in this case Québec, **primarily to attend** these events.
- **66%** of Québec visitors travelled **primarily because of the event**.
- **54%** of visitor expenditures were generated by those coming from outside of Québec.

REQUESTS TO THE FEDERAL GOVERNMENT



SAFETY

Security costs for festivals and events have mounted exponentially following the several highprofile incidents around the world. The increase in security costs have a crushing impact on the budgets of festivals and events, many of which are not-for-profits, free, and open to the public.

SOLUTION

Allow additional funding announced in Budget 2019-2020 for the Security Infrastructure **Program for Communities at Risk accessible to non-profit festivals and events.**

OR

Create a similar program that would assist public event organizers in covering a portion of infrastructure expenditures, including metal detectors, cameras, and various security devices.

Ministry: Public Safety and Emergency Preparedness



GROWTH

While the event industry is growing rapidly globally, the growth of Canadian festivals and events remains stunted due to chronic under-investment by the Federal Government. Canadian festivals and events struggle to compete with festivals internationally.

SOLUTION

- Implement a **program aimed specifically at festival and event growth** that recognizes their touristic and economic value.
- Renew the funding for the Canadian Experiences Fund (CEF) created in Budget 2019-2020 which currently runs until 2020-2021 and **add a sixth pillar for "events tourism" to the CEF.**
- Provide funding support to conduct a **comprehensive pan-Canadian economic impact study** on the festivals and events industry.

Ministry: Economic Development and Official Languages



CREATIVITY

The two-year investments made in Budget 2019-2020 to the Canada Arts Presentation Fund (CAPF) and the Building Communities Through Arts and Heritage Program (BCAH) were welcomed enthusiastically by the industry. These commitments are set to end in 2020-2021, and did not achieve the levels required to meet the demand and allow Canada's cultural sector to thrive. The CAPF, in particular, is over-subscribed. In 2017-2018, total requests from applicants exceeded available program resources by approximately 40 percent.

SOLUTION

- **Renew the funding from Budget 2020-21 for CAPF and BCAH** in order to avoid uncertainty within the industry and ensure its successful delivery in 2021-2022.
- Implement a proactive **review process that includes consultation with industry with the aim to optimize the delivery of renewed grants** in 2021-2022.

Ministry: Canadian Heritage



Ensure that regional tourism associations make a significant financial contribution towards the development of festivals and events, particularly through **agreements with Canada Economic Development in Québec.**

Ministries: Innovation, Science, Economic Development/Tourism

Organization: Economic Development Canada



Simplifying taxation and bureaucracy (notably when welcoming foreign artists)—Regulation 105 and tax withholdings.

Ministry: Finance



Creating a **federal tax credit for the production of shows**, which currently exists in Québec. This measure would allow presenters, such as major international events, to acquire shows at lower cost.

Ministries: Finance/Canadian Heritage

SIX REASONS TO SUPPORT THE EVENT INDUSTRY

1

For the **business model to be viable**, governments at all levels, from municipal to federal, **must play their full role as redistributors with respect to events**; this would ensure they receive a share of the revenues generated by their activity (sales tax, lodging tax, air fares, etc.).

2

At the end of the '90s, the **anti-smoking law** eliminated tobacco sponsorships, depriving events of nearly \$60 million. The federal government initially provided compensation through the sponsorship program and then through the marquee tourism events program, but not on a permanent basis.

3

The disappearance of this latter program in 2011 **weakened the industry**. The federal government's withdrawal from this sector came despite Ottawa's acknowledgement that festivals and events are economic drivers by including them in the action plan after the 2008 crisis and allocating a total of \$92 million to them in the following two years.

4

The government supports the marketing and promotion of tourism, but offers little support for the "product." The product needs to be made before it can be sold! Seemingly less attractive, Canada is one of the only countries to have seen the number of international tourists drop in the last decade. **The trend is now being reversed: we have to support growth!**

5

Although festivals and events are considered some of the most appealing and important attractions of our tourist destination, **the federal government provides less support to them than many other countries**. As a result, festivals and events are not competing on a level playing field to maintain and improve their appeal to these international tourists.

6

Festivals and events **are at the heart of the identity of Canadians**, an integral part of their way of life and a phenomenon, especially among millennials who are more interested in "living" experiences. They also **showcase our culture** internationally, and represent a new form of **cultural diplomacy and export**.

COVID-19: NEEDED MEASURES

As we were completing this annual report, COVID-19 was continuing to **seriously impact the events sector**. FAME is recommending to its partners and governments:

1. **Maintain regular grants and sponsorships from Crown corporations**, whether or not the event is held;
2. **Ensure the eligibility of events and festivals for the Canada Emergency Wage Subsidy (CEWS) program** since the current criteria often do not apply to their situation. Otherwise, put in place measures at Canadian Heritage with the same goals, allowing festivals and events to retain their core teams and expertise, while limiting deficits.
3. Take measures to **fund and absorb deficits**, which are expected to be numerous and significant in the coming months;
4. Put in place **recovery programs**, inspired by past examples such as the Marquee Tourism Events Program (MTEP, 2009-2010).

2019 HIGHLIGHTS

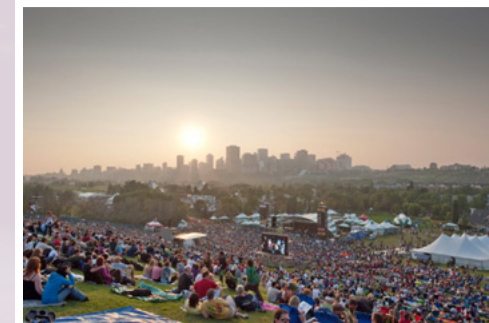


February 26 to March 1

FAME at the Vancouver International Festival. The Executive Director introduces the association to some 20 representatives of festivals and events from across British Columbia as part of a “festivals industry get-together” activity. In subsequent weeks, four events in the province joined the coalition: the Concord Pacific Dragon Boat Festival, Cornucopia, the Vancouver Fringe Festival, and the Vancouver Folk Music Festival

May 21

Tourism Minister Mélanie Joly announces the new federal tourism strategy and the Canadian Experiences Fund, through which festivals and events were able to benefit in subsequent months



SUMMER

Members' events tour

July 10

In conjunction with Bluesfest, FAME hosts a cocktail for the Ottawa event industry, attended by representatives of FAME members, other festivals and events, and partners



August and September

Meetings with the leaders of the four main federal political parties: Justin Trudeau, Andrew Scheer, Jagmeet Singh, and Yves-François Blanchet

NOVEMBER

By welcoming new associate members, Événements Attractions Québec, Regroupement des Événements Majeurs Internationaux and Atlantic Presenters Association the Ottawa Festivals Network, FAME is increasingly emerging as a broad coalition that now includes some 500 festivals and events through direct or affiliated membership



JANUARY FEBRUARY MARCH APRIL MAY JUNE

January 17

FAME is a signatory of the open letter in La Presse +, “Mieux soutenir les diffuseurs en arts de la scène”

March 19

FAME and RÉMI applaud the measures for Canadian festivals and events contained in the 2019-2020 budget, mainly the addition of \$15 million per year for two years to the two main programs available to Canadian festivals and events. Measures included in the budget relating to security and tourism are also welcomed. That same day in Ottawa, Martin Roy took the opportunity to thank the Minister of Finance, Bill Morneau, personally



JULY AUGUST SEPTEMBER OCTOBER NOVEMBER DECEMBER

November 20

FAME welcomes the formation of the cabinet in Ottawa, congratulates the new and returning Ministers, and requests meetings, notably with the new Minister of Canadian Heritage, Steven Guilbeault



August and September

FAME increases its engagement activities through letters and meetings during the election campaign and submits its document “Some ideas for your party and your electoral platform in relation to the festivals and events industry.”

MEMBERS

(as of March 31 2020)



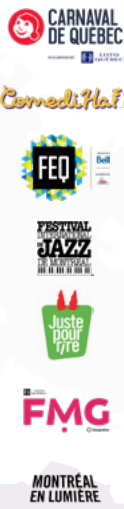
ALBERTA

- Edmonton Folk Music Festival
- Edmonton Fringe Theatre Festival
- Edmonton Heritage Festival
- Edmonton International Film Festival



QUÉBEC

- Carnaval de Québec
- ComediHa! Fest
- Festival d'été de Québec
- Festival International de Jazz de Montréal
- Festival Juste pour rire
- Festival de montgolfières de Gatineau
- Festival Montréal en Lumière
- Festival Western de St-Tite
- Montreal Pride
- Franco de Montréal
- International de montgolfières de Saint-Jean-sur-Richelieu
- Montréal Complètement Cirque
- OSHEAGA Festival Musique et Arts



MANITOBA

- Folklorama
- Winnipeg Fringe Festival



NEW BRUNSWICK

- Harvest Jazz & Blues Festival



BRITISH COLUMBIA

- Concord Pacific Dragon Boat Festival
- Cornucopia
- Vancouver Folk Music Festival
- Vancouver Fringe Festival
- Vancouver International Wine Festival



ONTARIO

- Beaches International Jazz Festival
- Latin Sparks Festival
- Ottawa Bluesfest
- OPG Winter Festival Of Lights
- Redpath Waterfront Festival
- Rogers Cup (Toronto)
- TD Ottawa International Jazz Festival
- TD Salsa in Toronto (featuring the TD Salsa on St. Clair Street Festival)
- TD Sunfest
- Toronto Caribbean Carnival
- Toronto International Film Festival



Association members



Évenements Attractions Québec



Regroupement des événements majeurs internationaux



Ottawa Festival Network



Atlantic Presenters Association