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(Hansard)**

F-36

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des débats
(Hansard)**

F-36

**Standing Committee on
Finance and Economic Affairs**

COVID-19 study

1st Session
42nd Parliament
Thursday 25 June 2020

**Comité permanent
des finances
et des affaires économiques**

Étude sur la COVID-19

1^{re} session
42^e législature
Jeudi 25 juin 2020

Chair: Amarjot Sandhu
Clerk: Julia Douglas

Président : Amarjot Sandhu
Greffière : Julia Douglas

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRS**

**COMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES**

Thursday 25 June 2020

Jeudi 25 juin 2020

The committee met at 0901 in committee room 1 and by video conference.

COVID-19 STUDY

The Chair (Mr. Amarjot Sandhu): Good morning, everyone. I call this meeting to order. We're meeting for hearings on the culture and heritage sector as part of the study of the recommendations relating to the Economic and Fiscal Update Act, 2020, and the impacts of the COVID-19 crisis on certain sectors of the economy.

We have the following members in the room with us: MPP Arthur, MPP Mamakwa, MPP Khanjin and Minister Lisa MacLeod.

The following members are participating remotely: We have MPP Crawford—can you please confirm your attendance before we move on?

Mr. Stephen Crawford: Good morning. It's MPP Crawford. I'm here in Oakville.

The Chair (Mr. Amarjot Sandhu): Thank you. MPP Piccini?

Mr. David Piccini: It's MPP Piccini. I'm calling in from Toronto.

The Chair (Mr. Amarjot Sandhu): Thank you. MPP Mitas?

Miss Christina Maria Mitas: Hi. It's MPP Mitas. I'm calling in from Toronto, Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you. We have MPP Hunter with us, MPP Roberts, MPP Smith, MPP Rasheed, MPP Barrett, MPP Andrew, MPP Stiles and MPP Glover.

We're also joined by staff from legislative research, Hansard, interpretation and broadcast and recording.

To make sure that everyone can understand what is going on, it is important that all participants speak slowly and clearly. Please wait until I recognize you before starting to speak. Since it could take a little time for your audio and video to come up after I recognize you, please take a brief pause before beginning. As always, all comments by members and witnesses should go through the Chair.

Are there any questions before we begin?

MINISTRY OF HERITAGE, SPORT,
TOURISM AND CULTURE INDUSTRIES

The Chair (Mr. Amarjot Sandhu): I will now call on the Honourable Lisa MacLeod, Minister of Heritage,

Sport, Tourism and Culture Industries, to please come forward. You will have 15 minutes for your presentation, followed by 45 minutes of questions from the members of the committee. The questions will be divided into two rotations of seven minutes and 30 seconds for each of the government, the official opposition, and the independent members as a group. I'll give the members reminders of the time during the questions.

Minister, the floor is yours.

Hon. Lisa MacLeod: Thank you to all of my colleagues.

I'm joined today by my deputy minister, Nancy Matthews, who has been doing an incredible job leading the ministry and our team as well as our 18 agencies and attractions.

A few weeks back, I was able to appear before this committee as we discussed the tourism and hospitality sectors of our economy. Today, I'm here to share with you the challenges faced by our heritage, sport, culture and arts sectors and industries. No doubt, these have been challenging times. As you know, these areas were hit first, hardest, and will take the longest to recover post-COVID-19.

I'll spare you the details of the breadth and depth of the entire ministry, as I shared those in the previous deputation. That said, I think it bears repeating that this ministry in all of its parts fuels a spectacular double bottom line, preserving and protecting and, in many ways, evolving our cultural fabric and social impact, while contributing \$75 billion toward our provincial economy.

The work that our artists, our archaeologists, our archivists and athletes do in our communities across Ontario creates jobs and our sense of pride in people and pride of place. These sectors include our community museums; art galleries; public libraries; cultural events; multicultural festivals; film, television and animation production; book and magazine publishing; recording studios and live music; LGBTQ+ events; Indigenous sport and wellness; and honours and awards, including the Lincoln Alexander award, the June Callwood award and the Trillium Book Award. We're also responsible for building the Afghan war memorial.

We support the Canadian Sport Institute Ontario that trains our Olympic athletes; Variety Village, which provides supports and opportunities for children with special abilities; and we support 63 provincial sport organizations, while at the same time contributing important dollars to

international sport hosting events and Olympic trials, and our high-performance athletes.

Culture, heritage and sport are what make our communities come alive. It is also the second-largest volunteer sector in our country. We have a quality of life in Ontario that is the envy of the world because we have world-class organizations, like the Thousand Islands Boat Museum in Gananoque, Fort Henry in Kingston, the Royal Ontario Museum in Toronto, the Royal Botanical Gardens in Burlington, and the Art Gallery of Algoma in Sault Ste. Marie, to name just a few.

In Ottawa, our Senators, our Redblacks and our 67's give us something to cheer about—and for—in every season, making the coldest capital in the world more than just the seat of Canada's Parliament.

In Mississauga, some of the most well-attended multicultural festivals in North America are home there, like Carassauga and the Bollywood Monster Mashup.

And between Niagara's Shaw Festival and Stratford's namesake festival, some of the best live productions take place right here at home. This is something that I'm proud of, and it's something that this ministry aims to protect.

Before I get into our response to the pandemic, for culture, heritage and sport, I ask all members to consider a very important question as you listen to the deputations and then begin to write your report together. It's a simple enough question, but it will define Ontario in the post-pandemic: In 18 months, what does your Ontario look like? You and I may think that that is a simple question, but the answer will be complex and the stakes are very high.

Right now, these same heritage, culture and sport organizations that we're proud of are shuttered. Reopening for many of them remains unpredictable. Just as with our tourism and hospitality sectors, these sectors are also worth about \$35 billion to our province's economy. They're battling the triple threat as well; that is, the public health crisis, the economic crisis and the social crisis of COVID-19. In other words, the public health crisis has shuttered them, the economic crisis has robbed them of their revenues, and then when it is safe to reopen or start again, they will confront a social threat that will very likely inhibit how they operate and whether or not consumers or patrons will want to attend. These are very real questions everyone, from the Canadian Live Music Association to the Windsor International Film Festival, is looking at—same with our minor hockey, our minor soccer teams, all of our minor sports, and our kids' day camps.

Let me share with you some data that we obtained in the ministry from Ipsos on the impact consumer sentiment has had on these sectors. I warn you that this data is stark. According to Ipsos, 43% of Ontarians surveyed are uncomfortable attending an art gallery or a museum for at least the next six months; 60% are uncomfortable attending an outdoor entertainment facility; 75% are uncomfortable going to a large concert venue for live entertainment; and 55% of the people of this province would not be comfortable allowing their child to attend theatre, dance or music lessons.

So let me ask you again: In 18 months, what does your Ontario look like? My Ontario has film and television production, and the ballet and other performing arts. It has recording studios, and live music like Massey Hall, the Toronto Symphony, the Canadian Opera Company. My Ontario has OHL hockey and figure skating, skiing and canoeing. My Ontario has libraries, museums and art galleries. My Ontario, in 18 months, embraces the sectors the Ministry of Heritage, Sport, Tourism and Culture Industries supports.

This is a simple question, but it's not one that is easy to solve, and given the data that I've just shared with you, it will not be solved with money alone. But money sure will be needed. If you agree with me that our Ontario should have all of these things that make our hometowns livable, worth celebrating, and frankly, raising a family or growing old and retiring in, then you need to say so. You need to fight for our artists, our archivists, our athletes and our archaeologists.

0910

We as a government need to flow those funds, absolutely. But we as a Legislature need to work with these sectors to develop their safety and health protocols, so that when they reopen, they can safely serve their performers, staff and patrons, and rebuild consumer confidence. As community leaders, we must demonstrate our commitment to these organizations and institutions by showcasing how they're adapting to the COVID-19 environment, showing our comfort by taking in physically distanced performances or visits, and encouraging others to support them as well. In order for us to preserve, protect and, in my hope, grow culture, heritage and sport, we must challenge ourselves to look 18 months down the road.

Since the pandemic hit, these are the actions that I have taken as minister to get us to this point: For our film and television industry, I have revised regulations so contract and freelance workers are eligible for Ontario's film and television tax credits, while at the same time working to streamline the time it takes to complete them. With our tax credits stable, our message to the world is that Ontario Creates has over 5,000 film-friendly locations. We will build on our below- and above-the-line talent with more skills development, and we will continue to invest in Canadian content, as we have done with the Canadian Film Centre.

For our emerging artists, I retooled the \$7-million Ontario Music Investment Fund to put more money into the hands of musicians immediately. I've also worked with the music industry to create musictogether.ca, so we could allow musicians to perform from the comfort and safety of their homes during this pandemic.

In sport, we invest \$35 million annually through a variety of programs, like Quest for Gold and sport hosting events. Despite the postponements and season cancellations, this money is still flowing.

Earlier this year, I flowed nearly \$200 million to the Ontario Arts Council grant recipients, Ontario Cultural Attractions Fund recipients and the Ontario Trillium fund recipients, as well as to our provincial sport organizations.

I want to make sure that in 18 months, when we get through this, our cultural and sport organizations don't just survive but they thrive. This support includes our local libraries, community museums, our heritage organizations and our government agencies and attractions, so that when it is safe to do so, they can open their doors again to the public.

All of these immediate measures are part of a proactive ministry plan that includes supporting all aspects of these sectors, even as they're shuttered, because I firmly believe that the post-COVID-19 economy and society will be driven by these sectors. Let me share why.

My good friend Christina Jennings, an innovator in the interactive digital media space you'll be hearing from later today, announced earlier this week that her company has produced a new digital application called Bubble Bloom to help ease kids' anxiety during these difficult times. The Toronto Symphony Orchestra has shared their talents with local seniors remotely through the power of Zoom. Even the Canadian Screen Awards were hosted virtually this year to celebrate our achievements on the big and small screens. A new drive-in immersive Van Gogh art exhibit will launch for all to enjoy while maintaining physical distancing protocols.

The Ontario spirit is alive and well in professional and amateur sport, too. I've seen former professional athletes like Andy Fantuz, a Grey Cup champion, host online workouts to help Ontarians stay healthy and happy. I've seen my own favourite hockey player, Daniel Alfredsson, step up and support the Boys and Girls Clubs through unique fundraising opportunities in Ottawa. If COVID-19 has ravaged these sectors, it certainly has not ravaged their spirits.

I've seen creativity and advancement in these bleak days. I have seen silver linings in dark clouds. I see my Ontario in 18 months not the same as it was pre-COVID-19, but I do see it coming back better and I do see it coming back stronger. I see us as a more competitive environment on the global production front, whether that is the next Schitt's Creek or NBC's and Netflix's The Umbrella Academy. I see us continuing to support Ontarians topping podiums and charts, just like Shawn Mendes, Alessia Cara and Drake, as well as Penny Oleksiak, Bianca Andreescu and Andre De Grasse have done right here at home.

I see us developing products and talent like never before, but it will take a collective lift from each one of us to lead in our respective communities. I am proud of the spectacular double bottom line that this ministry fuels.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Hon. Lisa MacLeod: But make no mistake, everything it represents is vulnerable right now, and these hearings will be important insights for all of us as we hear directly from those sectors on the impact that COVID-19 has had on them, how they would advise us on how to get through this and how we can once again prosper. All I ask is that you keep in mind that one question throughout: What does my Ontario look like in 18 months?

I can assure you that your constituents, like me, see their community with books, with plays, with music, with

minor sports, with the things that we might hold dear and we might even take for granted but that make our communities whole. The decisions we make today, the dollars we invest, the ideas that we deliver on will create the Ontario that we're going to aspire to in 18 months. Thank you, Chair.

The Chair (Mr. Amarjot Sandhu): Thank you, Minister. We'll start the first round of questions with the official opposition. MPP Arthur.

Mr. Ian Arthur: Good morning. Thank you, Chair, for being here and thank you, Minister, for being here. I want to take this time to ask questions on behalf of constituents in Kingston and everyone in Ontario who has desperate need for answers, and I hope that we have a clear, straightforward and concise conversation because we don't have a lot of time here this morning.

As you are well aware, the heritage, culture and arts sectors are on the edge of a cliff. They're in desperate need of support from the government that shut them down—and rightly so for the health reasons. I would urge a recognition that this committee needs to be more than just a place where deputants come and say their problems, but where their problems are actually listened to and transferred into meaningful action in the budget, and by that I mean new money for investment.

These activities that people do, the sports, the art galleries, all the other organizations—many of them are small businesses; other ones support small businesses by buying sports equipment or whatever it is—are inextricably linked to the backbone of our economy here in Ontario. They're facing, potentially, a summer without any of these activities happening. But almost worse than that, your 18-month time frame is optimistic. Many of these are facing, from what we are looking at, potentially, three years of hindered revenue before they really recover.

Given that we are beginning now, we need band-aids to get through the summer for these organizations, but we need meaningful, long-term investment, what new sector-wide programs, what new sector-wide funding are you going to be providing to this sector, moving forward?

Hon. Lisa MacLeod: Thanks very much for your question, and if you have any other questions that you can't get into today, you've always got the ability to—we've contacted one another.

Let me first say, the last sport-hosting event I was at before COVID-19 hit was actually with MPP—

Mr. Ian Arthur: It was at the Brier.

Hon. Lisa MacLeod: Yes, with you at the Brier, and it had a significant economic impact for your economy, and I certainly enjoyed it. We're going to continue to flow that money. Right now, as we work through the finance process with the finance minister, we're looking at a number of different ways that we can support the heritage, sport, arts and culture sector.

I appointed 14 ministerial advisory committees, many of whom will be here today—a lot of experts who have given us some direct and guided advice on how we can best do that. It's going to take the form of three ways: yes, targeted investments, so money will be required; the

second thing is the social crisis—you're right, 18 months is optimistic, but I think we have to aspire to that, and I'm going to be asking all members of the Legislature to join with me in helping combat that social crisis—and the third issue, I think, is just looking at what we are able to bring in terms of support within our communities to get other people focused.

It's going to take money. It's going to take us being social activists in terms of getting people comfortable again. And then, finally, I think there will be some regulatory reform, some simple streamlining—things like on film and television. You have, in your community in Kingston, a growing film industry. So how do we provide them with the ability to get to work quickly?

I don't want to take too much time, but just that one event in the Brier contributed almost \$300,000 to your community. So we've got to get back to that because those are the spinoffs.

I'm happy to take more questions from you.

Mr. Ian Arthur: Absolutely. Let's drill down on that a little bit more, because if we're looking at—in particular, what worries me is the border being closed for an extended period of time. The EU has the US on the no-travel list. Currently, there are two draft lists that the EU has, and they're considering preventing US travellers from entering into the EU.

0920

In the GTA alone, US travellers spent \$3.3 billion in 2018, and we're looking at one year—maybe two years, if there's no vaccine—without that investment coming in. I'm kind of looping back to that first question, because I really do want to know what meaningful, sector-wide, new money is going to flow to help these organizations get through so they are there for the recovery after.

Hon. Lisa MacLeod: Great question. Again, I think it'll be more in August and in September, when the budget comes forward. I know you'll respect that process.

In the meantime, we have about \$1.6 billion within the ministry. We're continuing to flow that, so even if an event is not proceeding, we're still investing in Celebrate Ontario funding, like for Supercrawl in Hamilton, as an example, and the tulip festival in Ottawa.

The second thing is, right now, the minute people come in and say that there are regulatory changes that need to be made in any of their sectors, we're doing that as quickly as possible.

We just made a \$13-million investment—in tourism, but it's important for all of these sectors, as well—to deal with a hyper-local campaign for each community, in the sense of getting people comfortable again going to their local sport/heritage/cultural museums. I was recently, for example, in a community close to you, in Gananoque, doing that. That money is continuing to flow. We're just assessing how best we can make targeted investments, and I suspect we'll be able to be in that position later on.

But we are right now really focused on this social crisis and ending the stigma. Just because we flicked the switch and opened most of the economy to phase 2, I can tell you people really aren't showing up. This data—and I'm happy to provide the entire deck—

The Chair (Mr. Amarjot Sandhu): Two minutes,

Hon. Lisa MacLeod: —to you so that you can see it as well.

Mr. Ian Arthur: I want to pick up on that very quickly, because we recently reopened patios in Kingston, and within seven days of them being reopened, a server who was serving at a restaurant patio has come down with COVID-19 in community spread, which means someone brought it back into our community, because we had been COVID-free for a number of weeks at that point.

I think that's a bigger task, then. I don't think it's going to be something that you can do over the summer. I don't think it's something that's going to happen until there's an actual vaccine.

We're in a state of emergency until July 15, which means your government has the ability to inject new money right now. You do not have to wait for the budgetary process in order to flow new money out to organizations that need it to get through this summer. So will you commit to flowing new money this summer, before the budget comes down in the fall, which is going to be way too late for many of these organizations—these galleries, these small community organizations, day camps? My sister runs a horse day camp every summer that has been cancelled, along with many, many others. They need help right now. You have the power to do that with the state of emergency. Will you do it?

Hon. Lisa MacLeod: We've been flowing money to all of those organizations—

Mr. Ian Arthur: New money.

Hon. Lisa MacLeod: —that you've suggested. We flowed over \$200 million in the last three months as a result of this pandemic. We will be doing a broader package.

I think it's important that we make sure that the money we flow is going to protect these cultural institutions. I think it's also important that we recognize exactly what you just said—which is preventing the further spread of COVID-19. I think we're all very cognizant that we could end up seeing a second wave. We don't want that to happen.

I will commend the city of Kingston. They were doing very well early on in this pandemic, and I think you're now starting to see that level of fear when it happens again.

I've been spending the last week and I'll be spending next week touring across the province so I can see first-hand the demonstrated abilities of our hospitality sector, but others as well—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off, Minister.

We have to move to the independent members now for their time of questioning. I'll start with MPP Hunter.

Ms. Mitzie Hunter: I thank the minister for returning to the committee.

My question is relating to the film, television and production sector, which employs 282,000 people in Ontario. Many of those jobs are dependent on attracting productions to Ontario. One of the things that we have heard at this committee is that other jurisdictions,

internationally, are moving very quickly to compete for those jobs by creating standards and making sure that there is protection for artists and for those who are participating in the productions, so there are very, very clear standards and guidelines.

I just wondered if your ministry was doing anything specific to preserve the ability for Ontario to compete in the film, television and production sector, and what is it that you are doing?

Hon. Lisa MacLeod: Sure. That's a great question, actually. I think it dovetails really nicely with MPP Arthur's question and his community.

We've done a number of things, MPP Hunter. We have appointed a dedicated film and television advisory panel. They took a look at our tax credits, which we were able to start to streamline. That message of stability in our tax credits is important. I was able to meet—virtually, of course—with all of the major film and television executives in Los Angeles and New York throughout this pandemic. We were the first in Canada to green-light production. We have worked extremely hard since the pandemic hit to make sure that our protocols were in place prior to anyone else's. Some of our communities started their ability to do production early on—for example, my city of Ottawa and in Muskoka—but Toronto is now engaging in that this week.

We have continued, whether it is with CBS or with Netflix or working with Cinespace—as well as Take 5 Productions, John Weber's group—to make sure that we are not only attracting new film production, but that we are also continuing to be home to those that have been here before. So we were pretty fortunate, I think.

In addition, with respect to film and television, we had a record year last year. We grew from \$1.9 billion to \$2.16 billion. Almost all of that was because of Canadian content. We invested \$3 million into the Canadian Film Centre, who we'll hear from right afterwards, making sure that they're positioned as a global leader to not only help with domestic production, but also support us with above-and below-the-line talent. So I think that Ontario will be in a better place than almost anybody.

When you look at what's happening in Los Angeles, for example, the spread of COVID-19 there, as well as in New York—New York has also just gotten rid of their film and television tax credits, which makes our stability even that much more appealing. So we, I think, are in a position in North America better than anybody else, given our strength, and now that Toronto is in phase 2, we should be in a great place—

Ms. Mitzie Hunter: Minister, can you talk specifically about the panel's work and the tax credits that are new since COVID-19?

Hon. Lisa MacLeod: In the COVID-19 environment, we opened the tax credits up to freelancers and contractors, which wasn't done before, so that has helped. We've also, with Ontario Creates, which is an agency of the government, streamlined these tax credits. We work on a daily basis—and I certainly do weekly, with the federal Minister of Canadian Heritage—on film and television

production as well. Most recently, I think, it's been mostly trying to get Toronto to become a hub city for the NHL—but we have been doing that work at a federal level, and we're asking them directly to provide us with information on how to increase skills development and training.

We do have members from ACTRA, NABET—I'll be speaking at their town hall later today—and IATSE, as well as a number of people from different elements, directors, producers and production companies. It is actually chaired by Jim Mirkopoulos, who is the vice-president of Cinespace, and it is co-chaired by Christina Jennings, who you'll be speaking to at 10 a.m.—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Hon. Lisa MacLeod:—as well as Slawko Klymkiw, who is the CEO of the Canadian Film Centre. Their work is ongoing. They have an ability to report back in 2021, but we have asked them for an interim report, and that is going to guide our work.

Again, as I said to the previous MPP, this will require money, but it will also require a social response and, finally, regulatory reform in supporting them. A lot of the film and television production that we can support is actually through our municipalities and working hand in glove with them to reduce and remove barriers. Certainly, this industry has been shuttered, but we expect it to come back. If there's one area that I think we had some early gains on in this ministry, it is in the film and television advisory committee panel, because they started, I think, in January, as COVID-19 was just beginning to become a threat, and the work that they have done has been absolutely incredible.

The final thing I'm going to say is our animation sector has actually done extremely well during this period. I'll use my city of Ottawa as an example. When I met with the Ottawa film commission, they were talking about creating jobs in this environment throughout this period and actually sustaining some parts of the industry. So there has been a bright spot with respect to animation, as well as with digital and interactive media. When you speak with Christina Jennings later today—I mentioned it in my speech—the Bubble Bloom that her team has developed during COVID-19 to help reduce the anxiety and stress in children is one example of the creativity of these creators.

0930

Ms. Mitzie Hunter: Minister, I just have a few more short minutes. I appreciate your comments on the digital animation space. Hopefully, one of the benefits of COVID-19 is that we will retain our top talent in that sector and grow the industry even more robustly here.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: The cultural and festival sector has been really harshly hit by the pandemic, and the Ontario Arts Council funding often sustains many artists. Are you contemplating increasing that funding? One of the requests that came through this committee was that the funding be doubled for this year.

Hon. Lisa MacLeod: Great question. Certainly, I'm entertaining it. The Ontario Arts Council is probably, when I came into the ministry—my deputy will tell you

it's one of my favourite parts of the program. Actually, so is the sport hosting, where I get to see a targeted investment with real, tangible results, so I'm just looking at the best way to do that.

We do have a number of other funding streams too, MPP Hunter, whether that's the Ontario Trillium Foundation, the Ontario Heritage Trust, the Ontario Cultural Attractions Fund. We're just looking at the best ways to stream that but also to provide the investments.

The Chair (Mr. Amarjot Sandhu): We have to move to the government side now. I'll start with MPP Roberts.

Mr. Jeremy Roberts: Good morning, Minister. It's great to have you with us again today.

In your presentation, you spoke a bit about our hometown of Ottawa and about all of the wonderful culture, heritage and sport organizations that are spread out across the city. I know I speak for many people in Ottawa in saying that I think we're all missing our opportunities to go to Redblacks games and to be able to attend all of the wonderful cultural festivals and music festivals that our city typically offers at this time of year.

I wanted to ask you a question about something that I know you're passionate about too. In Ottawa, all of these organizations that we have across this sector often do a lot of work to encourage young people to get involved in the sector as well. Speaking personally, I was an arts student in high school. I attended Canterbury High School, as I think you know, and a lot of my classmates participated in dance programs, creative writing programs and different things like that. Of course, you yourself, Minister, are a self-described hockey mom and are always doing your best to promote youth physical activity and participation in sport.

I'm wondering if you could share any thoughts you have on what we can do to perhaps encourage those young people and those families to get back involved in this sector as we start to move into this recovery phase and work to get things back to normal.

Hon. Lisa MacLeod: Great question. Obviously, I have a teenage daughter at home, so I want to make sure she's out being active as well.

I'll just say this to start, because you just made me think of something I'm really proud of in this ministry, which is that the highest number of youth employment in the country is through these sectors. When you look at the city of Toronto, their parks and recreation and their cultural summer programming, they actually are the largest summer employer of youth in the country. This is a very important place for that to happen, and I think it's really something that we should build on.

One of the things I'm really excited about—I mentioned it in my speech, but you're going to give me an opportunity, I think, to elaborate. I maybe wasn't somebody who had ever gone to the symphony—I had a good chuckle that the person responsible for Ontario's culture grew up in a small mining town, New Glasgow, Nova Scotia—but I am so proud of the Toronto Symphony Orchestra and their youth symphony. What they have done in this pandemic, because those youth have not been able

to perform the way they normally do, is that they have partnered with Baycrest, just an incredible organization that deals with long-term-care facilities as well as seniors' residences. They have allowed the young symphony orchestra to perform for their residents by Zoom. When we're looking at, for example, a crisis in our long-term-care facilities and we're looking at the challenges many of our seniors are facing with dementia, they've had this ability to connect through music.

I had the opportunity to participate in that last week, and—I think we all know I'm a bit of an emotional person—it brought me to tears. I just had such a great sense of pride, to see how these young people were contributing. I think that that should be the take-away of COVID-19 and Ontario's experience—the creativity and the support of people, particularly our youth, during this time. I think where there are ways we can get youth creating, whether that is through physical fitness or participating with their other talents, whether that's painting or performance arts, that's really going to be incredibly important for us, and so we're going to be looking, within the ministry, on how we can best support that. In the meantime, we're going to continue to make sure that the money is flowing, despite cancellations and postponements, whether that's seasons or art lessons.

The final thing I want to draw everyone's attention back to, in my remarks: the polling data that suggests it's going to be very difficult for us to get kids back into theatre lessons and sport events, simply because of the issues that we're dealing with. When you're looking at 55% of Ontario parents saying they're not comfortable allowing their child to attend theatre, dance or music lessons, we have an uphill battle. I see many moms and dads on this Zoom call. That's going to be a collective challenge for us.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Jeremy Roberts: I know some of our colleagues have questions, too, so I'll pass it over.

The Chair (Mr. Amarjot Sandhu): MPP Crawford.

Mr. Stephen Crawford: Good morning to everyone on the committee and to Minister MacLeod.

Minister MacLeod, I know you care a lot about the culture, sport and tourism industries here. I know you've shown your passion for it and you've engaged—I'm glad you're on the committee. This is the most extensive consultation for these industries in the history of Ontario.

You mentioned that the data is dark. I just want to get a sense from what your perspective is. We've heard about different financial considerations for both businesses and non-profit festivals—but maybe if you could pinpoint one or two things that you feel or you've heard that the government can help out both businesses and non-profit festivals in a non-financial manner, that can help them weather the storm.

Hon. Lisa MacLeod: To your point and MPP Arthur's point: Let's flow the money. We've flowed \$9 million, almost \$10 million, in festival funding to sustain them. Then, I think when we start to look at some of these new drive-in and drive-through festival ideas, there should be money for them. This is something that this committee

could recommend easily: to allocate some funds to those festivals. I'm thinking, for example, of Bluesfest in Ottawa, which has come up with a drive-in idea so that we can bring music to people through social distancing.

I think when you look at what TIFF is doing—and hopefully Cameron Bailey will be in throughout these hearings and talk about some of the incredible things that they are doing with the Toronto International Film Festival.

We invested \$1.7 million this year on Luminato. They've done it completely virtually with some of the greatest artists in the country.

The Chair (Mr. Amarjot Sandhu): One minute.

Hon. Lisa MacLeod: I think that just because we are still social distancing doesn't mean we can't participate in festivals, but we will have to do so in a different way, and I think that this committee has an opportunity to make some pretty good recommendations with respect to that.

Mr. Stephen Crawford: I know you've been involved in some extensive consultations outside of this within your own ministry.

I just wanted to mention, as the MPP for Oakville, that Oakville is a city that calls itself a town that acts like a village. We have a lot of great cultural, sports and tourism industries here in this great community. I've had a lot of stakeholders that have reached out to me that would like to show you their facilities, that want to meet you and discuss some of their thoughts, in terms of economic recovery in the town of Oakville and for the province of Ontario. I'm wondering if you would be able to pay a visit to the town of Oakville with me to meet some of these people and tour these facilities.

Hon. Lisa MacLeod: Yes, I'll do that next Thursday or Friday, and the offer stands for every member of this assembly. I have been travelling the province doing that, and if any member of the assembly, regardless of where you live or what party you're in, please do invite me so we can demonstrate the safety and resilience—

The Chair (Mr. Amarjot Sandhu): Thank you, Minister. We'll come back to that in the second round.

Hon. Lisa MacLeod: There are two rounds?

The Chair (Mr. Amarjot Sandhu): Yes, there are.

We'll start the second round with the independent members now. MPP Hunter.

Ms. Mitzie Hunter: Minister, I wanted to ask you a very quick question regarding the criteria for grants that are expected to show results in tourism. Given the fact that that's unlikely for the foreseeable future, are you going to relax that expectation, or maybe shift it to domestic tourism, so more facilities can be eligible for that grant?

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Hon. Lisa MacLeod: Yes, we were very clear early on, when the pandemic first struck, that we would work with all of our transfer payment agents, whether it was tourism, culture, sport or heritage, recognizing that this pandemic—we expected it to be SARS-like; of course, I say all the time that this is SARS on steroids. We have committed to working with them, recognizing that things are different, so we're looking at sunk and eligible costs.

At the end of the day, I know, as a former minister of the crown—and as every MPP—you're going to want to make sure that we have the receipts and that we can deal with it. We're just making sure that we're in compliance with the Auditor General's expectations of us, but at the same time understanding that liquidity, liquidity, liquidity is key during this time. We're working with everybody and trying to relax what rules we can.

Ms. Mitzie Hunter: You mentioned that in addition to the Ontario Arts Council, there is the Ontario heritage fund and the Trillium fund. I'm wondering about eligibility for that type of funding for artists who are Black, Indigenous, people of colour. This was a concern that was raised—that some of the criteria excluded new and emerging, or people who needed to demonstrate that they had ties to the industry, and it basically just de facto excluded many artists from those categories. Is there something that you plan to do to analyze those funds, to see who is receiving it and if we have enough funding flowing to Black, Indigenous and people-of-colour artists?

Hon. Lisa MacLeod: Phenomenal question. We're continuing, obviously, to support the Indigenous and Black communities and people of colour, but we have to do a better job. When the pandemic hit—we've started to direct the ministry into a five-year plan that will be incremental, but also identifiable in terms of how we measure our success. One area that I have asked—there should be a specific lens on every single program, a lens on accessibility, attainability, women and girls, our Indigenous peoples, people of colour, and new Canadians, and making sure that that applies.

I will say that one of the things I am most proud of is the diversity of the candidates who I am appointing to our agencies, boards and commissions. I look at, for example, my Ottawa convention centre. I'm very proud of the Shaw Centre, as everyone knows. It really was a certain demographic—older gentlemen—and my first three appointees come from the Chinese Canadian community, the Indo-Canadian community and the Black community in the city of Ottawa. I did so, first of all, because they were under-represented, and second of all, in order for us to be competitive, we have to make sure we're engaging every single community in this province.

I will say this, MPP Hunter: I admire the work that you're doing, and you're a very strong voice and have been a very strong voice, and so I would be happy to work with you and other members of this Legislature to improve these programs if you see any injustice. That's my commitment to you and to all members of the assembly.

Ms. Mitzie Hunter: Well, thank you, Minister. I will take you up on that, because I have been reached out to by individuals and organizations in the Black community specifically. This is a community that predates, really, the foundation of our province and of our country—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Mitzie Hunter: —and does not necessarily see that reflected in the investments that are being made. These granting streams and areas that we're trying to invest in—we need to include the Black community. We

know the challenges that are being raised right now in terms of anti-Black racism, and the culture and heritage sector and the sports sector can really play a large role in helping to change some of those outcomes to ones that are much more positive, so I would be thrilled to work with you on something like that.

Hon. Lisa MacLeod: Great. I'll give Amarjot my cell phone number for you, and then we can have a conversation. I'd say it right now, but we're on live webcast.

Ms. Mitzie Hunter: I wouldn't want to put you in that situation.

If we could talk a little bit about the focus on sport—this is also an area that affects a lot of young people, and missing a cycle could really spell challenges for them later on. We had a presentation from the Indigenous community that talked about the Indigenous Games. I've attended those in the past, and the pride of the whole community—missing these cycles could really spell trouble for young athletes. I'm just wondering how that is being handled by the ministry and how we're helping to preserve our athletes.

Hon. Lisa MacLeod: One of the first priorities was to flow the funding immediately, particularly to Indigenous health and well-being, so we've been working with a number of organizations—

The Chair (Mr. Amarjot Sandhu): One minute.

Hon. Lisa MacLeod: —particularly Marc Laliberté, who has been phenomenal.

One of the things too, in terms of sport hosting, is making sure that in 2021, when we're in a position to compete again for Olympic trials, as well as the Indigenous Games, that we are there. We do have the facilities, and I believe that we will be one of the safest environments in the world to be able to do that. We also became the first in Canada to open our training and conditioning facilities for our high-performance athletes.

I know you're from Scarborough, and of course one of the great gems of this country is the Canadian Sport Institute Ontario—near your constituency, likely.

Ms. Mitzie Hunter: Just at the north end of it.

Hon. Lisa MacLeod: Yes. We were able to become the first, actually, to open that facility. We're still trying, I think, to get Penny in the pool. That's our number one goal, for Penny Oleksiak, to get her going.

You said something that I think is really important for all of us. I think when we start to look at the NBA or the NHL—even in professional sports, you can't just put a kid back into play. They have to be—

The Chair (Mr. Amarjot Sandhu): Thank you.

Hon. Lisa MacLeod: —training and conditioning, and we have to be ready for that, which is why in phase 2 we're allowing—

The Chair (Mr. Amarjot Sandhu): Thank you. I'm so sorry to cut you off.

Hon. Lisa MacLeod: You're very good at that.

The Chair (Mr. Amarjot Sandhu): We'll have to move to the government side for their second round now.

Hon. Lisa MacLeod: I won't take offence.

The Chair (Mr. Amarjot Sandhu): I'll go to MPP Smith.

Mr. Dave Smith: Minister MacLeod, I'm going to take a slightly different direction on this and talk more about amateur sport. There's always a lot of focus around high-performance sports. There's always a lot of focus on professional sports, because that's where people aspire to go to. But I want to point out that we have a recreational stream for our disabled community as well.

It should be no surprise to anyone that this falls into part of my passion. I had Special Hockey Day declared on March 27, 2019, because it was the time that Ontario hosted the Special Hockey International event. I've been involved in Challenger Baseball. I've been involved with a number of different organizations with it.

On your amateur sport committee, you involved the Special Olympics. Why was it important to have a voice from our special-needs community there with amateur sport as we're trying to reopen sport here in Ontario?

Hon. Lisa MacLeod: First of all, let me thank you for the work you've done with me, even before COVID-19, on amateur sport, particularly with taking some of these amazing young people to Queen's Park from a variety of different sports. I just want you to know that my jersey is at my desk.

It was important for me to involve Variety Village as well as the Special Olympics because, as I said to MPP Hunter when we were talking about Black and Indigenous youth—I started off by saying “accessibility” and “attainability.” I say “accessibility” because I think that anybody, regardless of their physical or mental capacity, should have the ability to play sports or be part of recreation, and I say “attainability” because I think that regardless of your income, you should never be denied the opportunity to play sports in your province. I think that there should always be that. I was fortunate growing up as a little girl in New Glasgow, Nova Scotia; my parents didn't have a whole lot of money, but they made sure that I was active. So that's really important to me.

I know that you've come to me with some really good ideas that I do hope make it into the recommendations—and that is creating a funding stream. We have Quest for Gold for our high-performance athletes, but I would like your advice and your recommendations on how we would do that for Special Olympians and other special-needs children. How do we recognize them? The Ottawa Condors might be the only team of their kind in the city of Ottawa, and in order for them to compete and play, they may have to travel, so how do we support that? You've spoken to me on numerous occasions about that. I really admire your tenacity and your commitment, but I'd really like to see that as a recommendation.

Far be it from me to judge where the committee will go, but certainly, some of the ideas that you guys had pre-COVID-19 may even be more timely now.

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Mr. Dave Smith: I'm going to turn it over to my colleague MPP Piccini.

The Chair (Mr. Amarjot Sandhu): MPP Piccini.

Mr. David Piccini: Thank you, MPP Smith.

Minister, thank you very much for your presentation today. I suspect there will be enough members who will ask you to cut cheques, so I'm going to ask just a few regulatory questions and for some changes.

As you know, my riding of Northumberland–Peterborough South, home of It, Murdoch Mysteries, a number of other—we've had filming galore in Northumberland, which has been phenomenal.

My question to you is with respect to some of the regulatory changes and simple recommendations. The community has told me there is dire need for studio space. I know we as a government have mandated our lower-tiers to come up with asset management plans. So I wonder if perhaps the ministry could consider working with MMAH and analyzing some municipal assets that could potentially be converted to studio space.

Secondly, potentially a plan for lower-tier municipalities: We have some that are very progressive, that do line painting, that have auxiliary police that are given out to support filming within small communities; some don't. It's just sometimes a simple dossier, booklet on best practices to support filming in rural Ontario, and—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. David Piccini: And finally, the NOHFC: I'm wondering if you might expand that fund to perhaps include—again, not an ask for new funds, but just to include rural Ontario.

Hon. Lisa MacLeod: Great question.

You're going to be delighted at 10 a.m. when you meet with Christina Jennings. She is the creator of Murdoch Mysteries. Obviously, she's fantastic.

We are already working with municipal affairs and housing. Our goal is to double our studio space, and we've started that. We've got, I think, three of them under construction. During COVID-19, I've already had the ability to visit one of the sets at Stratagem—socially distanced, of course. So we're working with MMAH. That is our key recommendation coming from our film and television panel.

In terms of the northern Ontario development corporation, that is with Minister Rickford, so we work hand in glove, and we're just trying to see how we can best streamline, right now, the work that he does that overlaps the work that I do and that overlaps the potential work of other ministries, like agriculture or whatever. So we'll take that one back.

I do like your focus, though, on regulatory reform. I think that right now is a good time to be looking at that, to streamline production—similar to MPP Hunter's question about how we are going to be competitive. That's one very strong way.

Mr. David Piccini: I hope you come up to Northumberland–Peterborough South soon.

Hon. Lisa MacLeod: I think I'm seeing you next week, too.

Mr. David Piccini: Thanks, Minister.

Hon. Lisa MacLeod: You'll be asking for the cheque that day.

Mr. David Piccini: We'll go to MPP Barrett.

The Chair (Mr. Amarjot Sandhu): MPP Barrett.

Mr. Toby Barrett: I just wanted to raise an issue around the municipal-provincial relationship with respect to so many of our small museums and art galleries. Locally, in Haldimand–Norfolk, even before the coronavirus crisis, the municipality indicated that they will be closing a number of museums. Of course, people are very upset. Many, many years of donating artifacts and donating money—it has been indicated some of the artifacts will go into storage or they'll go into another facility.

Where do people turn with respect to these small museums that are run by the local municipality, in this case, Norfolk county? Provincial money has gone into these facilities over the years. To what extent is there provincial oversight? Is there an appeal process provincially for people who are upset about seeing their local museum be shut down by the municipality?

Hon. Lisa MacLeod: Great questions. We do have something we—

The Chair (Mr. Amarjot Sandhu): I apologize to cut you off, Minister. Your time is up.

Hon. Lisa MacLeod: I'll text you later, Toby.

The Chair (Mr. Amarjot Sandhu): We'll move to the opposition side for their second round. I'll go to MPP Andrew.

Ms. Jill Andrew: Good morning, Minister. Pre-COVID-19, as you know, your government had slashed the Indigenous Culture Fund, and now that we are in this historical moment where we're finally calling on government for action where anti-Indigenous racism and anti-Black racism are concerned, I'm wondering what new funding you are investing in in Indigenous culture, Indigenous arts, and arts for Black communities, especially, again, since the Indigenous Culture Fund has been slashed?

I will go on and ask my next question, too. That is with regard to live performance workers. I have spoken to possibly hundreds of live performance workers, live entertainment workers. The industry is all but shuttered, and people are very worried about theatres evaporating. They are demanding theatre subsidies, and I'm here to speak on their behalf and in solidarity and support with that request. We're wondering about theatre subsidies and if that's on your agenda to keep our theatres open, even though they are currently empty.

Of course, we are looking for at least a doubling of the Ontario Arts Council budget. That comes straight out of the mouths of every cultural worker, every cultural institution I've spoken to.

And entertainment workers, cultural workers, are also calling for basic income because, as we know, CEWS and CERB have not enough from the feds. So we're wondering if this government is going to invest in basic income to help our artists get by. Eighteen months is too long. Many of them, I suspect, will be homeless by that time, because not only will they not be able to do their art form, but they will have nowhere to live. We are just wondering what the province's response is to that.

Hon. Lisa MacLeod: We invested, obviously, \$17 billion as a government immediately in the aftermath of COVID-19 through the economic statement through the Ministry of Finance. We will be coming out with a fall budget—my hope is in September. Obviously, we'll be guided by this community. I take your points on the Ontario Arts Council, which I mentioned earlier in my deputation is something where I think we could provide some targeted investment and get to the right people.

My offer obviously stands to you, MPP Andrew, as it did with MPP Hunter. If we can do a better job with our Indigenous and our Black communities, as well as our new Canadians, I'm happy to meet with you. I'll have my staff reach out today to set up a time for all three of us to convene and obviously make sure that we're doing better there. Maybe we have a dedicated fund; maybe we figure out some ways for voices.

I've been really impressed with some of the things that I've been seeing in the last year; for example, with Shamier Anderson, who has a training program in the arts, particularly for those who want to be actors and actresses. I believe he's doing that out of Scarborough. We've been trying to figure out how we can best support him in getting those voices out. I've challenged many of our transfer payment agencies, as well, to diversify, including our agencies and attractions.

Simply, I think one of the greatest things that I've been able to showcase my daughter to—I arrived here when she was just turning a year old, and I think the best thing I've ever been able to give my daughter is the cultural diversity experience of being an MPP. So that's really important.

Interjection.

Hon. Lisa MacLeod: I haven't responded to her.

Ms. Jill Andrew: Thank you.

Hon. Lisa MacLeod: Sorry, I guess your colleague has a question, so I will respond to you—we'll have a call today.

Ms. Jill Andrew: I'm actually still speaking, and I'm asking about basic income and if this is something that your government is going to consider for our artists, especially our artists who are ODSP recipients, OW and marginalized communities, artists who are literally living on a thread.

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Also, Minister, as you know, I wrote you a letter on May 9 proposing an ethnic and community media stabilization fund. This came directly from our ethnic news and media producers who have said that they have been left behind in the federal advertising funding and they're asking for support from the province. We had proposed an ethnic and community media stabilization fund to ensure that our seniors, our many hundreds of ethnic communities can get access to culturally relevant media and advertising and news in their language. I have not heard back from you on the ethnic community media stabilization fund proposal. I am hoping that you will get back to us on that, and—

Hon. Lisa MacLeod: If I may, with respect to the ethnic media stabilization fund, I think the Premier was

fairly clear pre-COVID-19 that we would be moving in that direction. I certainly have had the ability to host a number of round tables, co-chaired by all three of my parliamentary assistants—

The Chair (Mr. Amarjot Sandhu): Two minutes.

Hon. Lisa MacLeod: —Billy Pang, Vincent Ke and Sheref Sabawy, as well as Aris Babikian, who has a background in that council, and, of course, Parm Gill, who is our MPP for, I believe, Halton. So we have been working on that. It's certainly something we have seen. It's something I have brought up with our federal counterparts as well, recognizing, I think, that our ethnic media, but also our community media, are requiring that level of support, particularly now, as people are looking for and reliant on local media.

We have been working with that organization for some months now—I believe since last fall—and we're going to continue to do that. Again, if you're ever interested in participating in one of those meetings, certainly I'll have my staff reach out and we can definitely do that.

Ms. Jill Andrew: I would love that, Minister.

Hon. Lisa MacLeod: We're very happy to take those recommendations and consider your advice. I know you packed in four questions there—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Jill Andrew: Minister, I have one more comment—

Hon. Lisa MacLeod: —so I'm trying to make sure I respond to each one of them in a timely manner.

Ms. Jill Andrew: Minister, I have more comments to make, thank you very much.

Comedians are also part of our culture sector, as are fashion designers. As you know, comedians and the fashion industry have not been recognized by our province as part of our cultural sector. They're not able to access funding through the Ontario Arts Council, for instance, and other funding bodies. Are you all looking at including comedians and the fashion sector in our culture sector?

The fashion sector has literally saved our province with the creation of much PPE and donations. I think of the IATSE Women's Committee, which has been sewing up a storm. I think about various organizations, community members, constituents of mine who are designers and comedians doing free shows. Will the government look at—

The Chair (Mr. Amarjot Sandhu): That concludes our time.

Thank you, Minister, for appearing before the committee, and thank you so much for your presentation.

Hon. Lisa MacLeod: Thank you.

CANADIAN FILM CENTRE

COACH HOUSE BOOKS

MR. RAJA KHANNA

The Chair (Mr. Amarjot Sandhu): We'll move along to our next presenters now. First we have the Canadian Film Centre. If you could please state your names for the

record, and you will have seven minutes for your presentation.

Mr. Slawko Klymkiw: Slawko Klymkiw, CEO of the Canadian Film Centre.

Ms. Christina Jennings: Christina Jennings, the chairman and CEO of Shaftesbury and the chair of the board of directors of the Canadian Film Centre.

The Chair (Mr. Amarjot Sandhu): You may start.

Ms. Christina Jennings: Slawko and I thank the committee for the opportunity to discuss how COVID-19 has impacted the CFC and how professional training in the film and television industry plays an important role in economic recovery. We also thank Minister MacLeod for her support of the production industry in Ontario. I am co-chair of the Ministers' Film and Television Advisory Panel, and we are working to make Ontario the number one destination in the world for film and television production.

Mr. Slawko Klymkiw: I'm also a member of the Ministers' Film and Television Advisory Panel on how to grow the industry in Ontario. When the minister asked the CFC to host meetings with experts last September to identify the challenges of our industry, COVID-19 was not one of them. Film and television production were at record levels: over 340 productions, 44,500 jobs, \$2.16 billion in spending and 40% of that on domestic production. The Doug Ford government was stepping up investments in studios and projects, with a vision to boost annual production spending above \$5 billion. That lofty goal seems so much more in the distance now.

Nonetheless, the panel's work continues, and recovery is a thread that runs through every discussion. The CFC and our colleagues are encouraged by the minister's tireless efforts to put the Ontario film and television production industry back on its feet, to promote our competitive advantage and to reopen the province for business.

Ms. Christina Jennings: The CFC is recognized as the leading institute for professional training in the film and television production industry, and we have a role in the minister's cultural strategy moving forward.

Support for cultural organizations that professionalize talent is essential for industry renewal and growth. Content creators and entrepreneurs drive projects. We attract investment, generate jobs and can make a significant contribution to sustainable economic benefits for Ontario.

The CFC is the centre of excellence for content creators and entrepreneurs working in the film and television industry. The centre was founded in 1986 by Ontario filmmaker Norman Jewison, and he is still active on the board as a mentor and host of our events.

The CFC has delivered professional training and career acceleration for over 1,900 showrunners, directors, producers, editors, actors, songwriters and composers, and has helped to launch 250 media production companies.

Mr. Slawko Klymkiw: The CFC is a charitable organization and relies on a combination of public sector, private sector and earned revenue to operate our programs and balance a \$10-million annual budget. We play a

unique role in Ontario's film and television business and production, which ranks as the largest in Canada and third overall in North America.

The province of Ontario has been a remarkable partner in the advancement of CFC talent, projects and companies for 15 years. Thanks to the leadership of Minister MacLeod, the Ford government committed to a path forward for supporting the CFC to strengthen and sustain our double bottom line.

CFC talent and projects reflect the next generation of creative and industry leaders who redefine how our stories are told on screen and experienced by the world. The CFC annually generates 340 permanent full-time jobs and contributes \$22 million in GDP.

Ms. Christina Jennings: The CFC program experience is advanced, intensive, collaborative and requires a commitment of five months to several years. CFC's talent receives expert instruction and mentoring to develop their original content; learn new skill sets; showcase, promote and market projects; and expand business networks in Canada and abroad. We have gained an international reputation for excellence across all of our programs. Our institute has a national reach, and two thirds of our graduates live and work in Ontario.

Last year, 23 projects involving 58 CFC alumni were screened at TIFF, including four films that were actually developed at the CFC.

The Chair (Mr. Amarjot Sandhu): Two minutes.

Ms. Christina Jennings: In February, our alumni received 86 nominations for Canadian Screen Awards, and in May the new TV series *Transplant*, featuring 10 CFC alumni, was picked up by NBC for broadcast in the States. As of January, our talent are working on everything from micro-budget features and Web series to mega studio blockbuster hits, and they're receiving international acclaim working across all platforms and building strong relationships.

Mr. Slawko Klymkiw: Much of the program year has concluded by mid-March, and we were able to pivot a recently launched media lab project and the remainder of our music program to an online delivery service. We had to cancel our annual mission to Los Angeles, where we conduct a number of creative and business development meetings with the Hollywood studios every year.

On March 17, with the government of Ontario's enactment of the Emergency Management and Civil Protection Act, we closed our doors. Since then, our staff has been working from home. We are developing plans that deliver programs through the use of online platforms until the centre can reopen under stage 3 of the province's economic plan.

The Chair (Mr. Amarjot Sandhu): Fifty seconds.

Mr. Slawko Klymkiw: With studios and theatres in crisis mode, a number of private sector partners are at risk. We had to cancel our major fundraising events. At the end of the day, we're projecting a \$3.1-million revenue loss over the next 12 to 18 months. So like every other cultural organization—many of them—we are not eligible for a

significant amount of federal government relief that was out there.

Ms. Christina Jennings: At the same time that we're responding to the challenges of COVID-19, we're responding to the challenges of social justice and systemic racism within the organization and the broader screen industry. We applaud the Premier's stance against racism, and over the next year we will implement an action plan for a better and safer CFC, more empowering and more inclusive for BIPOC and other marginalized creative and entrepreneurial talents.

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Mr. Slawko Klymkiw: In closing, the CFC strongly—

The Chair (Mr. Amarjot Sandhu): Thank you. Your time has come up now.

We'll have to move to our next presenter, from Coach House Books. If you could please state your name for the record, and you will have seven minutes for your presentation.

Ms. Alana Wilcox: Good morning, members of the committee. It's an honour to have the opportunity to speak to you today. I'm Alana Wilcox, the editorial director of Coach House Books, a literary publisher in Toronto. We're also a printer. We produce our books in-house on our own Heidelberg printing press. You may know of us from the novel *Fifteen Dogs*, by André Alexis, which won the 2015 Scotiabank Giller Prize.

Ontario is the publishing heart of Canada. More than half our country's English-language writers live here. Our industry contributes \$500 million to the economy and paid over \$250 million in wages. Last week's Trillium Book Awards, which the minister hosted, attest to the strength and vitality of the book business. Ontario authors and Ontario-owned publishers document and share Ontario's stories and help us to mythologize ourselves, to create our sense of identity, both within the province and around the world. *Fifteen Dogs*, for instance, is set in Toronto, and has been read by 200,000 Canadians and translated into 17 languages.

The pandemic has hit the publishing industry hard. Sales have nosedived. It's not that Ontarians don't want our books; they do, and in droves, and they specifically want the books that Ontario-owned publishers produce. They're just having trouble getting them. Publishers are at the centre of a complicated supply chain that we rely on to get our books into the hands of readers. Between the author and the reader are agents, printers, designers, publicists, bookstores, media, festivals, academics, libraries and so on. Margins on books are slim, and we need all parts of this chain functioning well.

The problem is that the supply chain has been severely compromised, meaning that it has been much more difficult for our readers to get hold of our books. Independent bookstores, our strongest allies, rely on customers browsing, which of course isn't possible right now.

Amazon, which has a market share averaging 20%, deprioritized books for over a month, meaning they just weren't selling them. Schools were closed, and librarians haven't been at work to order books. Perhaps most

devastatingly, Indigo, which accounts for probably half the book sales in Ontario, is in serious jeopardy, as was announced this week. They've closed 20 locations, cancelled most orders and are returning much of the inventory in their stores for credit. It would be catastrophic for the industry if they were to close or to be sold to foreign interests.

Our authors have seen their income significantly reduced, our distributors are worried about surviving, festivals are cancelled, media are distracted, libraries are closed and so on, so we're facing significant challenges. Many of us have had to reduce staff and postpone or cancel forthcoming books. We've made up some revenue selling books from our own websites and selling more e-books, but most publishers still anticipate a drop of nearly 50% for 2020 sales over 2019.

Coach House's sales for the past three months are less than half of what they normally are. We've had to delay books, so there will be a huge clog in the fall season, and the books that did come out during the pandemic landed in a void for a lot of very disappointed authors. Beyond just lost sales, there are unrecoverable costs that number in the millions. Coach House alone had to cancel at least a dozen author tours, with costs for flights, ads, hotels and venue rentals all lost. Countless books were printed that missed their opportunity to be sold. They can't be unprinted.

Cash flow has been annihilated. Low sales plus returns mean that many publishers owe their distributors, rather than the other way around. There is uncertainty around every part of the supply chain. Will Indigo survive? Will the independent bookstores survive? Will our distributors survive? Any one of these uncertainties would be challenging to navigate, but taken together, they leave us in a very scary situation. This uncertainty means it's tough to hire or even keep staff, and we're wary of signing new books.

Publishers are an intrepid bunch, and will figure out how to thrive in this new world, but we need some help while we reconfigure our businesses. To this end, we're asking for a one-time emergency top-up injection of \$6 million to the Ontario Creates Book Fund, which is administered by Ontario Creates.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Alana Wilcox: The funding we currently receive through that program, as well as through the Ontario Arts Council, is what has allowed us to grow our industry into a group of very strong businesses that make inestimable financial and cultural contributions to our province. Both of these organizations are absolutely essential to what we do. This one-time emergency supplement would help to mitigate the unrecoverable costs and lost sales that have imperilled our businesses and get us across the COVID-19 chasm.

The Ontario Creates Book Fund has a fair amount of flexibility built in, and that would be a huge help here. Each publisher could use it where they need it most, and for all of us it would give us the opportunity to plan for the future. We might use it to cover our printing costs for fall books or to make sure all our titles are available in e-book

form or to invest in social media and online sale strategies, or we might use it for author events or to create promotions to support indie bookstores.

Beyond that, a loan guarantee program would mean ongoing access to capital for the industry at almost no cost to government. Such a program would give us a more level playing field with multinational players who dominate our industry.

Publishers are an innovative and industrious lot, and we're all thinking already about the ways that our industry will change in response to the pandemic. Within days of the stay-home order, we were hosting online launches and readings, and figuring out how to haul books to the post office to mail out to customers.

But we need your help. We're all penny-pinchers. I know that we would use every last cent of support to make positive changes for the future. Your supplementary support in this difficult time would provide us the opportunity to thrive in post-COVID-19 times and allow us to keep telling Ontario's stories.

I thank you in advance for your consideration.

The Chair (Mr. Amarjot Sandhu): Thank you so much.

We'll move to our next presenter now, Raja Khanna. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Raja Khanna: Good morning. I'm Raja Khanna, from Toronto. I am a Toronto-based entrepreneur born and raised in Mississauga, a fact I'm proud of. I've been lucky enough to create, build and grow several enterprises in the creative and technology industries in Toronto and Ontario.

I didn't time my comments, so I'm going to speak fast, but I have submitted them electronically, so you should have them in front of you.

As the founding CEO of television and digital at Blue Ant Media, I helped to create a content-focused company from what was an idea that we had, to a global company and producer, distributor and broadcaster, creating hundreds of jobs in Ontario, and around the world, actually. Prior to that, I co-founded a company called QuickPlay Media, also based here in Toronto, that grew to hundreds of employees here before being sold to AT&T, although I'm happy to say they kept all the employees here and grew the company.

Today, I'm primarily involved in local music, culture, location-based entertainment and arts-related businesses. That's why I'm here on this call. I've dedicated this phase of my career to arts and culture and heritage in our local creative economy.

Most recently, I founded Dark Slope studios, a virtual reality content company investing in original content and innovative technologies for location-based entertainment venues. It's a mouthful, but it's the idea, similar to going to the theatre, of going to a location to have a VR experience with a group of people. Obviously, that business has changed dramatically.

I'm also the co-founder of Mondo Forma, an immersive art collective that we created a couple of years ago. Last year, we employed 100 local visual, technical, lighting and

sculpture artists to create something we call the Funhouse on Queen West in Toronto. It was an immersive art experience that attracted over 20,000 visitors; an interactive art maze that was created by local artists for the local community. It was a great success, and like I said, we employed 100 artists, which we're very proud of. Obviously, that business has changed, too.

Finally, I'm also a co-owner of a music studio in Toronto and I'm the co-owner of a music venue that was set to open this June, so some things have changed in my world. Today, my music venue is shut, unlikely to ever open its doors, and my rehearsal space sits empty and unused. Mondo Forma's plans to open its next interactive art experience are on indefinite hold, and obviously the location-based entertainment business for my VR company has all but ceased. It's a new world. In each case, we've had to lay off highly skilled labour and reassess the viability of some of our co-alliances with business.

But my experience is not unique. I am not alone. Like others have said here, I'm proud to be working with some of the most passionate people I've ever worked with. Their resilience is incredible, and we will find a way out of this, but it will be with government support.

We know COVID-19 has stripped away access to so much local content: live theatre, live music, art installations, local cinema and more. The absence of these things has shone a light on the reality. So much of the content we consume online is curated by non-local, non-Canadian algorithms half the time—algorithms that favour the lowest common denominator. This puts the unique fabric of our cultural identity at risk.

1020

I'm here not just to talk about jobs and the economy and the industry, but our connection with our home that has been reinforced and forged through the stories that we tell each other, through the local art that we consume, through the creators that ignite that part of us.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Raja Khanna: Okay.

That is more important to our well-being than we often realize, and it's most evident when it's gone.

Seeing the devastation caused by COVID-19 in our community, a few months ago I created something called MusicTogether. I managed to raise \$150,000 to support musicians in need. I'm very grateful to the ministry and the Ontario government for matching those funds with another \$150,000. I'm very pleased to say we've given away over \$300,000 to over 300 musicians in the last three months. It's a program that has had a real material impact on Ontario musicians, but it's not enough. The hard task of restarting our cultural engine is just beginning.

There's no free market solution to our cultural identity and cultural industries; there never has been. This is an important fact we all have to recognize. We've always needed to deploy a tool kit to maintain the creation and consumption of arts and music in Ontario and indeed across Canada. The tool kit suddenly finds itself insufficient to sustain our cultural industries. I'd like to make a couple of recommendations in that regard.

First, regarding our local music culture: The nighttime economy makes our communities livable, makes them vibrant, make local businesses grow and attracts tourism, investors, new residents. We need a refreshed tool kit to address the nighttime economy and live music in particular. Live music venues are all at risk across the country. The federal government has talked about \$20 million of their heritage fund going towards live music. More needs to be done. The province needs to step up as well. I'm suggesting adding new funds to the OMIF, specifically directed towards smaller, Ontario-owned live music venues, independent venues and their related agency promoters. Let's keep this part of our culture alive that makes our cities so vibrant and adds so much to living here.

Secondly, our visual artists: Again, we employed 100 artists last year.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Raja Khanna: These are amongst the most diverse, exciting group of people that live in our city and add so much to our cultural fabric. They're all unemployed now. I'm suggesting a large infrastructure project from the Ontario government to support the creation of public art—large public art—across the province, large programs, over \$100,000 each, that employ multiple artists. That will add something to our province for generations, to be remembered and admired—a public art initiative.

And finally, for our creative industry companies like my VR company, Dark Slope, Ontario Creates does a fantastic job. I very simply suggest that more funds be directed to Ontario Creates, especially to programs that create sustainable industries around digital technologies.

The rest of my comments you'll have in front of you and you can read at your leisure. Thank you for listening. I'm happy to take questions.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll start this round of questions with the government side. I'll go to MPP Piccini.

Mr. David Piccini: Thank you to all the presenters for presenting this morning. I appreciate all the work you're doing.

This question is for everyone. First, Raja, your comments on making communities livable and vibrant—I certainly echo that. I represent Northumberland—Peterborough South, and we have a remarkable arts and culture community. We have a phenomenal film presence in Northumberland, specifically in Port Hope, the community I live in, with Murdoch Mysteries and It, to name a few.

In conversations I've had with the Murdoch team and others, they've spoken about regulatory changes to streamline film and production. I asked this question of the minister, so I'm going to ask it to all of you: What sort of streamlined measures, regulatory changes, can municipalities take? In talking about communities and making them livable, what I hear from the film community is that it's not necessarily all provincial; there are some municipal challenges that prevent them from continuing to film.

Finally, to Raja as well, with respect to the "livable and vibrant" piece—just on the arts piece that you spoke

about—any recommendations on how the government picks specific artists to do that? If you could flesh that out a little more, I'd welcome that.

And finally, on patio spaces, thoughts on live bands—would you like to see our government allow live bands back out in the near future?

Mr. Raja Khanna: Thank you for those great questions. I'll try to address them in reverse.

The live bands: Absolutely. I haven't seen a live show in over three months, and I tell you, it's killing me, and a lot of my friends are in the same boat. We need live music. It adds so much to our cultural fabric.

I think the idea of expanding patios is a great one, and streamlining that process and allowing for licences and permits for street festivals, outdoor festivals, live music on patios is something that can be addressed quickly and should be done. I think it's a way to get musicians back working again quickly. That is something I fully and totally support—both the expansion of patios and live music festivals, outdoor festivals and so on.

What was the middle question? I'll deal with the first one. On municipalities and livable municipalities: I think you were referring a little bit to film and television production there. I think other speakers are more equipped to deal with that—Christina and Slawko. However, from my point of view, from the livability, I think public art and public space and the idea of creative placemaking are critical to vibrant communities, from an economic perspective also, and developers are realizing this, too. They're investing in these types of initiatives without being told to for the first time in history, which is quite exciting.

But I think the immediate need that I'm talking about is the need to keep these artists employed. These are the most marginal parts of our community. They get paid the least. They are from very diverse backgrounds and they are completely and totally unemployed right now—whether that's a technical artist, a lighting artist, a visual artist, people who create interesting public art and make our cities livable and our communities livable.

We need to employ them, and the best way to employ them is to get them to create art, and what an opportunity to transform the face of Ontario with large public art projects across the province, things that will stay for generations and add to our communities, add to our children's communities and really make our province more livable, while employing these artists. I think it's a triple win and I'd love to see that happen.

I've totally forgotten your second question.

Mr. David Piccini: It's okay. Thank you very much.

Over to the CFC: Just cognizant of time, if you could talk about filming and some of the regulatory changes, with specific emphasis on streamlining across our municipalities, that would be great.

Ms. Christina Jennings: Shaftesbury makes Murdoch Mysteries. I'm the EP, so I've been making Murdoch Mysteries for 18 years.

The Chair (Mr. Amarjot Sandhu): Two minutes.

Ms. Christina Jennings: We couldn't make Murdoch, actually, without communities like Port Hope. We just could not. None of that fabric of turn-of-the century Ontario exists in Toronto, really, anymore.

I have not heard of any municipal challenges or limitations to our filming, and I'm going to take that back to my team—because we go out all the time. We're out three or four days an episode. So I'm going to find out what is stopping us from coming up more to those communities like Port Hope.

Mr. David Piccini: I'm looking forward to a dialogue on that. That would be great.

We're big fans of Murdoch out in Port Hope.

Ms. Christina Jennings: Great, as we are. We love Port Hope.

Mr. David Piccini: Thank you. Over to MPP Khanjin.

The Chair (Mr. Amarjot Sandhu): MPP Khanjin.

Ms. Andrea Khanjin: My question is for Raja. I just want to echo what my colleague David Piccini was saying about patios and live music. When patios opened, all of my local businesses in Innisfil were really excited, but unfortunately when it comes to inviting local artists—and we have many in the region—they realized, due to public health guidelines, they can't have live music on the patio. The explanation point was because you lean in when there's loud music and it could cause droplets etc.

My question to you, Raja, is, how could we help our local artists? How can we do it safely, and do you have any suggestions on how that would work?

Mr. Raja Khanna: Yes. There are lots of answers to that question. My suggestion in particular is, first of all, focus on getting these artists employed, and my suggestion around live music—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll come back to that in a second round.

We'll have to move to the opposition side now. MPP Stiles.

1030

Ms. Marit Stiles: My question is for Mr. Khanna. Thank you so much for joining us here today. I really appreciated your comments. I know that you got rushed at the end there, so I thought I would ask you, first of all, if there was anything you wanted to flesh out a little bit more. Maybe you would even like to finish off the response to the question you were just responding to. I know this is an awkward format.

Mr. Raja Khanna: I think the live music venues simply need—they're all at risk of going out of business, all the small venues. Just think about the hundreds of venues and what they add to our communities and also what they add to our artists. Every big artist you know from Canada started on a small stage, every one. These small stages, whether they're indoors or outdoors, are critical. These venues are in deep, deep trouble right now, and the related booking agents and so on, so we need to find a way to directly support them.

I'm suggesting a new program in the Ontario Music Investment Fund that is focused on small, independent live music venues that would include support for booking

artists to play outdoors, and maybe even include an industry initiative to figure out the safety measures that were referred to in the last question: How do you safely play outdoors to avoid the aerosolization and droplet thing, which we all know is a serious concern? I'm not a scientist; I can't answer that. But I know there is an answer, and we can do it, whether that's sound level, whether that's positioning, even the types of music and the loudness. We could find an answer to that in the interim.

Ms. Marit Stiles: I appreciate your comments about music venues. Certainly, in my riding of Davenport—downtown west-end Toronto, which you're very familiar with—we have lost a lot of our live music venues over recent years. Whenever it seems like something is about to start, it always gets sidelined. It has been very frustrating, I know, for the community and for artists.

I'm really interested in your proposal around this. One thing I would also mention—you did talk about Ontario Creates, as well. What we've noticed is that there has also been a reduction in funding for a lot of our festivals, which are also important venues for music across the city. We've seen the funding this year halved for most of them, if they're getting any at all. I wondered if you could expand a little bit more—I know you were talking about a different fund—on where funding should be directed for Ontario Creates. Maybe what we're looking at is a shift over to a new fund. Would you see festivals included in your proposals around the new funding for the nighttime economy?

Mr. Raja Khanna: Yes, I think I would. It's interesting; when you look at live music venues, they have no relationship with any government funding body right now—not with Ontario Creates, not with the Ontario Music Fund, nobody. They need one, so my first and foremost thing is that we need to support live music venues. We need to find the right mechanism to support them.

Festivals already do access or have historically had access to the Ontario Music Fund and other things. That fund was obviously decreased from \$15 million to \$7 million last April, so that's a big impact. I'm suggesting that we increase that fund—not necessarily restoring the programs it had identically, but thinking about live music, including festivals, as a way to direct the new funds that would go into the OMIF.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Marit Stiles: I'll turn this over to Jill Andrew.

The Chair (Mr. Amarjot Sandhu): MPP Andrew.

Ms. Jill Andrew: Thank you to all the presenters. Raja, it's good to see you. I wanted to know what concerns you have—it's also possible for the Canadian Film Centre and Slawko to chime in—with regard to reopening, and if you all have any particular questions or concerns around the section 21 guidelines as they relate to, for instance, film production sites, but also as they relate to live events. Of course, drive-through or drive-in is certainly a little more safe than what we're used to. I'm just wondering if you all are having concerns around the health and safety of not only your workers, but also your visitors and those who engage in your institutions.

Mr. Slawko Klymkiw: We've completely closed down, so where we're going and where the industry is going—Christina can talk about this specifically. In a post-COVID-19 world, production is going to be different. It's going to be distanced. It's going to use technology in fundamentally different ways. It's going to write scripts in different ways. I don't think this is going to go away any time soon. I think we're going to have to get smart about it.

Our view at the centre and in the industry is that we could be a leader on this. This is really the marriage of culture, technology and enterprise. We at the centre set up a technology committee to begin to look at this. We are going to begin to do some studies on our own production side about how we can produce in a safer way. We also—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Slawko Klymkiw: To be honest with you, we're not going to rush people back to work, because their health is way more important than anything else.

Ms. Christina Jennings: Just to add to that question: If I take a show like Murdoch Mysteries as an example—it's going to cost Murdoch Mysteries about \$800,000 to get back to work safely once we go back. That's money that now has to be found.

We have been working with section 21. Shaftesbury has its own guidelines, and as Slawko said, it's going to be a whole new world when we get back to business.

Ms. Jill Andrew: My deep concern—I was chatting with Fairness in Factual TV the other day—is the ballooning budgets that production companies and crews will have. We're looking at 15% to 20%, if not more, to retrofit these already complicated sites to make them workable, writing—

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll come—

Mr. Slawko Klymkiw: If I can add one thing, it's very hard on the domestic—

The Chair (Mr. Amarjot Sandhu): Thank you. The time has come up now. We'll come back to that in the second round.

We have to go to the independent members now. MPP Hunter.

Ms. Mitzie Hunter: I think we should just let the gentleman finish his statement. Slawko?

Mr. Slawko Klymkiw: Yes, I was just going to say that if you're a huge Hollywood studio—which is very important to our economy—it's slightly easier for you to manage those issues, but for Canadian producers, which are smaller, which have larger challenges in terms of telling our stories, it is a significant hurdle. It's one that both Christina and I and the whole industry are actually seized with.

Ms. Mitzie Hunter: Just continuing with the Canadian Film Centre: There are really two big issues that we're dealing with right now. There's the recovery from COVID-19, but also the issue of systemic racism, anti-Black racism in particular. You were describing your awareness of that and some changes that you planned to make in the upcoming year. I wanted you to share with the

panel what you were working on and what you noticed. I do notice that you support Black women in film and other artists, so you're already sensitized. I'm just wondering what you're going to do to deepen and to strengthen the industry.

Mr. Slawko Klymkiw: Well, first of all, we recognize that we're part of the problem. Inevitably, that's the first step. We are internally going to begin doing anti-oppression, anti-racism programs, so that we actually get to a foundation where we can make changes. In terms of mentors and casting directors and all the people we use, we are simply going to work harder to have a more diverse group of creators coming in.

Our staff is about 31% BIPOC. Our alumni coming in in the last five years are somewhere between 40% and 45%. But it's not good enough. Our senior management probably needs to be more diversified. We're looking at our board and we're looking at very specific programs, because I believe that, at the end of the day, this is about economics and opportunity, and it's about actually shining a light on those things so that we make them work. I'd like you to phone me in seven months and see if I've actually kept these promises.

Ms. Mitzie Hunter: Sounds good. I will do that. I think that that's really terrific. Keep up your great work.

I'm wondering if perhaps on the publishing side, we can talk along the same vein about this issue. I noticed, for instance, that when Esi Edugyan received the Giller Prize, it was comparable to any piece of literature, and I was so proud that this came from a Canadian Black woman who described in such painful detail the journey between the Caribbean and Canada, and the uniqueness of both experiences. I'm just wondering about, in publishing, if you see this as an opportunity to elevate Black, Indigenous and people of colour, to give them more space and voice in your settings as well. Alana?

1040

Ms. Alana Wilcox: One of the things that has set Canadian and Ontario publishers apart from the multinational competitors that we have is that it's something we've always been focused on, highlighting and including marginalized voices—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Alana Wilcox: —in a variety of contexts. We have been relatively good at publishing. Having André Alexis, similarly, when he won the Giller—it was great to see that. Our staff less so—because that's a problem that goes back to high school, whether you think publishing is a career worth pursuing when there's no money in it. It's something that we're grappling with. How do you diversify the staff of the companies when it's not a field that people are super keen to get into?

Ms. Mitzie Hunter: Yes, I think that's such a great challenge for our education system—to understand that future careers also play a role in terms of combatting systemic racism and making sure that people have the qualifications all the way through, and the interest, because I know that they have the talent—

Ms. Alana Wilcox: Absolutely.

Ms. Mitzie Hunter: —in English and writing, and also what we're offering as literature so that there's that engagement. I'm not sure if you have ideas around that. The minister spoke this morning and she's very keen and interested in causing a shift, so this is the time to put forward some of those ideas and to build capacity in Ontario.

Ms. Alana Wilcox: It's something that the industry has been working on. We've doubled down on it. Every conversation that we have is about this, so it's definitely deeply ingrained in our plans for the future.

We need to make publishing a more viable business, because if we can pay people better, we can have more people interested in pursuing it as a career.

Ms. Mitzie Hunter: Fantastic.

I wanted to just ask Mr. Khanna—and if we run out of time, we can circle back in the next round. I really appreciated—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: —the way you described the artists and musicians, and the fact that you recognize that there is something at risk right now. What do you think is at risk that we will lose if we don't pay attention, support these artists so that they can continue to be artists, post-COVID-19?

Mr. Raja Khanna: It's a thing that you don't know you'll miss until it's gone. It's your connection to your home, your city, your community. Arts and culture are the fabric that make our lives livable, whether we know it or not. And we do know it now, because it's gone, and all the culture we're getting is curated by American algorithms. It's a real problem. At the same time, we're putting some of the most creative storytellers in our communities out of jobs, and at risk—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off.

We'll have to move to the opposition side now. MPP Glover.

Mr. Chris Glover: I'll address my questions to Coach House. Alana, thank you for being here. Thank you all for being here. The issues that you raise are really important across all of the arts and culture sectors, because we need to figure out how we can sustain the arts and culture for us as Canadians, but also because it's such an important industry in our region and in our country.

I'm particularly concerned about the publishing industry, because even before this pandemic, the publishing industry was under pressure with digitization, with people not reading as many books as they used to. What supports does this government need to give in order to have a successful and vibrant publishing industry going into the future?

Ms. Alana Wilcox: Well, where should I start? The top-up to the Ontario book fund would be a great start, because it would give us the opportunity to make sure that we're prepared for this new reality, post-COVID-19. Beyond that, we need to find ways to support independent bookstores and make sure they continue to exist. Rent is

the problem that—like many businesses, like the live music venues—is going to take us all down.

Beyond that, it would be great if we taught Canadian books in schools. It would be great if we gave better support to our libraries with some incentives to purchase Canadian-authored and Canadian-published books—so not just the multinationals like Penguin Random House, but publishers that bring money back to the economy. If we can find ways to help other places that sell books, like e-books or whatever—anything to keep people off Amazon, which contributes nothing to the Canadian tax base or culture.

How's that for a short laundry list?

Mr. Chris Glover: That's a good start.

I want to go back to the rent issue. I've heard a lot about small businesses, especially storefront businesses in Toronto, that were hit before the pandemic by MPAC assessments. The one that got the most media attention was Le Sélect Bistro. It's a two-storey restaurant, it's in the middle of an enormous development, and they're suddenly paying \$200,000 a year in property taxes because they're being taxed as if they were a 16-storey building. Is that affecting some of the small, local bookstores? Is part of the reason for the rent increase MPAC assessments? Are you aware of that?

Ms. Alana Wilcox: I'm not sure about that. In general, there's just the tough real estate market. Ben McNally is going to have to move. We just have so many fewer bookstores in downtown Toronto, for example, as well as other municipalities, because the rent is just prohibitive. It's also a factor for staff, in terms of not just commercial rent but residential rent. It's tough for me to keep staff because we can't pay the kind of money that you need to live in downtown Toronto.

Mr. Chris Glover: That's something I'm hearing across industries as well. In the tech industry, they say Toronto's biggest competitive advantage is our diversity—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Chris Glover: —and our biggest competitive disadvantage is the rents, because talented people want to move and live in Toronto, but the rents are prohibitive for developing industries. I wonder if it's the same across other arts and culture industries.

The Chair (Mr. Amarjot Sandhu): Further questions?

Mr. Chris Glover: No further questions from me. I'll pass it to my colleague Jill Andrew.

The Chair (Mr. Amarjot Sandhu): MPP Andrew.

Ms. Jill Andrew: Thank you, Chris.

It's nice to see you again. I want to echo what you have said with regard to rent, whether it's residential rent or commercial rent. This is certainly something that has impacted one of our dear bookstores in St. Paul's, Mabel's Fables, a landmark, an icon in the industry. It has just been devastating to see what Eleanor has had to put up with with regard to not getting supports from landlords.

We've heard consistently through our stakeholders that the federal program has been—1% of commercials landlords have opted in. That's leaving a lot of our small businesses, our small bookstores, in dire straits—where it's not only about sales, but it's about costs. That's what someone had told me in a call I had last week. The government also needs to be thinking not only about showing them our revenues in terms of funds and applications for grants, but also showing us that the government needs to pay attention to—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Jill Andrew:—the costs.

I just wanted to echo what Alana was saying, and that we are certainly here to continue hearing these stories, including ones that we don't get today, to ensure that we can speak up for the publishing community in the Legislature.

I think about artists like Zalika Reid-Benta, who came out with *Frying Plantain* and has won several awards. This is a book that puts Black Caribbean culture on the map, but also puts Eglinton West and St. Paul's on the map, for goodness' sake.

I can't speak enough about how important literary arts are to our community, to our sense of identity, and it's necessary for us to fight for that and we need top-ups to the Ontario Arts Council. Everyone I've spoken to has said double at least—double at least—to ensure that we can still have diverse Canadian voices, and that also means paying authors when our school boards use their books—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll have to move to the independent members now for their second round. I'll go to MPP Hunter.

1050

Ms. Mitzie Hunter: I must say, I am enjoying our discussion this morning. I want to thank all of the presenters for what you bring to an industry that is really more than just the economy—it's about the soul and the humanity that we have in our communities and in our society.

Mr. Khanna, could you continue your discussion around what the arts bring? Can you speak about the well-being of the artists right now with all of this precariousness, and are you noticing anything happening there?

Mr. Raja Khanna: It is a mental health crisis that we're in the middle of. It's nothing short of a crisis. I think that's across a lot of communities—but I can tell you from my connection to the community of artists that I work with, they've been hit particularly hard. These, again, are people already living on the edges of society, dealing with rent, already considering whether they have to move away, and now their livelihoods have been stripped from them. There's no question there are a lot of artists in the city today questioning their life choices, trying to figure out what to do next, and it's a crisis that we have to deal with directly.

Rent, by the way, is a big part of this, and I don't think temporary rent relief is the answer. I think we need to have a serious discussion about material incentives to developers and landlords to house these types of businesses and

creators. Ongoing, long-term incentives—a property tax break for music venues is nice, but it's not enough. We have to give them an incentive to have these low-rent units in their buildings for artists to live in, to work in, for venues, for studio space, and it has to be a permanent solution, not a three-month or six-month solution.

As we all know here, the path to restarting our cultural engine is a slow and hard one. This will take years. We've already talked about how we're going to get people back at festivals, back in venues or back in the theatre. It's going to take a long time, and we need to think of more permanent solutions.

Ms. Mitzie Hunter: That's really great. Thank you.

Any other comments, maybe from the Canadian Film Centre, around mental health and well-being?

Ms. Christina Jennings: Well, as Raja says, it is a crisis and the creators—the Canadian Film Centre right now is shut down, so people who would be in our programs are not in our programs. Our staff aren't being able to—we're humans, and we want to be together in groups, and all of us are not able to do that. It is a very trying time right now.

I completely agree what Raja is saying about the artists are often right at the edge of being able to survive and all the issues they're facing right now.

Mr. Raja Khanna: Ironically, their work is what is part of the solution.

Ms. Christina Jennings: Music and poetry and all of it.

Ms. Mitzie Hunter: Alana, do you want to comment?

Ms. Alana Wilcox: I spent most of the pandemic working at home, talking on the phone to our authors who are all just crushed.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Alana Wilcox: They're out of the day jobs they had. They're out of work. They are getting no supplementary money for poetry readings or things that they do. There's no travel that they need to make connections in that work. And publishers aren't buying books right now, so they don't even have something on the horizon to look forward to. Yes, it's definitely a mental health crisis.

Mr. Slawko Klymkiw: Pragmatically, what we need is to get back to work as soon as possible, obviously as safely as we can, but in that period I don't think the industry in general—I'm talking about ours—puts enough time and money into R&D. There's just not enough in research and development. You can't have hit shows or great pieces of music without actual development. People need to get paid for that. I can say, as I've been on several sides of this business, that that's a real problem. In a time when, obviously, people aren't going to get back to work really quickly, I think we've really got to think very hard about R&D thoughts, and those can be focused in so many different ways. It can be literature, but obviously, it can be experiential. It could be music. R&D creates wonderful culture and great hits.

Ms. Christina Jennings: Ontario Creates used to have, in fact, an IP fund, which has gone away. We've been talking, Slawko and I, with the minister about possibly

reinstating that, where Canadian producers can acquire novels to adapt to the screen. A lot of these novels are being picked up by American companies, so the Canadian novel is being made by the Americans. Let's keep it at home. So we have made a recommendation to the minister to look at reinstating that IP fund.

Ms. Mitzie Hunter: That's really great.

I think the whole space, as well, in terms of digital—we can't ignore it.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: It has almost saved everyone at this point. I'm just wondering if you see a role for digital content development coming out of this.

Ms. Christina Jennings: Digital content is where people get their entry points into the business. You don't go from coming out of Seneca College or Centennial College and move straight onto a big prime-time television series; what you do is you collaborate with other artists and you make a low-budget digital series. I am very worried about that industry, when now they have to layer on COVID-19 costs in terms of keeping people safe. So I'm quite worried about that very entry level into the film entertainment industry—that it is going to really suffer. I think we're going to see fewer and fewer of those shows being made. I think that was a very good point you've just raised.

The Chair (Mr. Amarjot Sandhu): We'll move to the government side now. MPP Mitas.

Miss Christina Maria Mitas: Thank you for speaking, to all of the speakers today.

My question is for Alana Wilcox. I actually looked up the stock price of Indigo when you said that they haven't been doing well, and I was very surprised to see how it had toppled. So I have two questions, as a very big book lover and advocate of the written word and a very avid book collector: How do you suggest that we encourage the sale of physical books at this time, as I have noticed that even Amazon is now encouraging the sale of digital copies versus hard copies when you look up a book title? And how do we protect titles that are historically important works from dropping off and no longer being published?

I'll give examples from a children's stories lens, being a teacher and a mom of young ones—books that have moulded the children's literature genre, for example: Parables from Nature, Children of the New Forest, The Burgess Bird Book, and even more popular titles such as the Andrew Lang fairy books that defined the golden age of fairy tales and inspired people like Tolkien and Disney.

To keep it succinct, there are so many titles from the 1800s and earlier on that are barely in circulation to begin with and, I'll add, many important Canadian titles as well, as you addressed the promotion of them in your response to my colleague from the opposition.

We had a member earlier on express concern over artifacts that are being held in small museums that are now shutting down in smaller jurisdictions, essentially wondering what will become of these testaments to our past. I suppose that my concern here is very similar. How do we safeguard these titles and ensure that they stay accessible

to people? And as our book giant is struggling right now, as Indigo is struggling, how do we make sure that titles stay available generally, as they have up until now been able to make available such a wide range of titles that you were able to at least buy online? If they're forced to make their offerings less broad, what do we do for books that may fall by the wayside across all genres, which is troubling for all genres? Is digitization really the only realistic option, or do we have some type of recourse to keep physical books in print?

Ms. Alana Wilcox: Well, to start with the store question: Indigo, I know, is talking to the federal government, and maybe there will be some way of saving them there. I think it's really important for us to think of other ways to sell books. Keeping the independent bookstores thriving is really key.

We've been working hard to optimize our website so that books can be sold off of our website directly. That also goes to the question of backlist, which is what you call older titles. Through the pandemic, we've actually sold way more backlist than we normally do, because people are coming to our website instead of going to Amazon, where it's all frontlist, all American, all bestseller. If they go to our website and dig into the backlist, they're like, "Oh, this book from 20 years ago that I meant to read—I'm going to order that now."

1100

So digitization is actually the best friend of the backlist, because it means that those exist in e-book form, but also, we have print-on-demand capacity now that means that you can print—you can't justify a book that sells 20 copies a year. You can't print 1,000 copies of it and have a 50-year supply sitting in your warehouse. But with print on demand, you can print 20 of them every year and have that book. So digitization is actually the best friend of the backlist—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Alana Wilcox: —and I think that publishers, more than ever, are keeping things in print as long as possible.

Miss Christina Maria Mitas: So you think that print on demand will actually be pretty useful, coming out of COVID-19, for these types of titles? That's really great.

Ms. Alana Wilcox: Yes.

Miss Christina Maria Mitas: I like supporting the small bookstores as well, so we're able to support more local businesspeople.

Ms. Alana Wilcox: The key to everything is the independent bookstores, I think.

The Chair (Mr. Amarjot Sandhu): MPP Rasheed.

Mr. Kaled Rasheed: First of all, thank you to the three presenters.

My question is for Mr. Khanna. Just what my colleague was talking about, with the use of technology—who would have thought that there would be a time when we would be having committee hearings via video conferencing? They've always been in person, but the technology is changing how people think and how the world operates—especially during COVID-19, but also post-COVID-19.

I just want to get your feedback and input on how you think that technology is going to play a role in your industry, and also how things are going to change moving forward, from your perspective.

Mr. Raja Khanna: It's a big question. There are a lot of places to go there, but my overarching theme would be that every industry is a technology industry. Every artist I'm talking about is driven by technology, and their opportunities start through technological platforms, like Christina was saying earlier. That is how you start your career. That is how you start gaining notoriety. Even if you're a visual artist, you start by posting your images on Instagram—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Raja Khanna:—every single one.

The issue I have is about CanCon. Actually, it's a federal issue, and I'm lobbying hard on this too. There is no preference given by these large platforms to local content. This is a serious problem. It is a problem we've addressed in history on other platforms, broadcast platforms, that we need to address seriously on digital platforms—about how we give preferential pride of placement to our local creators on digital platforms.

There is an answer. There are a lot of excuses of why they can't do it. I know they can do it. I'm a technology expert, and I know it can be done. We have to lobby for this, and we have to make it happen. Ontario has a role to play there too.

Mr. Kaleed Rasheed: That's what I'm saying, that yes, during this time when—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. That concludes our time.

Thank you to the three presenters for your time and for your presentations.

Before we move on to our next presenters, I would like to do an attendance check. MPP Schreiner?

Mr. Mike Schreiner: Hi. I want to confirm that I am MPP Schreiner and I am in Ontario.

The Chair (Mr. Amarjot Sandhu): MPP Bailey?

Mr. Robert Bailey: Yes, I'm here and in Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you.

ART GALLERY OF ONTARIO ONTARIO HISTORICAL SOCIETY

The Chair (Mr. Amarjot Sandhu): We'll go to our next presenter, from the Art Gallery of Ontario. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Stephan Jost: I'm Stephan Jost. I'm the Michael and Sonja Koerner director and CEO of the Art Gallery of Ontario. Thank you for letting me speak to this group today. I'm pleased that we're playing a key role here, and the AGO is part of the global cultural attraction here in Ontario.

Just a little bit of background about the AGO: We have about one million visitors, and they come from around the world. We have a very strong community of supporters.

We have 240,000 people who are closely affiliated with us. That includes 78,400 members and 158,000 annual pass holders.

Last year, we introduced the annual pass, and it has really changed who we are and what we do. It's very simple: It's \$35 for anybody to come in or out for a year, and that annual pass is free for anybody 25 or under. I should mention that we have 107,000 people who are annual pass holders who are under 25, so that's about one out of five people in Toronto who are under 25 who are now part of our annual pass program.

Additionally, we have 34,000 K-12 kids coming through, and then additionally we have remote learning opportunities and we partner with over 300 community organizations throughout Ontario. So although we're a rather large cultural institution, we actively support many other community organizations.

We are a non-profit. We have a budget of \$63 million, of which \$21 million comes from the province, and I just want to clearly thank everybody here for that support. The other \$42 million comes from private donations—who are very, very generous to the AGO, both the board and the patrons. We have earned revenue, such as foodservice. We have the largest event business of any art museum in North America, and we have a strong retail shop.

Fundamentally, our mission is to bring art audiences together to learn, and our vision for what we call AGO 2028 is to, "Lead global conversations from Toronto through extraordinary collections, exhibitions and" education "programs, and by reflecting the people who live here." That last bit, "By reflecting the people who live here," is a very, very strong diversity mandate which we're making objective progress towards.

On March 13, we closed our doors out of public health concerns. We're pleased to do our part, and I think we all have a role in stopping the spread of the virus. Like many sectors, we've been deeply impacted by the pandemic. Like a bar or a movie theatre, we lost 100% of our visitors overnight. But I would say our team here, the leadership team and the board, is not in denial about the magnitude of the crisis, and as a result, we were able to work and act pretty fast.

We knew that in order to continue to preserve our public and help provide employment stability during this crisis, we needed to move. Within two weeks after the closure, we looked at our six-month budget, which, from March 15 to September 15, was for the 640 people. It was about \$20 million, and we knew that government, our private donors and our staff needed to work together. Within two weeks, we implemented what we called the AGO plan, and three private donors stepped up with \$5 million—so remember we have a \$20-million salary line—on the condition that all staff take a 25% pay cut. The unions worked with us in order to ensure employment until September 15. Everybody took a 25% pay cut and is working at 75% time, with the exception of the leadership team, which got the cut but we work 100%. The two unions were great partners in this, and then the federal wage subsidy was also key.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephen Jost: Again, I'd like to thank the government of Ontario for your support. Receiving the \$21 million is stability and it is key to our survival. I'm telling this story because aligning private support, government support, and in this case, significant sacrifices by all of our staff members has positioned the AGO to help lead the recovery in the culture sector. I also hope that you will use and design government programs to inspire private philanthropy. Together, it really is significantly better.

As I've said to our 240,000 members and annual pass holders, with whom we communicate regularly—there's a 70% open read rate when I send a letter to this group—we face deep challenges, but we're not in crisis. When I say challenges that are serious and deep, I mean it. We're looking at an 80% drop in our food and beverage revenue this year; we'll go from about \$10 million to \$2 million. We'll have a similar drop in our revenue from programming, lectures, performances and events. Our galas, which raise over \$1 million, won't happen. It will have a prolonged and deep impact on us.

That said, we've been ready for over a month, but we just got the green light, so we will reopen on July 2. We're proud and happy to be a part of the recovery to provide a safe civic space for our community and help rebuild confidence. We will cap the number of visitors to 1,000 people a day—just so you know, usually we get about 2,400 people a day—and people will require masks and follow some safety protocols like social distancing.

1110

This is the first step in rebuilding the cultural sector. This sector will need help to recover. Please remember that culture is key to a thriving economy. If I can quote former New York City Mayor Michael Bloomberg, "capital follows culture," not the other way around.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stephan Jost: And as Minister MacLeod says—and Minister MacLeod is doing an amazing job holding the sector together—culture has a double bottom line: It increases civic cohesion and strengthens the economy.

There are many things that we can do to help support this recovery. We hope that the provincial attractions and agencies will be eligible to apply for funding through the Canada infrastructure program. Again, there's private philanthropy to help this, as matching—federal and provincial programs such as the Museums Assistance Program, Ontario Trillium and Celebrate Ontario.

We need to bluntly reduce existing accountability and directives and guidelines. We are relatively nimble, and we need to maintain that nimbleness, which means we need to be able to change and adapt to changing circumstances. We want to be part of the domestic tourism strategy, and—

The Chair (Mr. Amarjot Sandhu): Thank you so much. Sorry to cut you off. Your time has come up now.

We'll move to our next presenter, from the Ontario Historical Society. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Rob Leverty: I'm Rob Leverty. Greetings from the Ontario Historical Society. I'm speaking from our headquarters in Willowdale, so if Stan Cho is there, hello. He has visited our site. It's a house, a dairy stable and a coach house that were all to be demolished 27 years ago, so like our members across the province, we worked to restore and maintain it. We also have a community garden at the side.

Like everyone else, we've been shut down, though. We've not been able to do public events. We've not been able to do, for example, Doors Open. We've lost revenue in terms of rentals, although I would say that with our organic community garden—they've been busy, the volunteers, for the last two months, and yesterday, I'm pleased to say, they gave the first crop of vegetables to the local food bank.

First of all, I'd also like to mention that we were founded in 1888, which I think is really important. We emerged from the grassroots. Eight local historical groups founded us, to work to preserve and promote Ontario's history. We're probably about 800 member organizations, now, across the province. We're a registered charity. We're in constant communication. We've been open for business since March 11, with our membership across the province, and I'm going to share their recommendations to you today.

First of all, I'd like to thank Minister MacLeod and her ministry staff, who have been working hard to roll out the provincial operating heritage grants—ours and particularly the Heritage Organization Development Grant and the community museum operating grant. Thank you very much. We appreciate that.

I'd like to make two historical points before I start our recommendations. First of all, it was in 1899 that your colleagues in the Legislature passed a significant act, the act to incorporate the Ontario Historical Society. It gave us the power to establish not-for-profit organizations in the province of Ontario interested in some aspect of Ontario's history, and we've been doing that ever since; we're the only not-for-profit in North America.

To understand the present crisis, though, we need to look at, since 2008, the financial crisis. We're still dealing with that. In fact, we've been incorporating a new historical organization almost every month, four since the pandemic—community-based organizations to save a lighthouse, a museum, an archives, an historic mill. And why? Because, since 2008, all governments, religious institutions and private organizations have been offloading and downloading our heritage assets onto the volunteer, not-for-profit sector, so we've been in a crisis for the last 12 years. I think that's really crucial to understanding how we deal with this crisis and plan for the future. Our act is more relevant than ever before.

So first of all, I think we need a heritage infrastructure grant program. First of all, let me tell you that last Sunday, I went to one of our members, the Sheffield Park Black History and Cultural Museum in Clarksburg. They're a long-time member. I visited their new exhibit. It's in their tabernacle, a 1905 building. They've restored it, but they

need 25 new skylights. It's a magnificent building. They're not open for business. They usually have tours coming from across the province—and across North America, by the way. This is a perfect time for them to do restoration. It would be about a \$12,000 project to replace these skylights. So that's critical for our groups that now own or lease these heritage sites in moving forward—a small, independently run, rapid-movement grant program.

We would also like to include in that a digital infrastructure grant program, because obviously that's critical. For example, in 2006, we incorporated the Owen Sound Emancipation Festival. They've done incredible work, but they can't do the festival this year, which attracted thousands of people across North America to Owen Sound. They would like to do a digital 2020 festival, but they need some money. For example, often our groups raise some money and the grant program matches it. They've already raised a couple of thousand dollars; they need about \$5,000. So this is really important to help our groups.

I remember Isabel Bassett when she was minister, and I think she really got the importance of a grant like this. I worked with her, and she included cemeteries. I think that under the Harper government, the Canada 150 Community Infrastructure Program in 2015 was very relevant.

So I think there are great examples. We have run grant programs before. I'm talking about a lot of shovel-ready, shovel-worthy projects that could kick-start the economy—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Rob Leverty: —across the province, at the local level.

A second issue that's of concern to our membership is, of course—and I spoke to this last January—the imposition of property taxes on our not-for-profits. The Municipal Property Assessment Corp. has arrived over the last few years and has said, “Oh, you now own a church or a mill, a historic building”—for example, the Glengarry Fencibles Trust in South Dundas—“and we're going to now make you pay property taxes.” This is devastating for our groups. In Haileybury, for example, a group we incorporated many years ago, the magnificent museum there, are paying \$6,000. Our historical society in Deep River, they have a little schoolhouse museum—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. Your time has come up now.

Since our third presenter has not shown up, we'll start with the questions now. I'll start with the independent members this time. MPP Schreiner.

Mr. Mike Schreiner: I want to thank both presenters for coming in today. I have a master's in history and have been a long-time member of the AGO, so they were both very relevant to my own personal interests. Thank you for taking the time.

I'm going to direct some questions to both, but I wanted to start with the AGO.

Stephan, you had talked about how government programs can leverage private donations. I'm just

wondering if you could elaborate a little bit on how government programs can help leverage private donations.

Mr. Stephan Jost: Sure. Again, the AGO has cultivated significant donors over the history of the AGO. If you look back at the transformation project, which was about 10 years ago, when we had Frank Gehry build the addition, there was a public and a private match there. It depends on the ratios between what's federal, what's provincial, what's private, but quite honestly, if there's 50% or more coming from public sources, it inspires private philanthropy.

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Again, I'm not talking little numbers here; I'm talking about people who would be willing to give \$5 million to \$10 million each. It wouldn't be crazy for us to talk about being able to raise \$70 million to \$100 million within a couple of years if there was a public match. Again, that could be used for capital or for endowment, for example.

Mr. Mike Schreiner: Great. Thanks for that.

Rob, I'm going to ask you a somewhat similar question. You gave some examples of some heritage grants. The numbers were not that huge, actually—

Mr. Rob Leverty: No.

Mr. Mike Schreiner: —and so I'm just wondering about, when you talk about the need for a heritage infrastructure grant program and a digital grant program, have you thought about what the numbers could look like and what kind of impact that could have across the province?

Mr. Rob Leverty: Well, these small investments are tremendous. Whether these are volunteer groups—they usually match the funding. The Canada 150 grants program was about \$88 million over two years and it provided a lot of funding. We actually took advantage of that. We got about \$27,000 from the federal government, and we matched it. What was good about that program is that we could use other government funding to match the funding.

I think that it needs to be an independently focused program. I think people who understand heritage in our volunteer sector are often overlooked. These are volunteers who have now taken on these assets. They own or lease them. They're responsible for the insurance. They're responsible for all the restoration and capital costs and operating costs. So they have great experience in this. This is why we incorporated them. It's a very rigorous process. They're legal entities—

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Rob Leverty: —dedicated to saving a church, for example. The Madill Church just south of Huntsville—1873; a provincial plaque—but the United Church wanted to demolish it. The federal government wasn't interested; the provincial government wasn't interested; the town of Huntsville wasn't interested. So unless we incorporated a group, it would have been demolished or lost.

Then our next goal, to answer your question, is to help them get charitable tax status, which is crucial.

Mr. Mike Schreiner: Okay. And related to that, I'm just wondering if there needs to be some additional consideration for Black, Indigenous, people of colour

heritage as well. I know, for example, in my riding the Guelph Black Heritage Society does amazing work, but sometimes they face additional barriers to fundraising that other heritage organizations may not face, even though the work they're doing is incredibly valuable.

Mr. Rob Leverty: Absolutely, and we have a broad church. We will represent and incorporate all cultures and all religions in all parts of the province. One of the stumbling blocks is that often you have to be incorporated to apply for government funding.

Also, for us, is the importance of adding cemeteries. It is very critical. It's a huge, important part of our mandate. We're actually in the Cemeteries Act to represent the public interest, and so we've had a very close bond with First Nations, the Jewish community and Black history groups, because we've actually taken the province a couple of times to hearings where it was argued that it was in the public interest to dig up and move a cemetery. Cemeteries are a very important part, and that's why I asked Isabel Bassett years ago to include cemeteries in—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Mike Schreiner: In my final minute, I'll go back to you really quickly, Stephan. I'm also a big fan of the Art Gallery of Guelph. I'm just wondering, does the AGO work with the Art Gallery of Guelph, the Art Gallery of Hamilton and other city art galleries?

Mr. Stephan Jost: We definitely do. We are the largest in the province, so we can have expertise where a small art gallery might not. A good example is that we have eight conservators. These are scientists/conservation specialists. If something gets dropped and broken in Guelph, the first call is the AGO, because we can actually give advice. We can actually do a lot of the material. There's a huge amount of collaboration between—and we're very generous with lending our collection all across the province.

Mr. Mike Schreiner: So funding support to the AGO does support and trickle out to some of us who are outside of Toronto as well?

Mr. Stephan Jost: Yes. In the culture and art sector, we privately raised \$107,000 quietly and distributed it to—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off.

We'll have to move to the government side now for their time of questioning. I'll start with MPP Smith.

Mr. Dave Smith: My question is for Stephan from the Art Gallery of Ontario, a follow-up on what MPP Schreiner had said.

The Art Gallery of Hamilton presented to us, and they were talking about how they were having outreach on social media. The one comment was that they see a massive uptick in their social media presence when they put anything from the Group of Seven on it. In particular, a Tom Thomson piece received the most Twitter analytics of all of their stuff. But they weren't able to figure out a way that they could monetize some of that social media presence.

Have you looked at all at how it's possible for an art gallery to monetize something like that?

Mr. Stephan Jost: Yes, we have. There are a bunch of different ways. First of all, they're doing great work at Hamilton. I'm really proud of the sector.

For example, we have a very robust series of talks and lectures on ago.ca. Every Thursday, I give a talk for 40 minutes, where I interview another art museum director from around the world. I get between 500 and 1,000 people. That is sponsored by TD's Ready Commitment.

We actually have had a series hosted by Dr. Audrey Hudson, who is head of our school programs. She's an expert in D&I. She's talking about how to talk about anti-Black racism and how to use art. We got 1,700 educators to sign up for that talk.

So the key is to have important, vital conversations, and then corporations like TD, who are trying to build social cohesion through these conversations, are actually quite willing to step up.

Mr. Dave Smith: I have the Canadian Canoe Museum here in Peterborough. They're on a capital campaign right now to build a new museum. It has hit a bump because of an environmental assessment. But they have also approached me about trying to find a way that we could have more private philanthropy and have additional tax benefits that would help out on it. I have not been able to find any academic research on it. Do you happen to know of anything that has been done for research to show that increasing the tax benefit for somebody who's making that type of a donation has an overall benefit in the taxation system?

And with respect to your organization, where I'm thinking on it is: The province is providing you with \$21 million right now. If we were to increase the tax benefit for those large donations, then there's a reduction in the taxation that the province would receive. But if there's a greater benefit to the organization, and rather than giving you \$21 million a year perhaps we're only giving you \$15 million a year as a result of it—if that \$6-million drop for us is not a \$6-million drop in taxation, it's a significantly greater benefit to do that. That's why I'm asking about the academic research. Do you know of any that is out there?

Mr. Stephan Jost: There is. Don Johnson, who has been very, very good about looking at charitable deductions—and I can get you this information.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephan Jost: For example, if you give RBC shares, you get a tax benefit. The charity can just convert that. But if you give shares in a real estate company, it doesn't. A lot of our donors would love to give shares in real estate companies to charity, and that would have a huge change in our support. There's a lot of money throughout the province wrapped up in real estate, but it's very hard to use that to do it.

I can get you that, because it's actually quite well-developed, if that would help.

Mr. Dave Smith: Thank you very much. I'm going to turn it over to my colleague MPP Mitas.

The Chair (Mr. Amarjot Sandhu): MPP Mitas.

Miss Christina Maria Mitas: Firstly, I will give a quick hello to Rob on behalf of Stan Cho and Willowdale,

as I am subbing for him this morning, so I will consider myself an honorary representative of Willowdale.

My question is for the AGO, as well. I've actually had the opportunity and the pleasure to visit with Jay and the excellent team at the AGO, and I have witnessed first-hand the important work you do, including the behind-the-scenes restoration work, which a lot of people don't even know that you're doing but that absolutely wowed me. You employ some very talented people.

1130

Mr. Stephan Jost: They're an amazing team.

Miss Christina Maria Mitas: They're amazing. Oh, my goodness. I happened to visit on one of the days that are dedicated to parents with little ones, and I was strolling my own baby around. It was really lovely to see and experience the work you do to welcome families.

My question is related to you mentioning the work that you do with schools, actually. How do you see the AGO continuing to welcome students in the fall? As online programming can only go so far and schools are preparing to return to a mostly in-class physical model, are you planning for a relaunching of your school visits programming? Are you already working with school boards? If the process has not yet started, how do you see it unfolding? Do you see this as important and ultimately necessary to your future as an organization?

Mr. Stephan Jost: I am a huge advocate for K-12 education, just up front. We've got a very good team and we have education officers who historically bring schools through—tens of thousands of school kids.

We are moving to a hybrid model, where we're developing content where there will essentially be a Zoom call like this. Often, the teachers are telling us that they want very targeted, basically 15-minute snippets where they then can take the curriculum and do the rest of the hour. I've got a third-grader and she can't really focus for that.

The other thing we're doing is online—basically, our kind of curriculums that parents can do with their kids, care workers, other teachers, so that it's open. I actually think COVID-19 is going to change museum education significantly, and that it will become a hybrid of online and in-person. I actually don't think that's going to go away post—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll go to the opposition side now for their first round. MPP Glover.

Mr. Chris Glover: Thank you to Rob and Stephan for being here.

Stephan, my first question will be for you. You were talking about how capital follows culture.

Mr. Stephan Jost: Yes.

Mr. Chris Glover: I just want you to have a minute to expand on that concept.

Mr. Stephan Jost: The best example I can give is, we had an American CEO come to Canada—the first time he's ever been to Canada. He lands in his private plane; we open the museum for him on a Sunday night. He's looking at three things: how we use technology, how we

do Indigenous education, and he loves Henry Moore. This was the CEO of Apple computers. The first exposure that Tim Cook had to Toronto and Canada—plane lands, he comes for two hours here to learn about those three things. I can't tell you how that frames and shapes somebody like that, who can move billions of dollars of global capital around the world. Super quiet, we had four educators and Tim Cook for a good chunk of time, learning about those things. That's how you start to move capital—because people who are in high tech want to choose to live in specific cultures. They don't necessarily go to the richest place; they go to the place where they want to raise their family.

Mr. Chris Glover: I've been doing a tour of IT companies in the riding, and I've been hearing similar things. They said that the biggest competitive advantage we have here is our diversity, and also that it's a place where people want to come and live. We can attract talented IT professionals from anywhere in the world, and the culture and arts organizations like yours are a big part of that.

The more difficult thing there is to calculate the return on investment. That's where the economics gets—it's very difficult to put a number on that, the kind of experience that you're talking about with Tim Cook coming to visit.

You just mentioned a report by a gentleman named Johnson. Is there a way to calculate return on investment for arts and culture organizations like yours?

Mr. Stephan Jost: There are. The question comes up about—I can talk about employment, I can talk about tourism, tourism dollars etc. We can do that. I do think there's also something that is incredibly important about social cohesion. We're changing fast, and it's unbelievably important that people see themselves and their culture validated by the institutions in Toronto. Whether that's a small historic society or a major institution, whether it's a graveyard where Indigenous people have been buried or whether it's a fancy cemetery, the key there is that if we don't do that, cultural instability can develop pretty quickly. That's another side to it. But yes, there are lots of reports about the impact, and I can get you those as well.

Mr. Chris Glover: Sure, I'd be interested to see those, especially the one that you mentioned just before to MPP Smith.

Mr. Stephan Jost: Right. I can get that to you, yes.

Mr. Chris Glover: Okay, thanks.

I want to address a question to Rob, as well. Thank you for being here.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Chris Glover: Okay, thank you.

I'm a big fan of history. I live across the street from Fort York. I'm interested in a lot of our history, and it has not been told. History has always been told by wealthy people, by the dominant culture.

How are historical societies starting to tell the stories—or working with communities that tell the stories—that have not been told?

Mr. Rob Leverty: Well, again, as I go back to the crisis we're in, so many sites are being downloaded, offloaded

onto groups. If they don't take them over, those stories will be gone forever.

Mr. Chris Glover: Can you give an example?

Mr. Rob Leverty: I'll go back to the Madill Church, a beautiful 1873 log church. It was to be demolished. If a local group didn't incorporate south of Huntsville and assume legal ownership, it would have been lost—all those stories about that church, the pioneers and the different cultural groups.

I go back to the Sheffield Park Black History and Cultural Museum. If they didn't exist to tell those stories, they'd be lost. But they all need a bit of help now, both in terms of infrastructure grants and also on their property taxes, because if they can't exist financially, they're never going to be able to tell these stories.

Mr. Chris Glover: Let me give you an example from my riding. I'm on the downtown Toronto waterfront, basically. My riding is Spadina–Fort York. In the 1930s, when they were building the R.C. Harris Water Treatment Plant—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Chris Glover:—they came across some Indigenous clay footprints. They dated them back to 11,000 years, or that was the estimate. So these were some of the very first people who were here after the last ice age. Those footprints got lost. It's just destroyed.

Interjection.

Mr. Chris Glover: Yes, I want to shake my head about it too, all the time.

How do historical societies preserve that kind of history? Where do the historical societies come in in advocating for and actually doing the physical preservation of that type of history?

Mr. Rob Leverty: Well, the shorter answer is, our power comes from the Legislature, in 1899. What we're doing is establishing democratic voices across the province to speak for our history and protect it. Working with all cultures and all religions across the province, that happens. Again, if they don't save this history and tell this story, it'll be lost forever—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off.

We'll have to move to the government side for the second round. I'll go to MPP Barrett.

Mr. Toby Barrett: I would like to address a couple of questions to the Ontario Historical Society and Rob Leverty. I know of your past relationship with MPP Julia Munro. I'm certainly aware of your publications that truly bring history to light. I'm so impressed that the society has a membership of 800 other organizations that have a charitable status and are incorporated. I really think that's such a very important strength to build on across the province of Ontario, and you have been doing that for many, many years.

1140

You made mention of many of these groups trying to save a building, a church, maybe an existing museum. Perhaps two questions—I'll jump in with both of them. There must be municipalities individually that now offer

tax breaks—maybe I'll just stick with the first question first, and then a second question. How many of the municipalities do give a pass on property taxes for so many of these heritage buildings, museums and things like that?

Mr. Rob Leverty: It's good to see you, Toby. Thank you for your support and also for recognizing a dear friend of the society, Julia Munro.

It's just been in recent years with the property tax issue that groups have been told, "You're going to have to pay taxes." Again, Haileybury is paying \$6,000 in property taxes; Deep River, the little museum, almost \$3,000. This is money that could be used for restoration and public outreach. There are, though, municipalities—you're correct—that have said to us, "We're covering the property taxes for our historical society because they're the only tourist attraction in our region." So the group will pay the taxes and the municipality will rebate them. But mayors have said to us already that that's only good to the next election. That's a political arrangement. Some mayors have even said that they're not sure this is legal.

The mayor of Latchford has pointed out—he's a big supporter of history and heritage. He thinks there should be a tax exemption for groups that are incorporated by the historical society under our act of 1899 and which remain in good standing. He pointed out in his most recent letter to me, "Tell the committee that the province of Ontario exempted all Royal Canadian Legion branches from municipal taxation during 2019, including the one here in Latchford. Despite our limited assessment base, the loss of this taxation had absolutely no impact on all other taxpayers here."

Mayors support us because they realize that these historical societies' local museums have incorporated and are critical to the community, the future of the community, attracting tours; and now putting taxes on them is ridiculous. So mayors who are rebating the groups are saying, "Rob, go ahead and argue this," and mayors where there are taxes said that it's going to have a limited impact on the tax base for the province. This could be done immediately by order-in-council, like it was done for the Legions, and it would give a tremendous boost.

Toby, I'm also concerned—we've incorporated four new groups since the pandemic started to save a chapel in Brantford and a historic train in Morrisburg that the St. Lawrence Parks Commission was going to offload. This offloading and downloading of our history is going to continue. It's been unprecedented since 2008. We're saying our act is more relevant than before and we must not forget the volunteers and these historical societies. They are a route to success and economic stability in our communities.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Toby Barrett: Certainly, my local municipality, Norfolk county—and this was just before the coronavirus issue—to save money, has put several historic buildings on the dock, really. They are closing a couple of museums, closing some ice arenas as well. But the concern around closing arenas—and I asked this question of the minister

earlier today. There wasn't time to answer. What is the recourse for some of your organizations when their museum, perhaps owned by the municipality, is threatened with closure? Is there oversight from the province? Can they appeal? Is there an appeal process? Do they work through your organization?

Mr. Rob Leverty: Well, they call us, and the route is that you have to establish a volunteer, not-for-profit organization—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off.

We'll have to move to the opposition side now, for their second round. I'll go to MPP Andrew.

Ms. Jill Andrew: My first question is directed to Rob. It's nice to see you, Rob. I had a question about the Community Museum Operating Grant and, of course, heritage grants as well. I've heard that CMOG has not been increased in over 10 years, and that that's a real concern with underfunding cultural institutions, of course, and just even with the issue of having to retrofit historical societies, museums and what have you in a post-COVID-19 world, where yes, of course, digital learning can happen. Digital experiences are great, but I'm one of those analog people who really enjoy being able to walk into the historical society and walk into the AGO, as I've done so many times, and see and feel and have that tactile experience.

I'm just wondering about your thoughts, Rob, with regard to CMOG, and what financial reimagining we need in order to keep our heritage and our museums afloat now and well into the next century?

Mr. Rob Leverty: Thank you very much for the question.

There has been a cap on funding. For example, the heritage operating development grant—I'm old enough to know that it was \$3,000. It's now a maximum of \$1,500. It's still vital, though, to our groups that are applying right now, because it does allow—and, remember, these are volunteer organizations. It gives them credibility in communities, in front of their mayor. Also, they use it to raise and leverage other funding. Under many governments over the years, there have been discussions about cutting the heritage operating development grant. This government has maintained it. We've always said we would like to run it if anybody tries to cut it.

The CMOG has also been flatlined, and there should be extra funding. That's why I've come to you today, sharing our membership's view that a heritage infrastructure grant program now would fill the gap, because they've taken on all of these sites and are responsible for them.

Secondly, the property tax issue is really hitting our groups. We have a group in Manitowadge, for example. They've been labelled a bill of \$50,000 in property taxes. They took over a church. We incorporated them in 2003. They're the only museum in town, in the region. So it's critical that we address these financial issues, then we can talk about reviewing CMOG and the heritage operating development grant—

Failure of sound system.

Mr. Rob Leverty: Are we still here? Yes.

I think that's the way forward—immediate service to help these volunteer groups.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Rob Leverty: Have we lost—

The Chair (Mr. Amarjot Sandhu): MPP Andrew? We'll go to—oh, here she is.

Ms. Jill Andrew: It's my Internet. I'm having terrible, terrible—are you hearing me at all?

The Chair (Mr. Amarjot Sandhu): Yes.

Ms. Jill Andrew: Are you hearing me? Yes, no, maybe so?

The Chair (Mr. Amarjot Sandhu): Yes, we can hear you—oh, she's frozen again, I think. It looks like she is having some technical difficulties, so we'll go to MPP Glover.

Mr. Chris Glover: She told me that she might be having problems, so she did ask me to ask a couple of more questions here.

1150

So the historical societies, this new tax burden is really putting a lot of—

The Chair (Mr. Amarjot Sandhu): Two minutes.

Mr. Chris Glover: —it on the charity, is what I'm hearing from you, Rob, and then there are the ongoing grants that have been frozen for a number of years. So you've got those two financial issues facing you, and then you've got now the additional costs of the pandemic.

Can you just talk a little bit more about the additional costs of the pandemic and what kind of support the historical societies need in order to get through this period?

Mr. Rob Leverty: Well, we're no different. They can't do rentals. They can't do fundraising. Their sites are closed. They're living off their reserves and local contractors and donors to help them out. I think they're going to survive, because they're very frugal, these volunteer groups. But they do need a bit of help, and that's why immediate action—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Rob Leverty: —on the property tax issue is critical, and the heritage infrastructure grant program. That's what our members want me to tell you today.

Mr. Chris Glover: That's great. I think we're just about out of time.

Stephan and Rob, thank you very much for being here. I really appreciate it. Of all the committee meetings that I've attended over the last bits during the pandemic, these are the most interesting ones by far. It really does speak to the heritage and the culture and the foundation of our society. Thank you for the work that you do.

Mr. Rob Leverty: On behalf of our members, thank you.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll go to the independent members now. MPP Hunter.

Ms. Mitzie Hunter: I want to thank our two presenters. In 1956, in Scarborough, an area was to be flattened and the earth that was removed was to form part of the building of the 401. Luckily, upon investigation—I see, Rob,

you're shaking your head. You know the story well. Taber Hill ossuary in Scarborough, which is now recognized and protected in Canada as an Indigenous burial ground—it's still nested at Bellamy and Lawrence, in the middle of a neighbourhood. The neighbourhood built up around it. As a kid growing up in Scarborough, I would ride my bike by this, and it wasn't until much, much later in life that I realized how special this area is to our community in Scarborough and to the heritage and the history of Indigenous peoples that we have.

I'm wondering, in this time where there is a pause that has been created due to COVID-19, there's so much conversation around systemic racism, anti-Black racism. Some of our history is hidden and needs to be revealed. I'm wondering if you believe that part of the investment coming out of COVID-19 could be to uncover the varied and important history in Ontario.

My family and I drove to Owen Sound and just loved all of the information and obviously deep, deep history in that region for the Black community, frankly, that predates even our own country coming to being.

I'm just wondering if you see an opportunity here for that kind of investment to happen in Ontario so that there are places and information that will be available for future generations.

Mr. Rob Leverty: What you know is, if we lose, we've lost forever. Our groups can never lose. Cemeteries have always been a huge, important part of our mandate, and we have almost a sacred bond with certain cultural groups. These are important to be saved, and if they're lost, we'll never tell these stories. I think it's important to tell you that we are a party to the Cemeteries Act. The province has never defined the "public interest." You can dig up and move a cemetery or a burial ground if it's in the public interest. We've been fighting the province on some cases at tribunals. There's also a lot of unregistered cemeteries in the province that have no legal security whatsoever.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Rob Leverty: We have been, in the last 10 years, documenting all of these—over 1,500 unregistered cemeteries across the province—and want the province to register them, so that we can intervene on behalf our local historical societies that this should not be relocated for real estate development and that is not in the public interest.

There's a principle here. We want to save the original, authentic history and respect the burial grounds and cemeteries of all cultures. At one of the tribunals—and I think it [*inaudible*] with us—about 20 years ago, the province argued, "Well, there were no important people buried here," and she said, "Oh, my goodness, we have to fight this issue to the death"—because for us, everybody's history is important and everybody's history should be protected, and we should always be vigilant. I'm even here in a location that was to be demolished and destroyed for more condominiums. So it's a constant battle, a constant fight, but our little groups need some help.

I go back to Isabel Bassett. When she did the grant program, I asked her to include cemeteries, and she gave \$40,000 to the Etobicoke Historical Society. If you know

the 427 and the 401, there's a huge intersection there, and there's a little, tiny cemetery. They got the \$40,000, raised \$40,000 and have restored it. That's how you save history, and that's why I go back to the infrastructure grant program.

Ms. Mitzie Hunter: Do you have an amount that you believe would be required to do some of this good work?

Mr. Rob Leverty: Well, I think there are two things here: There are the shovel-ready projects that could quick-start the economy and then there's the long-term need, a dedicated infrastructure grant program.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Rob Leverty: I go back to the crisis of 2008 and the offloading, downloading all of this onto the volunteer sector.

It's difficult for me to come up with a figure, but we would like to work with the government to list all the shovel-ready projects and come up with a figure for the immediate need, and then come up with a long-term program.

I think you've got to realize that these sites that have been saved across Ontario are economic treasures, and that's where the tourists in the recovery are going to go. Ontarians are going to discover its own places. They're not going to be going overseas. They're not going to be going on cruise liners. They're going to be visiting our sites, and that's why they're more important to the recovery than many people imagine.

Ms. Mitzie Hunter: I just want to also say thank you, Stephan, for the AGO's perspective in articulating where capital will flow where culture exists.

Mr. Stephan Jost: Yes—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. That concludes our time.

Thank you to all the presenters for your time and for your presentations. That also concludes our presentations before we go on recess. This committee stands in recess until 1 p.m.

The committee recessed from 1158 to 1300.

The Chair (Mr. Amarjot Sandhu): Good afternoon, everyone. Welcome back. We're meeting for hearings on the culture and heritage sector as part of the study of the recommendations relating to the Economic and Fiscal Update Act, 2020, and the impacts of the COVID-19 crisis on certain sectors of the economy.

Before we move to our next presenters, I would like to do an attendance check. MPP Pettapiece, if you could please confirm your attendance and if you're present in Ontario.

Mr. Randy Pettapiece: Yes. MPP Randy Pettapiece.

The Chair (Mr. Amarjot Sandhu): Are you present in Ontario?

Mr. Randy Pettapiece: Yes, I am.

The Chair (Mr. Amarjot Sandhu): Thank you.

MPP Lindsey Park?

Ms. Lindsey Park: I am here. I am in Oshawa, Ontario.

The Chair (Mr. Amarjot Sandhu): Thank you.

SOULPEPPER THEATRE CO.
FILMONTARIO
CANADIAN INDEPENDENT MUSIC
ASSOCIATION

The Chair (Mr. Amarjot Sandhu): I would now like to call upon our first witness, Soulpepper Theatre Co. If you could please state your name for the record, and you will have seven minutes for your presentation.

Ms. Weyni Mengesha: My name is Weyni Mengesha. I'm artistic director at Soulpepper Theatre.

Emma is also here.

The Chair (Mr. Amarjot Sandhu): Ms. Stenning, can you please state your name, as well?

Ms. Emma Stenning: My name is Emma Stenning. I've the executive director of Soulpepper Theatre Co.

The Chair (Mr. Amarjot Sandhu): Thank you. You can start.

Ms. Emma Stenning: Thank you for the opportunity to present to the standing committee today. We appreciate the leadership that we've seen from Minister MacLeod and this government and the opportunities we've been given to participate.

Ms. Weyni Mengesha: Soulpepper is one of Toronto's largest and most active theatre companies, and it is a recognized leader in Canada's cultural landscape. In one of the world's most multicultural cities, we believe that stories are essential to community connection, that they are vital to our understanding and that they can motivate us toward social change.

As well as presenting our main stage productions at accessible prices, we offer education programs that nurture and develop the creativity of everyone who wishes to engage with us. We offer these opportunities for free because we believe that the arts are for everyone, and we know that creative expression is a vital part of individual and community life.

In a regular year, Soulpepper offers 500 performances of homegrown original productions and over 100 community or education events. We employ a permanent staff of 41 and contract over 280 freelance artists, educators and theatre makers each year.

The company continues to executive produce Kim's Convenience, the CBC's hit adaptation of the hit stage show, and is an award-winning producer of audiobooks, albums and podcasts. Our home, the Young Centre for the Performing Arts, is an anchor tenant of the Distillery Historic District, which is one of the city's top cultural attractions.

Ms. Emma Stenning: Like the rest of the cultural sector, COVID-19 and the resulting lockdown have fundamentally impacted our company, bringing the majority of our operations to a complete standstill. Our announced season was cancelled, resulting in the termination of 161 artist contracts and the layoff of 37 casual staff. The Canadian Emergency Response Benefit has provided a lifeline to these artists and theatre workers, and we are strongly advocating that support of this kind continue all the while our set is forcibly dormant. Meanwhile, our

permanent staff have adapted to working from home, and we are completely reliant on the Canada Emergency Wage Subsidy to support the cost of their continued employment.

Retaining a staff team, albeit under different circumstances and at reduced hours and pay, has allowed the company to be creatively active, with a dynamic program of digital work available for free online. With this opportunity has come some limited employment for artists and an opportunity to keep connected with patrons and donors. However, we must be clear that digital programming is not a long-term path to sustainability and does not in any way replace the life-affirming act of bringing together audiences for a communal experience of live performance.

Whilst the combined benefits of the wage subsidy and our yet-to-be-settled insurance claim will, hopefully, support the company through a very quiet 2020, it is in 2021 and beyond that Soulpepper's struggles become far more challenging.

Ms. Weyni Mengesha: Like many charities, Soulpepper is a model of public-private partnership with a diverse array of revenue streams. Ticket sales generally represent 36% of our revenue, and it's unclear when we'll be able to fully program our multi-space theatre again. Even after this is deemed permissible by our public health authorities, market research shows that most audiences are going to be slow to return to live events within a seated auditorium. In short, it's abundantly clear that the performing arts will be one of the last sectors to return to business as usual.

We also anticipate a sharp decline in fundraising revenues, which in an average year represent 43% of our budget. However, we anticipate this will be cut in half in 2021, and it will take years to return to previous levels.

Donations are critically connected to participation, and while we remain unable to present live performances, we've struggled to retain the level of support. Corporate sponsors have also indicated that future granting is precarious as they review their own business challenges. Many of our private donors understandably choose—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Weyni Mengesha: —to prioritize health and social welfare causes as the country recovers from the pandemic. We're grateful for our government funding on all levels and how it has remained stable. However, support from all the levels of government makes up only 10% of our annual revenue.

Ms. Emma Stenning: In short, a prolonged reduction in activity, coupled with a drastic decrease in raised funds, will require Soulpepper significantly to reshape its business for 2021, lowering outputs in employment numbers and ultimately lessening our impact as a community-building, economy-generating creative organization for our city and province.

We must be clear: Of course, Soulpepper's predicament is far from unique, and this is a position broadly shared by all performing arts organizations across the province. Research conducted by the Ontario Arts Council among

its funded clients shows that just over the first four months of physical distancing, organizations in the province suffered a loss of \$128 million, more than double the entire operating budget of the OAC, and 71% of those companies have taken, or anticipate taking, actions related to staff and personnel, including layoffs and reducing hours, benefits or wages.

And so we are at risk. Without significant emergency support, our sector will need dramatically to contract, at exactly the moment that the people of Ontario emerging from lockdown will look to us for healing, solace and inspiration towards a new, more uncertain world. Our economic impact, highlighted by Minister MacLeod, of \$74 billion per year will diminish at exactly the moment when it could be vital stimulus to our reopening province. And we are in danger of not claiming a moment of renewal, when Ontario's artists could show us that Canadian culture is world-class, driving tourism on a regional and international level.

Ms. Weyni Mengesha: And so we ask for your continued support. We will need crystal clear guidance on the timelines for reopening our venues and any new protocols that will be required of us. We need active public messaging from the province, as we reopen, that Ontario arts are to be celebrated and supported, encouraging our patrons to participate—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Weyni Mengesha:—as early as they feel comfortable. We ask that you consider multi-year measures that support the financial resilience of our sector, including direct recovery investment and initiatives to incentivize charitable giving through approved tax incentives and matched funding programs. And, crucially, we ask that you significantly increase your funding to the Ontario Arts Council, which is uniquely positioned to support the recovery and resilience of our sector across the entire province in communities large and small.

Ms. Emma Stenning: While our experience is echoed by our peer companies across the province, we do not speak for the rich spectrum of diversity of Ontario's theatre landscape. Collectively we deliver for all Ontarians—local communities, in public school rooms, on our province's stages and to international acclaim. We are responsible for 3.5% of the province's GDP and can be a powerful catalyst to Ontario's recovery, but we will need bold support from the province's government to overcome the immediate losses caused by COVID-19 and the longer-term, ongoing repercussions. This is not a handout; it's a smart business investment that will see us set to return to generating—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. Your time has come up now.

We'll move to our next presenter, from FilmOntario. If you could please state your name for the record, and you will have seven minutes for your presentation.

Ms. Cynthia Lynch: Thank you very much, Mr. Chair, and members of the committee. I am Cynthia Lynch, managing director at FilmOntario, an industry association representing all parts of the province's film and television

sector, including unions, production companies, equipment suppliers, studios, and financial and legal services companies. Our members work all across the province creating their own intellectual property for TV and movie screens around the world, and working on the best foreign productions who choose to bring their shows to Ontario.

I'll now turn it over to my board members who are with me here today to introduce themselves, starting with Scott Garvie.

Mr. Scott Garvie: I'm Scott Garvie. I'm a partner at Shaftesbury, an award-winning, Toronto-based content production company that spans all platforms, including scripted drama television, like our popular Murdoch Mysteries, Frankie Drake, Hudson & Rex, and the just launched Bubble Bloom, a virtual reality game for children to help deal with stress, isolation and loneliness, which the minister was kind enough to help host last week. I'm also the chair of the Canadian Media Producers Association, which is a national organization representing independent Canadian producers.

Mr. Monty Montgomerie: Good afternoon. I'm Monty Montgomerie. I'm the business agent for IATSE Local 873, the union representing over 3,500 film technicians who work behind the scenes in categories including construction, lighting, transportation, special effects, set decoration, hair and makeup etc.

Mr. John Weber: Good afternoon. My name is John Weber. I'm the president of Take 5 Productions, which is an Ontario production company with a focus on scripted television. We produce shows like Vikings, Star Trek, and The Handmaid's Tale, which won the outstanding drama series at the Emmy Awards in 2017.

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I'll start by saying that at this time last year, we were in the middle of what would turn out to be a record-breaking year for film and television production in the province. In 2019, spending was \$2.2 billion, an increase of almost 15% over 2018, and we were supporting almost 45,000 jobs. When the scope of the global pandemic and the important health measures needed to address it became clear in mid-March, virtually all physical production in the province shut down. We estimate that this will mean a loss of over \$700 million in spending as of the end of this month, and a majority of those 45,000 individuals have been out of work for the past three months.

As the province gets back to work and our industry ramps up again, we are optimistic that we will be able to return to prior levels of spending and employment. However, there are some obstacles to that happening and, today, we would like to highlight how the province can help us address those obstacles.

FilmOntario has been pleased to be part of Minister MacLeod's Ministers' Film and Television Advisory Panel and supports the COVID-19 recovery recommendations made by that panel. Today, we would like to highlight those recommendations, which include insurance, COVID-19 mitigation costs and tax credit enhancements.

Mr. Scott Garvie: As you may have seen reported in the media, one of the biggest hurdles to returning to work for our industry is the inability to obtain insurance that covers the risk of another pandemic-related production shutdown. For the most part, this insurance is simply no longer available to independent producers, and we cannot afford to take the risk on our own.

This is an issue that's faced by independent producers across Canada and around the world. We are, therefore, asking that the government of Ontario help the industry mitigate the risks associated with another pandemic, or a second wave of this one, by creating a reserve fund that would backstop claims related to communicable diseases, or COVID-19 specifically. Under this proposal, Ontario producers would pay an additional fee or premium into a pool to cover those potential losses. The government reserve would be there to cover amounts that exceed what is in that pool.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Scott Garvie: The CMPA is currently working on a proposal with the federal government and insurance that would see this reserve fund implemented nationally, but today we're also asking that the government of Ontario ensure that this type of insurance is available for producers in the province by working with your counterparts at the federal government to help create this backstop for the sector, whereby leading the way and creating a made-in-Ontario solution that would mitigate the risk for Ontario-based producers.

Mr. Monty Montgomerie: Film and television producers will be expected to mitigate the health risks associated with COVID-19 on set. Since production shut down in mid-March, the industry has been working together to make sure that we get back to work, and when we do, that we are working as safely as possible.

Our industry's section 21 film and television advisory committee, made up of representatives from unions, producers, US partners and the Ministry of Labour, has developed a government-approved set of guidelines to provide best practices for a safe return to work.

These protocols are a priority to protect our workers and our communities, but they come at a very real cost to production, a cost that has been estimated at between 5% and 15% of a production's budget. For productions that were already under way or that were expecting to begin shooting this summer, these are costs that were not accounted for in the original budget and therefore not included in the productions' financing.

We're asking that the government provide support for these COVID-19 mitigation costs through an enhancement to the film and television tax credits. Some of these costs are already eligible for some of the tax credits. We're simply asking that the province make this consistent across credits so that the domestic and foreign producers receive the same support and that the tax credit rate associated with those costs be increased.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. John Weber: Thank you. As we noted at the outset, FilmOntario supports the recommendations made

by Minister MacLeod's film and television advisory panel, which you will be hearing more about from future presenters. However, we did want to highlight a couple of those points now.

Ontario's film and television tax credits have been successful in supporting the growth of our industry, and the ongoing commitment of stability to the tax credit is every bit as critical now as we move forward. However, the current crisis has highlighted areas where tax credits could be updated by simplifying residency requirements, updating the financing triggers to allow projects on all platforms to qualify, and by expanding eligibility for the service credits to incorporate all location fees, which expand the capacity of the industry by opening up more possible filming locations.

The Chair (Mr. Amarjot Sandhu): Thank you so much. Your time has come up.

We'll move to our next presenter, with the Canadian Independent Music Association. If you could please state your name for the record, and you can get right into your presentation.

Mr. Stuart Johnston: Thank you for the invitation to present today. I'm Stuart Johnston, and I'm the president of the Canadian Independent Music Association. CIMA is the national, not-for-profit trade association representing the English-language, Canadian-owned and controlled companies of the domestic music industry. The majority of our members are based here in Ontario, including independent record labels, managers, publishers, distributors, artist-entrepreneurs, recording studios and the like—all small businesses, almost half of which are sole proprietors.

As a member of Minister MacLeod's COVID-19 working panel for the music sector, I'm here to fully support and endorse the recommendations of our final report to the minister. Representatives of that panel will be presenting this afternoon, so I will leave it to them to share our findings with you. I do want to acknowledge all of the hard work done by Minister MacLeod, her team and all the good people at her ministry and at Ontario Creates. For the leadership shown by the minister, the government and all of our elected and public officials during this time of crisis, thank you to all.

The Canadian and global music industry is experiencing unprecedented upheaval and turmoil due to the pandemic, with consequences that will be felt for years to come. Many are experiencing severe impacts to their revenues; some, especially in the live sector, are at zero or close to zero revenues for the foreseeable future. The music industry was one of the first to experience dramatic loss resulting from the pandemic and will be one of the very last to recover. Tours, gigs and live events are cancelled and will likely not resume in earnest this year due to health and physical distancing requirements, and even then, it will still take many more months before we feel comfortable stating that our recovery has truly begun.

A Music Canada study found that 43% of Canadians said it would take six months or more before they would feel comfortable going to a music festival or a concert in a

large venue. Another quarter said that they may never feel comfortable going to this type of event again. Our industry will not be on a true road to recovery until live events involving critical masses of people will be permitted again and international exporting activities resume, which by most conservative estimates will be well into next year.

During these past several months, most music releases had been cancelled or postponed. Physical distribution of records had come to a virtual standstill because of store closures. The film and television closures resulted in a severe decline in work for media composers and the opportunity for music placement in productions. Music revenues from broadcast radio have taken a significant hit as advertisers reduced their advertising spends.

Every revenue stream available to the music industry is and continues to be affected. Every element of the supply chain has been dramatically impacted. The scope of the devastation captured in industry surveys is staggering. Companies are barely operating and surviving. The majority of businesses in our industry predicted in May they will be able to sustain their operations for no more than three months without help, and only 6% will be able to keep their business going for up to a year.

Staff layoffs have occurred across the industry, and many more are expected. Some companies may still lay off up to 100% of their employees in certain sectors of our industry. The livelihood of artists and musicians is at stake, with over 88% seeing reductions in their contracts or work activity, and over 50% say that this represented up to 100% of their income. So our artists are hit particularly hard.

Independent music companies are leaders in discovering, developing, and investing in new talent. These small businesses make their living by finding and signing new artists, creating intellectual property and commercializing it the world over.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stuart Johnston: But our province's ability to create, perform, own and globally commercialize valuable intellectual property—our music—is at severe risk.

Ontario's music industry and its supply chain are in desperate need of robust financial support and flexibility in funding dedicated to supporting our industry. I am not strictly referring to immediate, emergency help, but a longer-term recovery plan. Again, we were one of the first hit by COVID-19, and we will likely be the last to emerge.

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On June 1, the Quebec government presented a \$400-million recovery fund for its cultural sector to help it get through the COVID-19 crisis. As the second-largest music market in Canada next to Ontario, our colleagues in Quebec are receiving a dedicated envelope of \$33.5 million to support their independent music industry.

Unfortunately, COVID-19 hit us about a year after our small businesses saw a 57% cut to the Ontario Music Investment Fund budget. I'm not here to argue about the merits of the cut when it was made; that was a different time. But we are living in a completely different world now. Ontario's industry is the largest music market in the country and has less support now than it otherwise would

have had—support that it now needs for the foreseeable future.

CIMA's Ontario members and their artists need the government, as a start, to partner with the industry and reinstate the music fund's original budget of \$15 million annually to help them get through this pandemic and beyond. The music fund is a public-private partnership that is designed to strengthen and develop the small and medium-sized businesses that contribute to the economic and cultural growth of the music industry in Ontario. It is a matching-dollars fund, meaning that for every music fund dollar, the industry also invests another dollar. Leveraging these funds enables Ontario music companies and their artists to develop and retain intellectual property—our music—meaning the economic benefits of commercializing music stay in Ontario.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stuart Johnston: This is an important net benefit to Ontario's economy. Most importantly, the OMIF provides substantial stability to Ontario's music companies at a time when the music industry is at its most vulnerable.

Also, we ask the government to increase incentives for media, such as film, TV and video games, to use music content from Ontario companies in their productions through an augmented tax credit. Further, Ontario should initiate a "buy or support Canadian creators" marketing strategy to encourage people to buy, stream or otherwise support our great Canadian artists.

In conclusion, what is at stake is the survival of our domestic industry as we know it and its significant economic, social and cultural contributions. Ontarians will lose their jobs. Companies and businesses will shut their doors. Artists are suffering and will continue to suffer, particularly those from marginalized communities. In these uncertain times, Ontarians are turning to artistic creators more than ever for—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. That concludes our time.

We'll start the first round of questions with the opposition members this time. MPP Glover.

Mr. Chris Glover: Thank you, everybody, for being here today. I mentioned this morning that these sessions have been very informative. We are in very strange times—unprecedented—and figuring out how to keep our cultural industries alive and get you through this pandemic so that we can bounce back is vitally important not only to our culture, our society, but to our economy.

I want to address my first questions to the Soulpepper group. There were a few things that you were asking for. One is crystal clear guidelines, and I'll start there. Have you seen in other jurisdictions where they've started to reopen what those kinds of guidelines will be for live theatre productions?

Ms. Weyni Mengesha: Yes. In Vancouver, for example, only 50 people maximum will be allowed until there is a vaccine. So what that is enabling them to do is make their plans in accordance with that.

Mr. Chris Glover: So if you were to get a guideline like that—that at this stage, if we get to stage 3 or stage 4,

this is what it will look like for your theatre company—then you could start planning for that now. Is that the kind of information you’re looking for from the government?

Ms. Emma Stenning: Yes, that is what’s critical, really. There have been studies going on across the theatre sector internationally to look at how to space out the auditorium in different ways—to take out some of the seating, to put spacing in between where people can sit down. Understanding that on a sector-wide basis would be incredibly helpful, as would understanding the kinds of protocols that we’ll need to adopt to assess the health and safety of the audience coming in. Will we be required to do temperature checking, to provide PPE for people coming in the front doors? It’s that sort of framework that would be very, very helpful.

Mr. Chris Glover: So for the outline for stage 3 or stage 4, whenever theatres are going to be able to open up again—if the government just provides you with the information of, when we get to stage 4, this is what it’s going to look like for your industry, that will help you to prepare both practically in terms of PPE etc., but also financially, I’m assuming.

Ms. Emma Stenning: Yes, and [*inaudible*] because a piece of theatre that’s created for an audience of 20 people is different than a piece of theatre created for an audience of 500 people. So it does [*inaudible*] decision-making as well.

Mr. Chris Glover: So the sooner you get that information, the sooner you can start planning.

Ms. Weyni Mengesha: Yes. It takes six months to a year to create that work, so artistic directors in British Columbia have already commissioned work for 50-member audiences. They have that online to start preparing.

Mr. Chris Glover: You said the promotion of Ontario arts, to celebrate Ontario arts—and we’re talking about that a lot with small businesses in Ontario, that we need a “buy local” campaign. Are you looking for the same sort of thing for your sector?

Ms. Emma Stenning: I think so. One of the things that we’re most nervous of is, of course, a lag in audience inclination to come back to the theatre, even after it’s deemed safe and permissible. So anything that really puts confidence into the marketplace to say, “Please do come and support your local cultural organizations,” and—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Emma Stenning: —also attendance by public figures would be super helpful.

Ms. Weyni Mengesha: Yes, the attendance of any of you at any of our events also makes a big difference, of course.

Mr. Chris Glover: I’m a big fan of live theatre, and I’m a big fan of Soulpepper.

Stuart, I saw you nodding your head. Do you want to respond to that question, as well?

Mr. Stuart Johnston: Yes, thank you. There are a number of points to that. Of course we want to see very clear guidelines going forward, but I think that more than that, we would like to be at the table to help contribute

some input as those guidelines are being created now. That way, we can flag any real problems now before it gets to the final stages. That would be imminently helpful. Our music panel, I think, will expand on that this afternoon.

As part of those guidelines, maybe there would be an accreditation program—in the sense that this venue or this theatre checks off all these boxes, so it’s safe to go in. It’s almost like “red light, green light.” As long as we have an accreditation program, maybe that will encourage patrons to go into these venues and participate.

Mr. Chris Glover: We’ve got that in Toronto with the restaurant inspections. You see the green card in the window of the restaurant. That makes a lot of sense, actually. Those are the two easy things for the government to do. To provide crystal clear guidelines—it’s just information that’s already being developed in other jurisdictions. The other one is to promote our local arts across the board.

The other thing that we need to do is to invest. We need to put some money forward in order to keep these industries alive through the pandemic. So you were talking about—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Chris Glover: —an increase to Soulpepper, to the funding to the Ontario Arts Council. What would that look like?

Ms. Weyni Mengesha: There are so many specific needs when you’re talking about cultural organizations large and small. The Ontario Arts Council just has not had an increase in 10 years. It’s not accounting for the changing in the cost associated with running an institution in Toronto. As a theatre company that’s representing one institution—it’s a way to look at how to continue to stimulate the whole sector.

Mr. Chris Glover: I know my colleague MPP Andrew is going to have more questions when we get to the follow-up section.

Thank you all very much for being here, and thank you for keeping us aware of what we need to keep our arts and culture sectors alive through this pandemic.

And to the film group, I’m sorry I didn’t have time for questions, but Jill, I’m sure, will in her—

The Chair (Mr. Amarjot Sandhu): Thank you so much. We’ll move to the independent members now. I’ll start with MPP Hunter.

Ms. Mitzie Hunter: I want to say thank you to all the presenters.

My question is going to start off with Soulpepper, with Weyni and Emma. Have you thought about outdoors as part of your repertoire, or is it still venue-specific?

Ms. Weyni Mengesha: That’s definitely what we’re thinking about now, again, just wanting to make sure on the [*inaudible*] level that we have all the right permits and everything else. It’s something that we’re definitely trying to figure out now, but as I was saying, it takes so much time to plan these events, and we only have, I guess, a couple more months. That is definitely something that we’re hoping can help us through the next two months, but the question is going to be, of course, over the next year.

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Ms. Mitzie Hunter: I also wanted to ask about charitable tax credits for donors. I'm sure that's part of your mix, in terms of your revenue streams. We've heard at this committee that in Quebec and Alberta and even at the federal level, there is a more generous incentive for tax credits for individual donors to give to charitable and arts organizations. Is that something that you would support—for Ontario to increase its tax credit incentives to bring philanthropic dollars into the sector?

Ms. Emma Stenning: Definitely. I think the Alberta scheme in particular seems like it's a very positive move for the province. As we said in our presentation, one of our primary concerns for next year in particular is sustaining philanthropic giving to the company. So whether it is matched funding, whether it is tax incentives—anything that can give a nudge to somebody to make the decision to support the arts, I think, would be a very brilliant move.

Ms. Mitzie Hunter: I want to just switch to FilmOntario. You mentioned participating in the panel that the minister has set up that has provided some recommendations for reopening and recovery. Is that something that you can share with us, as a committee, so we can include that in our work here?

Ms. Cynthia Lynch: Certainly, the report that goes into the ministry is supposed to be confidential, but we will be making a written submission to the standing committee that will have more detail on what those recommendations were. We did highlight the important ones here, which were insurance, COVID-19 mitigation costs and some tax credits.

Ms. Mitzie Hunter: I think that would be very helpful, given that you've had an industry-wide conversation. The government hearing it in multiple places could help, at the end of the day, in how budgets come together for the arts sector.

Ms. Cynthia Lynch: Absolutely.

Ms. Mitzie Hunter: Stuart, in terms of independent music—I'm wondering about a comment this morning about research and development. Really, each of you could answer. If the sector, having had a period of shutdown—you've got to reopen; you've got to look differently—do you require investments in research and development for longer-term and substantive work?

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Mitzie Hunter: Stuart, you start, and if there's any time left, I'm going to open it up to the others.

Mr. Stuart Johnson: I think the simple answer to that is yes. It's always helpful to have qualitative and quantitative research at our disposal. Right now, we're all just crystal-balling. We're trying to figure out what tomorrow is going to look like, never mind next month or next year. So if we do have the capacity to do that research, I think it would be imminently helpful for all involved, for sure.

Ms. Mitzie Hunter: And Weyni?

Ms. Weyni Mengesha: Yes, definitely. Of course, with our planning, the more information the better. And like I said, because we're working with actors' schedules and everything else, it just takes time, and so any information

that helps make that planning more accurate is very helpful.

Ms. Mitzie Hunter: Some of the others—there's a little bit left. It could be that acquiring works and helping to develop a long-term—

Ms. Cynthia Lynch: Audience and market research is always very helpful, and the Ontario Creates Business Intelligence Program, which is a great program, is very helpful in providing support for that kind of research.

Ms. Mitzie Hunter: What about, Cynthia, the acquisition of Canadian works, and giving it a chance to be developed over time?

Ms. Cynthia Lynch: I would like to throw that over to Scott, because he does that kind of work personally, with his company.

Mr. Scott Garvie: During this shutdown, I think Shaftesbury and a lot of our colleagues have been working on development and research and development and using the time employing writers, acquiring underlying rights to books and different things in anticipation of hitting the ground running when it's safe to do so.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Scott Garvie: In our case, we've had a virtual writing room working on Murdoch Mysteries, Frankie. We're chomping at the bit to have safe protocols, and then we're going to start shooting a project in Newfoundland in July, which is a bit ahead of Ontario health and safety-wise, and we're hoping to be moving forward with our new projects in August and September. We have had a lot of development work done and a lot of work with writers and emerging talent that we think will bear fruit in 2021.

Ms. Mitzie Hunter: That's really great. I'm hearing that the sector is chomping at the bit and you're ready when the guidelines and the support is there for you to safely reopen. Thank you so much for the work—

Ms. Cynthia Lynch: Thank you.

Ms. Mitzie Hunter: Chair, am I out of time?

The Chair (Mr. Amarjot Sandhu): Five seconds.

Ms. Mitzie Hunter: Thanks, everyone.

The Chair (Mr. Amarjot Sandhu): We'll move to the government side now. I'll start with MPP Smith.

Mr. Dave Smith: My first round of questions is for Weyni and Emma. We had the Shaw Festival in earlier last week, talking about how they are going to be moving some of their productions to a digital format. Are you guys aware of the ontario.live website the government has set up?

Ms. Emma Stenning: No, I don't think we are.

Mr. Dave Smith: Ontario.live is an opportunity for Canadian performers to take their content online and do live productions with it—concerts, shows and so on. Where I was going to lead with it, if you had known about it, was, are there any regulatory challenges—and I apologize because I don't know your industry very well. Are there regulatory challenges that you would have to take your live performances and turn them into something that is done digitally online, and potentially recorded as well?

I believe there are some subtle differences between the television and film industry and live theatre. Are there

regulatory changes that we could make that would make it easier for you to get your performances out until we can get to a stage when we can have people come into your theatre?

Ms. Emma Stenning: Just for a point of clarity, do you mean broadcasting the material that we already have in our back catalogue or do you mean creating stage productions that we might film to broadcast?

Mr. Dave Smith: Taking stage productions and, rather than have them with a live studio audience, so to speak, you're broadcasting them live through ontario.live, with the potential of recording them and rebroadcasting them as well.

Ms. Emma Stenning: It's definitely possible. The two challenges that spring to mind immediately are, firstly, just ensuring that theatres like ours—we don't have that kind of camera equipment in our stock, so there would be some capital investment required to bring that to our business. Then also, there are different premiums on rates for actors and artists and royalties and things, so there is a budgeting implication.

In practical terms, it's certainly possible, but I'm sure Weyni will have further comments.

Ms. Weyni Mengesha: Well, it just comes back to the regulations as well, like who can be together. I think laying out that—I know at this point, we have 10 people who can be together at a time, so it means we have to commission new works and make sure that they fall into that category.

Mr. Dave Smith: If I could be so bold as to ask you to do a little bit of homework for me. If you could take a look at ontario.live and see what you would need in order to be successful in doing it and then submit that back to the committee before the deadline, I would greatly appreciate it.

Ms. Emma Stenning: We'll absolutely do that. Thank you.

Ms. Weyni Mengesha: Absolutely.

Mr. Dave Smith: My second question is actually going to go over to FilmOntario. You mentioned creating a fund—because you can't get insurance right now. You mentioned creating a fund, possibly, that would be used, then, in the event of cancellations because of COVID-19, and that the provincial government could potentially backstop that for anything that exceeds the amount that's in that fund. Let me play devil's advocate and say that we don't get a second wave of COVID-19—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Dave Smith:—and when this ends in the near future, things are wonderful and we never have to worry about this. I realize that's very pie-in-the-sky and it's probably not realistic, but what do you envision the money from that fund being used for if it doesn't have to be used?

Ms. Cynthia Lynch: I appreciate your optimistic vision. I think the details of the plan are continuing to be worked out for a share between industry and governments who invested in them.

Scott is more on the ground on this one. Scott, do you want to provide some more details on that?

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Mr. Scott Garvie: I want to live in your Ontario, for sure.

I think we're looking at it as a short-term solution until there's a market driven with the insurance industry coming up with a new plan and a new business reality. This is really to make sure that the smaller companies that don't have the financial wherewithal have the ability to continue to produce and not have the end users, like the broadcasters and distributors, saying, "How do we know that you're not going to abandon production?"

The backstop is there as an indemnity fund, really, as opposed to actual use of dollars. So to the extent that the trust is undersubscribed, which would be a fantastic result, there would have to be a discussion.

I think the business proposal that I have seen with the insurance companies, the federal government and the producers' association has a rebate concept inside it, but I'm sure there are other ways we could deal with it based on if the province wanted to get involved and have a federal-provincial solution. There would certainly be a willingness to look at other ways to use any surplus.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Dave Smith: Typically, when a government puts in some kind of a temporary measure, it becomes much more than just temporary. If we were to do this on a temporary basis and it becomes more permanent, are there any trade implications with respect to free trade agreements we have in other areas where a government would be backstopping this and not an insurance company? Are there other things that we have to be considering that way?

Mr. Scott Garvie: I think that's a good point. I would need to go back and talk to the experts that we are working with. We've looked at it as a very short-term 12-month period. I'll take that back to the CMPA and have them give you a more fulsome answer than I can give you now.

Mr. Dave Smith: Thank you. I'm sure I'm almost out of time. Mr. Chair?

The Chair (Mr. Amarjot Sandhu): Ten seconds.

Mr. Dave Smith: Thank you very much.

The Chair (Mr. Amarjot Sandhu): We'll go to the independent members for the second round now. MPP Schreiner.

Mr. Mike Schreiner: Thanks to all three organizations for those great presentations. I appreciate you taking the time to come to committee today and share your experiences.

I'll direct my first question to Soulpepper Theatre Co., so either Emma or Weyni. You had talked about the importance of OAC funding, and I'm hearing that from a lot of arts organizations across the province. You also talked about 10% of your funding coming from government. I'm assuming not all of that is OAC, but a variety of different government funding.

Can you talk a little bit about how you leverage that funding into supporting the arts, but just as important, supporting local economic activity as well within the community?

Ms. Emma Stenning: Firstly, we enjoy support from three levels of government funding. It's roughly \$500,000 at each level. It's vitally important for us in our conversations with individual donors in particular, because they see that as a real seal of approval simply because, of course, the government levels go through annual auditing and we have to report on a very regular basis. It's really a shorthand, when we're presenting to individual donors, and to some degree the corporate donors—that when they see all three levels of funding in place, they recognize that the company has undergone a level of scrutiny that then gives them comfort to invest themselves.

On a local level, of course, Soulpepper sits in the heart of the Distillery District, which is a wonderful tourist attraction and a place of real culture and innovation for the city. We work very closely with the partners there. I went into the Toronto Christmas Market and everything that starts to—it brings the Distillery District alive. Indeed, the partners at the Distillery District are interested in more and more arts events happening across the Distillery District. We're already in conversation about bringing some outdoor theatre, as we were speaking to a moment ago, into some of those streets and lanes in the Distillery District.

It's directly understood by the restaurants and the galleries and the shops in the Distillery District that it's Soulpepper that pulls people into the area. They're coming for a play, but they'll spend half an hour wandering the shops and they'll take some supper in one of the restaurants. So it's absolutely a complex web that we sit at the heart of.

Mr. Mike Schreiner: Yes, it must be very important to those local businesses that you're able to bring patrons into the area.

Ms. Emma Stenning: Absolutely.

Mr. Mike Schreiner: I'm going to shift to Stuart for just a second. I represent Guelph, and we have a lot of musicians in Guelph, as you probably know. I've been hearing about a lot of the struggles that so many musicians in particular are facing right now, especially without live performances.

The support the Quebec government has provided—can you just talk a bit about what a difference that has made for musicians and the industry as a whole?

Mr. Stuart Johnston: Well, I can't talk quantitatively about it, but I know what that money can and will be used for. It's broad-based support for the industry that helps—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stuart Johnston:—them pay the rent, pay their employees, invest in the work that they do, whether it's marketing, promotion, supporting and developing artists. It's replacing, quite frankly, a void where there is nothing in terms of revenues or capital that's helping the industry right now. We can't travel, we can't tour, we can't perform—and that is where the lifeblood of the revenues come from. I can't get too much into the weeds of what Quebec has done. I've been really focused here on Ontario, so I can't tell you in specifics, but generally speaking, what that money will do is keep the doors open

for these companies, whose job it is to discover and invest in and develop and commercialize artists and to keep the recording studios alive. And the venues, hopefully, one day, will be able to be sustainable.

The problem that the artists, as an example, are experiencing, aside from the revenues, is looking ahead, and looking at these venues, there is a lot of input, both in Canada and around the world, but the majority of these small music venues that are in Guelph, that are in London, that are in Ottawa, Vancouver, Toronto, all across Canada, won't survive. These venues are the incubators of our artist community. These small venues are where these emerging artists go to grow their artistry, grow their fan base, hopefully grow to the point where they get an agent or a manager, and from there get a Canadian label to sign them and then they start going regionally, provincially, nationally, internationally. Without these venues, and without all of the grassroots supply chain that's attached to our artists and our companies, our industry is at great risk, and we're seeing that not only here in Canada but around the world.

We're such an interconnected industry, and clearly, because Canada is such a small market, we have to be part of the global music market. And when the global music market is hurting as much as we are, we are in severe, severe trouble. I'm worried about the next generation of artists. If this generation can survive, I'm worried about the next one, because there are very few opportunities if nothing changes, and particularly if there is that second wave.

The Chair (Mr. Amarjot Sandhu): Thirty seconds.

Mr. Stuart Johnston: If nothing changes, they're in a lot of trouble.

Mr. Mike Schreiner: I can see how difficult it would be to do live theatre online. What about for musicians? I've seen a few live events online, but it seems like it would be hard to monetize that.

Mr. Stuart Johnston: It's funny that this pandemic brought the industry fast-forward to where we were going to be anyway, in terms of digital and being online—

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll have to move to the government side now. I'll start with MPP Khanjin.

Ms. Andrea Khanjin: I wanted to say a special thank you to Soulpepper Theatre, with Emma and Weyni. My fiancé is a season ticket holder, and so we really enjoyed Paris in the '20s, Rosie—and there are just countless I could name.

We also attended the event, Emma, where you were first on-boarded to Soulpepper and taken from Bristol Old Vic. It's been a year now since you've been in the role, and certainly I think you're very capable given what you turned around back when you were in the UK, where there were a lot of financial constraints with the theatre company you were at and you were able to really transition it. So I want to draw on your experience from where you came from and the revitalization that you were planning to do for Soulpepper—how COVID-19 has impacted that—and what other outside-the-box ideas you are thinking of now that you could give the government thoughts on.

1350

Ms. Emma Stenning: Thank you so much. That means a great deal.

I think what I learned in the UK, where of course there was a sustained period of pressure on arts funding, was that the trick is really to diversify your revenue streams. You have to look to bring in other streams of revenue with which to support commissioning and delivering extraordinary art.

Whereas in Bristol, we started to look at food and beverage and restaurant services and giving tours of what is a historic theatre—similarly, at Soulepper, we are looking to where can we make money, how do we use our building differently? One of the things that we have been preparing to do is to rethink our atrium space, which has been successful but could be a lot more welcoming, could be a really vibrant hub for the community at the heart of the Distillery District. We're passionate about making that a space that's for everybody, where people might come in for breakfast, lunch and dinner, a real social space.

Also, we're thinking about our training arm. We have an academy, which has for a long time now supported the development of great theatre artists—but what are we as a training institution for corporations, for individuals who might be interested in a more creative approach to their training needs?

So I think it's a similar project, really, which is saying that we've got to keep the support of artists and the creation of theatre at the heart of that business, but around that, let's recognize that we can be innovative in how we use our building and how we use our skills just to support the revenue base of the company.

We're busy. For Weyni and I, our business plan began just this January. We spent last year in transition and planning. So we've been a little bit stopped in our tracks, but there are a lot of plans therein that we'll get back to as soon as we can.

Ms. Andrea Khanjin: You're in a busy location now that patios can open. What would be your thoughts about the potential, whatever regulations would have to be amended, to allow for, say, a partnership between a patio provider, restaurant and a theatre company to be able to provide that whole experience—like a dinner-and-theatre experience outdoors, since you're in that prime location?

Ms. Emma Stenning: Absolutely. It's actually something we're in the detail of looking at at Soulepper at the moment. We have, you'll know, a small courtyard space just to one side of our building. We're talking to the Distillery District about how we might spill out into the Distillery District a little more, so we could provide some drinks and some light food whilst also having some performance. I think you'll see across the city over the next few months that a number of our colleague theatres are looking at that, as well.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Andrea Khanjin: Thank you for the work you're doing to keep culture vibrant in the Distillery District.

I just wanted to turn some of the questions to the Canadian Independent Music Association. Something I

heard from my local residents in the riding of Barrie—Innisfil is, “It's great that patios can open, but it would be great if we could support our local musicians.” We have a lot of local musicians that would be hired by local restaurateurs, who are willing to pay for them to be able to come and perform, but right now, under public health guidelines, you actually can't have live music on a patio. The rationale is that it causes you to lean in when you're having a drink or dinner with your guest or your partner, and it could cause droplets.

What are some ideas you have where we can work around having musicians on patios safely?

Mr. Stuart Johnston: Well, that's the \$60,000 question, isn't it? Until we can get critical masses listening to live music—these opportunities are nice and they're important on a very small scale, but we really need to see and be creative on how we can get more people to listen, whether it's a live performance in theatre or music, for sure.

In terms of the patio, perhaps there are ways to use Plexiglas and stuff separating the musicians from the patrons, but most patios aren't really that big, so that's the problem; it's the square footage that's available for any of these opportunities. Where we can do it, I say we should try, because that's revenue for both the restaurant and for the musician or the small band that's playing. But I don't see that as a large-scale solution to what we're going through right now.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Andrea Khanjin: Would it help some local artists and some of the industry as an interim measure?

Mr. Stuart Johnston: For sure. Wherever and whenever we can get our industry back on its feet—even these small scales—is very helpful. It's just a matter of where we can do it creatively and what space is allowing us to do it.

Ms. Andrea Khanjin: So would you support an expansion of, say, the physical space?

Mr. Stuart Johnston: Oh, 100%, if the restaurants are able to do that and it's following the health guidelines, absolutely.

The Chair (Mr. Amarjot Sandhu): We'll now go to the opposition members for their second round. MPP Andrew.

Ms. Jill Andrew: Good afternoon, everyone. I hope you are all doing well, and your loved ones as well.

My first question will be for Emma or Weyni. Either of you can jump in. I'm thinking particularly of the outstanding work you do not only as a theatre company but as an epicentre for equity education in theatre—I'm thinking of Jesus Hopped the “A” Train; I'm thinking of Mother's Daughter—looking at racism and looking at feminism, cutting-edge topics that, frankly, aren't happening enough in our curriculum but that theatre brings to life every single day, every matinee, every evening.

I know, particularly, that you have a Free 25 and Under program and that you've been so invested in helping youth and young people, not only educationally, but to inspire them to get into the field.

I wanted you to speak a bit about how your equity-seeking programs are being negatively impacted by COVID-19 and why it's so crucial that we have government investment.

Ms. Weyni Mengesha: Great point. Thank you for all of those kind words and for all of your support over the years.

Yes, it's crucial. Right away, we saw that cuts had to be made. As some of our initiatives have been newer—I've been there for two years; Emma has been there for two years. We've created some new programs to diversify our ensemble, and we've had to cut back. We're seeing that that's hitting some of our newest employees and that's hitting on the lines of diversity and some of the programs that we were hoping to do. So, definitely, I think that it is impacting us.

More than ever, I wish that we had more space to be more active, because there's a conversation that's so crucial right now and we have content that we would like to share in that. But there are those limitations just because, like Emma said, we don't have the equipment and everything else to be able to just transition to digital with ease. So maybe there are ways that there can be support, and knowing that we're going to be here for a long time, that we get that support, to be able to move so that we can continue our work in a digital platform.

Ms. Jill Andrew: I think any of you can answer this, but again I'll stick with Soulpepper, and then slide to Stuart Johnston over at CIMA.

I'm thinking about a stimulus plan, a marketing plan, supports from the government to get Ontarians back, to allow them to see that it's safe, to allow them to see that it's okay re-engage, it's okay to spend. Have you spoken with the government around the need of a marketing plan, funding for a stimulus plan, essentially, to get new marketing out of the gate that says, "Hey. Ontario's here. Culture is open—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Jill Andrew: —We're ready to re-engage," and have you had some success with that?

Ms. Emma Stenning: Soulpepper, as you'll probably know, is part of the group of eight—the eight major Toronto arts organizations. We were very, very happy that Minister MacLeod spent significant time—in the early stages of lockdown, we had a weekly call with her, as the group of eight. In those days, there was long discussion, actually, about how the needs for the marketing program that the province might start to turn out as lockdown lifts would have a real element that stressed the benefits of the culture sector. We were very pleased to hear her speak passionately about the role that the culture sector plays in presenting Ontario to the country and to the world. So we're pleased to hear that it's in her thinking, for sure.

1400

Ms. Jill Andrew: We're hoping that it can move from the thinking stage to the actual doing stage. I'm glad that you mentioned the Big Eight, because having spoken to many, many small or medium-sized community-based arts institutions that haven't had the minister's ear once a week

or haven't had communications responded to—they're very worried. We want to have access to theatre at all levels. We want to have access to music at all levels. Oftentimes, it really is that grassroots engagement that happens in the basement of a church, like St. Matthew's on St. Clair West, that gets someone engaged.

Ms. Emma Stenning: Yes, that's the significantly smallest member of the group of eight. Weyni and I both take great pains to make sure that we do bring fulsome representation from the full breadth of the sector.

Ms. Jill Andrew: Thank you for that. I absolutely know you're doing that.

Stuart, as you may know, when the Ontario Music Fund was cut significantly—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Jill Andrew: —we were very quick to request and, frankly, beg for the reinstatement, because it was such a small pot to begin with.

You are right: We're in different times now. Beyond that \$15 million reinstatement—if we were in a utopian world, what else would we need to ensure that music is still viable for our emerging artists, for our multilingual artists, for our artists who are "not mainstream," but who are, because of the plethora of diversity we have in Ontario and in Toronto? I'm thinking about those sorts of questions.

Mr. Stuart Johnston: As I said, the reinstatement of the Ontario Music Fund at \$15 million should be a start. There are—

The Chair (Mr. Amarjot Sandhu): Thank you. That concludes our time for the presentation.

Thank you to all three presenters for your time and for your presentation.

MS. MIRANDA MULHOLLAND

BOOK AND MAGAZINE
PUBLISHING COUNCIL

MUSICONTARIO

The Chair (Mr. Amarjot Sandhu): We'll move along to our next presenter, Miranda Mulholland. If you could please state your name for the record, and you will have seven minutes for your presentation.

Ms. Miranda Mulholland: My name is Miranda Mulholland, and I'm a Juno-nominated singer and fiddle player. I run a boutique record label, and I'm the founder and artistic director of Muskoka Music Festival in Gravenhurst, Ontario.

I'd like to take a minute to just thank Minister MacLeod for her leadership during this pandemic. As we know, Ontario is where the majority of the music industry is based, in Canada, so she's the minister of music and she included me, an artist, on her ministerial panel for music. At the heart of our music industry are the artists, and in times of crisis, we're also among the most vulnerable in our ecosystem, especially those from marginalized communities.

In mid-March, I was gearing up to fly to Saskatoon, where I was to be performing at the Junos gala dinner and celebrating my nomination with colleagues and friends. Then the reality that not only was this cancelled but that live performances as we know them might not be possible for a year was a harsh blow. All my scheduled tours for the rest of the year were suddenly gone, including an album release tour in Canada, the UK and the US, and \$10,000 already spent on a publicity campaign. So all in all, it was a huge financial hit for me.

In April, I worked with Music Canada to develop and conduct an artist impact study, and it found that artists are entrepreneurs and job creators. Artists employ about an average of four people per artist. Artists are innovators. We've tried to adapt. While live-streaming has worked for some, technical aspects and isolation make performing difficult. This is especially true in rural and marginalized communities, where Internet access is simply not good enough. The artist impact study also found that creativity was hugely affected. One artist said they were "radically unmotivated to create." Time and energy are an issue, especially those with children or dependents. Here, women have been especially hard hit, with many studies finding them shouldering an even greater share of housework and child care than normal.

A huge worry is that we won't be allowed or be able to perform live with any kind of audience that makes financial sense. The profit margins were slim before, and if audiences can only return at a fraction of the capacity, this will not be sustainable for the artists and everyone that they employ. Artists must be supported until they're allowed to return to work and until they feel safe to do so. While many other people go back to work—you can return to your offices, your routines—but when I go back to work, touring and promoting my album, there will be a lot more unknowns: contact points, travel, gas stations, hotels, venues. Local crew and green rooms weren't even safe before. The merchandise table, where we make a lot of our income, will have to be reimaged. Unfortunately, most of the risks, both financial and health-wise, will be put on the shoulders of the artists. Customers and artists will be very cautious and will be judging and avoiding venues that don't feel safe.

There are some good-news stories. My festival, the Muskoka Music Festival, which I started four years ago, will not be proceeding as regularly planned, but thanks to Ontario Creates and Celebrate Ontario, we have hired a professional video and audio crew and filmed five branded musical performances at Blue Rodeo studios which will play before the movies at Muskoka Drive-In all summer long. But this is not an income-generator. It's a mere placeholder to keep the festival on the minds of audiences. I'm proud to have supported artists during this time.

As we rebuild from this crisis, I believe there's a place for the Ontario government to simplify funding applications and cut red tape from completions to make them more accessible to artists. Now is the time to address systemic issues, and government money to support programs should be hinged on inclusion, diversity and

gender balance. There could be an incentive program created that venues and headliners could apply to that allows them to hire an opening band or bring them on tour, as emerging artists will have a difficult time in a saturated marketplace as big-name acts return. The government could also encourage the use of Ontario music and film, video games and TV, and support incentives for tax credits.

We have an opportunity to shine a light on Ontario's artists, to brand and brag.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Miranda Mulholland: While this has been an incredible blow to the live music community and most specifically to the artists at its heart, I am heartened that our community is collectively working together to innovate and ensure that we don't lose a generation of artists. Thank you.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll go to our next presenter, the Book and Magazine Publishing Council. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Michael Levine: My name is Michael Levine. I've had the honour of chairing the panel on book and magazine publishing. My own background is as an entertainment lawyer, chairman of Canada's largest literary agency and executive producer of some 70 projects.

The report that has been submitted by our committee has been uploaded to SharePoint.

I want to join in commending the Premier and commending Lisa MacLeod on an incredibly open, empathetic understanding of the issues that surround us.

To me, the most important part of books and magazines is not only storytelling, but Canadian values. One of the great projects that I had the privilege of kick-starting is called the Heritage Minutes. Every single one of those heritage minutes is about a Canadian value that we have exported to the world.

I think the biggest issue facing both book publishing and magazine publishing is the digital future. It is quite clear that human density has caused the problem. Read Jared Diamond; read Harari. We are not going to come out of this pandemic the way we went into it. The plague in the middle of the 19th century in England led to the creation of a much more sophisticated sewer system. We are going to have to take advantage of the enormous technological opportunities that lie before us, and this will cost money—quite apart from the losses that have already occurred because of the closing of bookstores, the inability to print etc.

This is not an ideological presentation. This is both industrial and cultural. It is an industry—the book and magazine publishing industry—that punches far above its weight. People forget that projects such as *Murdoch Mysteries*, the most successful television program in Canadian history, actually began as a series of books by Maureen Jennings—as did *The Handmaid's Tale* by Margaret Atwood, as did Lisa Moore's *Caught* etc. We are living in a multi-platform universe, and the very centre of IP are books and magazines. Thank you.

The Chair (Mr. Amarjot Sandhu): Thank you so much. Our next presenter is MusicOntario. If you could please state your name for the record, and you can get right into your presentation.

Ms. Emy Stantcheva: My name is Emy Stantcheva, and I'm the executive director of MusicOntario. Thank you for the opportunity to speak before you today. We are a non-profit dedicated to supporting the emerging music industry in Ontario through education and professional development.

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Ontario is the hub of Canada's rich music industry. We're home to every piece of the supply chain, from performance and industry arts institutions to small businesses and artist-entrepreneurs that make the sector's needle move, and to everyone in between involved in harnessing music, recording it and packaging it for cultural and economic consumption.

I'd like to share with you some ways in which our communities have been affected by COVID-19 and how your government can be a part of our recovery for the better. We've worked very closely with industry partners to survey and consult our sectors to better understand their collective needs. To that end, MusicOntario provided input to Minister MacLeod's COVID-19 working panel for the music sector, gathered from our membership and community advisory committees. We support the final recommendations made in the panel's report and we echo some of them here.

Of course, thank you to Minister MacLeod and her team and the dedicated folks in the ministry and at Ontario Creates. We appreciate the accessibility shown by the minister and the many opportunities for consultation we have had. Now we look forward to working with you to put into action the suggested measures as we fight to save our Ontario music industry.

The global music community is facing critical turmoil and upheaval, and Ontario, as the centre of Canada's own music sectors, finds itself in dire straits. The music industry was one of the very first forced to close due to the pandemic and will be one of the very last to recover, reopen or reimagine.

Live music events of any size that might fuel revenues are cancelled and will likely not resume in any substantial capacity this year, with some of our most lucrative summer months trickling away as we speak.

A recent Music Canada study shows that even if we were to resume sooner, 43% of consumers do not have confidence in attending large gatherings for at least six months, if not into the second half of 2021—a crippling statistic, given that we cannot embark upon any real recovery until live events for large masses of people are permitted again, and even then, until music fans are willing to buy in.

As CIMA described, every revenue stream available to us is affected. The scope of devastation captured in the many industry surveys we've engaged our members with is staggering. Companies are reporting massive revenue shortages and layoffs, and Ontario's artists are hit

particularly hard, where CERB eligibility requirements may have let them fall through the cracks with little recourse for nuance.

Some 40% of artists reported that they may be able to sustain their careers up to three months without the ability to work, while 27% reported that they could manage just less than one month without employment. This is Ontario's creative working class. They want to work, but they cannot, due to COVID-19.

Culture contributed over \$53 billion to Canada's economy in 2017, yet the median individual income for an artist was just \$24,300, a stunning 44% less than the median for all Canadian workers. Further data shows that chiefly artists with economic privilege can afford the risk of a gig economy, with income data suggesting that white and male privilege also contribute to this disparity.

According to 2016 census data, artists who are women, Indigenous, or from racialized communities report even lower median incomes. In 2020, these numbers would become even more drastic, as CAPACOA reported that while Canada's employment rate gradually rebounds, the nearly 200,000 workers in culture, recreation and information who lost their jobs in the last four months do not see any sign of respite.

Some of our artists are even facing homelessness, as residential rental markets across the province skyrocket and protections for tenants decrease.

The music and intellectual property created by our artists is commercialized all over the world, bringing those economic benefits back home to Ontario. By taking the uniquely Ontarian purviews and communities and building them into vibrant soundscapes, artists define what it is to experience our province, whether it's sitting on the dock at the cottage or experiencing our restaurants, wineries, community facilities, galleries, parks and more. Ontario's musicians and artists invest in our rich cultural tapestry and ensure our heritage by assuming the uncertain and arduous paths of creators.

As a world-class destination for culture and tourism, it's our responsibility to foster the conditions necessary—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Emy Stantcheva: —for music and the arts to thrive, because they contribute so much back to us. For example, Quebec presented a \$33.5-million allocation to the independent music sector from its cultural recovery fund, declaring that culture is the soul of the people of Quebec.

In Ontario, about a year before COVID-19 hit us, our indie music sector saw a 57% cut to the OMIF budget—a fund that saw recipient companies and artists invest matching dollars back into Ontario's economy. We could argue the merits of the cuts when they were made, but we no longer live in that world or with those realities. As a first step, MusicOntario's members ask the government to partner with our industry and reinstate the Ontario Music Investment Fund to its original budget of \$15 million annually.

Our industry relies on this access to capital so that we can return on the investments for years to come, as we

always have done. In the fund's first three years, OMIF recipients leveraged each public dollar into an additional average of \$4.52—dollars that kept companies operational and Ontario's artists working, which in turn kept thousands of Ontarians employed across the supply chain: manufacturers, designers, marketers, media, event spaces, engineers, producers, studios, record shops. The list surely goes on.

I'd like to suggest a few thought-starters as to how the government can continue its work with Ontario's music industry. The Ministry of Labour, Training and Skills Development could engage with us to identify barriers to access for youth and underserved communities to our industry, as we assist with training individuals working in our sector to lead truly equitable diversity and inclusion changes within their organizations so that Ontarians might see themselves better reflected in our industry, to help creators and business owners explore and expand digital skill sets as we pivot into post-COVID-19 strategies.

The Ministry of Health could engage us to examine a scope of mental health supports that are all too commonly needed and lacking in music and the arts.

The Ministry of Municipal Affairs and Housing can envision with us how Ontario's music cities can be more welcoming of artists and musicians; of live music, venues and festivals; of vibrant, professional arts in DIY spaces that strengthen Ontario's roots and excellence.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Emy Stantcheva: What's at stake is the survival of our music industry and its significant economic, social and cultural contributions to the very core of Ontario. We're a resilient industry with a balanced capacity to grow, change and do better by our artists and communities, but we need the progressive support of our province to navigate this overwhelming and inconceivable fork in the road. Thank you.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll start this set of questions with the government side. I'll go to MPP Crawford.

Mr. Stephen Crawford: Thank you to all the presenters for your commitment to arts and culture in this province. It's what makes our province a beautiful place to live, so I want to thank you for taking your time here today.

Miranda Mulholland, you did mention about reducing red tape. I took a note of that, because there's red tape in this province everywhere, whether it's business, arts or culture. We have more regulations in Ontario than any jurisdiction in the world. There are 380,000 regulations, many of which are unnecessary and create a lot of red tape and make it harder for businesses—or artists—to participate fully to the extent that they're able to. You touched on making applications easier, which I'm sure is something you talked to Minister MacLeod about, but I've made a note of. Are there other pieces of red tape or regulation that you feel can help artists thrive better?

Ms. Miranda Mulholland: As you mentioned, yes, the red tape around the application and completion process on some of these granting bodies is very, very complex. In

fact, a lot of artists and artist-entrepreneurs who are trying to access this money need to rely on a grant writer to do so, which, again, is just putting another middleman in our already middlemen-filled business.

I think there is going to be some red tape around coming back to work, making sure that people are safe in venues. That's going to lead to a lot of noise-complaint requirements and outdoor performance—so maybe something around outdoor spaces and being able to perform where it is actually safe to do so, but without the huge amount of permitting that is necessary in order to facilitate something like that.

Mr. Stephen Crawford: Yes, that's something we've heard from other people—that ability to have live music, because obviously patios will be open. We've got to make sure we do it in a safe manner, but there may be instances where we cancel. It's something we can certainly take back, as well.

I know you mentioned about being involved with Muskoka. I'm not sure whether you yourself live there or you're from there and you have a connection there, but I wanted to get your sense on rural broadband and Internet access, because our government has made a commitment to broadband Internet access in rural communities. Just a few weeks ago, we made an announcement of a \$150-million investment, which will turn into a \$500-million investment when partnered with the federal government and businesses, to expand rural broadband. I wanted to get your sense on how better access to broadband Internet will help all residents—all artists, but also in particular rural and marginalized communities—have better connection to the arts and culture industry.

Ms. Miranda Mulholland: This is a real barrier to entry. I do have a relationship with Gravenhurst and Muskoka. My great-great-grandfather was the mayor of Gravenhurst, and he built the opera house, actually, on the main street, so it's very dear to my heart. I certainly spend a lot of time there. We have family land.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Miranda Mulholland: I do hear from that community, especially among seniors. It's a really difficult thing, trying to get Internet to seniors, which is a huge population, actually, in the Muskoka community. Getting Internet access for Indigenous—that has been a real problem. So even when we do these surveys that try to take in the artistic practice and how COVID-19 affected them, there were barriers to entry to even get online to take the survey. That means that our data, frankly, is not sufficient.

1420

This would be a huge step, I think, making sure that rural communities and marginalized communities have cheaper, quicker, better, more secure—as it regards the music performance piece, that was the first pivot that everyone went to, to start to try to create digital content and do these live streams. But live streams are not perfect, because, again, if you don't have secure Internet, you can't actually perform to any kind of degree that you would want your art represented, in any way. So that has been a huge barrier.

A lot of musicians don't live with their music partners, they don't live with the bandmates that they're with, so again, they cannot actually facilitate a performance to the degree that they would like.

So this would be extremely beneficial, absolutely. I 100% support that.

Mr. Stephen Crawford: Thanks for your information. I'll pass it over to MPP Smith.

The Chair (Mr. Amarjot Sandhu): MPP Smith.

Mr. Dave Smith: How much time do I have, Chair?

The Chair (Mr. Amarjot Sandhu): A minute and 30 seconds.

Mr. Dave Smith: Okay. This one, actually, is for Emy at MusicOntario. I am the parliamentary assistant to northern development, mines and energy, so I'm going to throw a northern Ontario lens on this one.

Toronto and the Peel region have the highest infection rates, and they're going to be slower coming into each of the stages if it continues that way. In some parts of northern Ontario, we don't have any infections. Do you think it's reasonable, then, as part of a staged approach, where we could have festivals—music festivals, in particular—in northern Ontario to stimulate the tourism industry up there?

Ms. Emy Stantcheva: That's an interesting question.

I don't necessarily represent the live sector, although it is a very important part of the overall ecosystem of music. Certainly, you could, but who would you be asking to come there? If you don't want your good record of no COVID-19 infections to be affected, then it would be kind of difficult to invite people from other places to attend.

Certainly, the industry is approaching things like drive-ins and, as Miranda was mentioning, various live streams, but I don't think that's ideal for most artists. A big thing I've been hearing is that artists don't necessarily want their music to be consumed in this capacity of live-streaming or 50 people in their cars. It's not really how that art was intended to be consumed or appreciated.

This is all something we're navigating. We're all very much thinking about this every day, and it changes second to second. It's very difficult to say at this time.

Chair, how much time do I have left?

The Chair (Mr. Amarjot Sandhu): You're out of time. Thank you.

We'll go to the opposition side now for their first round. MPP Glover.

Mr. Chris Glover: Thank you, everybody, for presenting today.

I'll start with Miranda. I heard you talking about red tape. One of my concerns about this government is that they often define consumer, worker and environmental protections as red tape. One of the things that we heard from an earlier presenter was that, in the arts sector, they would actually like very clear government guidelines on what reopening is going to look like and possibly even a certification process like restaurant inspection that says, "This venue or this place is following the provincial guidelines on reopening." Is that something that would help you and your industry in your area?

Ms. Miranda Mulholland: Absolutely. I think one of the big key things that's going to come up is clear and consistent messaging. I think where we've seen other regions and other countries falter has been in very mixed messaging. I could reference Boris Johnson's "Stay Alert"—it's hard to stay alert to an invisible virus. I think that's going to be a real, crucial piece of this.

I'm on the board of Massey Hall and Roy Thomson Hall, two of the great halls here in Toronto. We have a very extensive COVID-19 plan that's going to let artists, all of the crew, all of the staff and patrons, once we're allowed to have that, know exactly what their plan is, coming from the moment that they step out of their tour van or the moment that they arrive at the front doors. The government can certainly help amplify that.

I think it's going to be very difficult. We just did a survey that's actually coming in now, about risks to artists, which I'm most concerned about as an artist—all the places that I have to go before I get to sell my merchandise at the merchandise table. There are a lot of contact points, so definitely having clear and consistent messaging about what that means, other than just a Lysol wipe on a bar—I think that's where we're a little bit nervous in the live industry, about what that could look like, but they could certainly help.

Mr. Chris Glover: I'll direct my next question to Emy. I'm just looking through my notes here. You talked about that Ontario's creative culture contributed—did I hear \$53 billion? Is that correct?

Ms. Emy Stantcheva: The statistic was from 2017. It was the overall Canada figure, which was \$53 billion.

Mr. Chris Glover: Okay. But you said the median income is \$24,000.

Ms. Emy Stantcheva: Yes.

Mr. Chris Glover: Okay. So there's a big gap. Most artists, it seems, do the work because they love to do it. Is that fair?

Ms. Emy Stantcheva: Absolutely, but it's also the nature of the industry that they've embarked upon. As with any industry, it comes with its own peculiarities, and ours is that it's very difficult to earn a consistent stream of revenues. It's very lumpy. Whether you're touring, whether all your high-paying gigs are in the summer, or you're relying on your quarterly royalty cheques from various sync and licensing placements or sales, whatever it may be—the nature of that is very irregular. That's what makes it truly difficult for the creative class.

Mr. Chris Glover: One word that you said raises alarm bells for me, because we are facing a homelessness crisis right across the province. I'm hearing about it in small towns, for the very first time, facing a homelessness crisis. In Toronto, we've got tent encampments cropping up all over the place, and you're saying that some artists are facing homelessness. Can you describe some of what you've heard on that?

Ms. Emy Stantcheva: Yes, we do have a few advisory committees at MusicOntario that consult with some more marginalized communities who don't necessarily have a voice on the board of directors. Just from the most

grassroots place, some people who are not able to work and are already living below the poverty line might not be eligible for CERB.

For example, what if you were going to earn the bulk of your income for the year throughout the summer, touring, going to conferences, going to festivals, building your brand and your value and making connections? You quit your serving job or your customer service job just before COVID-19 hit, and suddenly you're not eligible through the CRA for CERB. So it's been four months without income, without the ability to work and without CERB to support you. Some people said they've heard from the CRA, "Check into provincial social assistance," which isn't the most heartening thing to hear. So yes, it's truly devastating. There's no other way to put it.

Mr. Chris Glover: Ontario Works, provincial social assistance, is \$635 a month. Would that be enough to keep your artists from becoming homeless?

Ms. Emy Stantcheva: Absolutely not; not in Toronto, not in a smaller market—nowhere in this province.

Mr. Chris Glover: It is something we need to push the government to address, because \$635 is actually an embarrassing amount of money to pretend that somebody could actually survive on.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Chris Glover: You're asking for a return of funding that was cut, \$15 million. Can you just talk a little bit more about that?

Ms. Emy Stantcheva: Back in about 2013-14, the Ontario Music Investment Fund was first announced, and it was a \$15-million fund that was made permanent. But last year, it was cut by almost 57%, to a \$7-million fund, with not only the same amount of people looking to tap into it, but probably more, as companies and artists grow and become eligible and match the criteria to access that fund.

Mr. Chris Glover: What impact did that have on artists?

Ms. Emy Stantcheva: It was huge. All of a sudden, companies have the capacity to do more A&R, to sign more artists, to invest in more projects, which puts more artists into the position of employment and on the road and working projects. Artists who have their own companies and who are artist-entrepreneurs have access to capital to diversify their revenue streams and access professional conferences and travel, all of these very valuable professional development opportunities—

The Chair (Mr. Amarjot Sandhu): Thank you. That concludes the time for the opposition party.

We'll now go to the independent members for their time of questioning. MPP Schreiner.

Mr. Mike Schreiner: Thanks to all three presenters for coming in and providing some very valuable and helpful information.

1430

Emy, you ran out of time, and I was going to ask a similar question. Maybe you could just elaborate a bit more on the importance of the Ontario Music Investment Fund.

Ms. Emy Stantcheva: It's an investment fund, so they're matching dollars—for every dollar received by the industry, they invest at least one of their own. As I mentioned, the average for the first four years of the fund was an additional \$4.52 back into the industry. Those are figures from Ontario Creates, which is the agency that administers the fund. The importance of it is that the music industry has difficulty in accessing capital—it's very difficult to go to the bank with a song or an album and say, "Hey. Could you give me \$20,000? I'll put up the other \$40,000, and it will generate money for years to come."

A fund like this is not a support system. It's not a freebie. It is a valuable investment for companies and artists that might otherwise not have access to that capital, which would be a barrier to access for them to their professional industry.

Mr. Mike Schreiner: Related to that—because I've started a number of small businesses in the food sector. Going to the banks when you're doing a start-up is never easy. I'm just wondering, does the fund help you then access capital investment or loans from financial institutions?

Ms. Emy Stantcheva: It helps you leverage the existing capital you have access to.

Mr. Mike Schreiner: Emy, maybe you can answer this first, and then I'll give Miranda an opportunity. Both of you mentioned in your presentations that we may lose a generation of artists due to the COVID-19 pandemic and the financial fallout of it. I'm just wondering, what are the implications of that for Canadian culture, for Ontario culture in general, to potentially lose a generation of artists?

Ms. Emy Stantcheva: I think that has been a problem for years and years. If Ontario is the centre of the Canadian music industry, then Toronto is the epicentre. We've been worried about artists from all walks of culture having to leave the city because they cannot afford rent; they cannot afford child care; they cannot afford transportation or commuting. All of these things are serious social concerns. If it's a matter of being able to live and survive or stay in Toronto or stay in Ontario or stay in Canada, you do what you have to do in the end. It's of huge concern from every cultural perspective that we're going to lose a generation, if we haven't already.

There's a reason we have a lot of CanCon regulations in Canada: It's to protect our culture—because otherwise, we will be steamrolled by the US, and there's no turning back from that. Already, the US benefits from so much Canadian culture and artistry, because those companies tend to take our artists and monetize them in the US. If we can build a strong foundation for artists to live and work here, we can retain those economic benefits rather than see them go to the US or to France, Japan, the UK, Germany—any of those other huge music markets. It's a huge and valuable economic benefit, to keep our artists here.

Mr. Mike Schreiner: Miranda, did you want to weigh in on that as well?

Ms. Miranda Mulholland: Yes, I would just echo what Emy said. I completely support her points. If you

want any background as well, around the year 2000 and the arrival of the digital revolution, this created a seismic change in our industry—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Miranda Mulholland:—where the amount of money that is generated by content and platforms started not getting back into the hands of the creators. Over 20 years, we've seen an erosion of funding, of direct remuneration to artists from platforms. It has only just started to correct itself in the last few years as extensive back catalogues are providing income to the labels, which they hopefully will then reinvest with artists and A&R. Again, with something like the OMF, the music fund, where it's dollar for dollar, this sort of support is extremely necessary.

So yes, I can only echo what Emy said. If you'd like any further knowledge on the value gap, I do speak around the world—and I have all my speeches up on my website—about the value gap, which is that discrepancy of remuneration, on my advocacy page.

Mr. Mike Schreiner: I've had a number of musicians reach out to me and really talk about how the economic model for musicians was broken pre-COVID-19, and now, COVID-19 has completely destroyed what elements were not broken. I'm not sure what role government can play in trying to fix that broken system, but do you have any thoughts, based on the advocacy work that you've done?

Ms. Miranda Mulholland: Again, returning money to the community, which is going to be made available, and I think that economic driving piece is really important. For example, with the OMF, the music fund, I was able to continue my music festival, which pays a lot of artists and also is a huge economic driver to the town of Gravenhurst. I think it's something like for every dollar that I invest in my festival, it's \$4 back—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Miranda Mulholland:—to the Gravenhurst region and the Muskoka region. So that's definitely where to look. I can certainly think of some other ways that the government can help, and this is just more about support. Again, celebrating Ontario artists, the CanCon regulations—these are all things that will help the rebuild.

Also, on the rebuild part, trying to create incentives for artists to support other artists: Bruce Cockburn got his start opening for bigger acts, but now Bruce Cockburn doesn't tour with an opening act, and I find that deeply ironic. I think there can now be, in the rebuild, incentives to encourage acts with followings to bring along other acts that maybe are emerging, and that will help.

Mr. Mike Schreiner: Yes. I think there are opportunities to submit written submissions to the committee as well, so I would encourage you to—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll come back to that in the second round.

We'll start the second round with the opposition party. I'll go to MPP Arthur.

Mr. Ian Arthur: Thank you for joining us today.

I'm going to start with Miranda. You talked a little bit about how difficult it is to monetize online, how difficult

it was to monetize digital content, the switch, the transition. Earlier today, Minister MacLeod was in here extolling the virtues of musictogether.ca, their online content live-stream delivery, which is great and I think is good to see. But how difficult is it to transfer that into actual livings for people?

Sometimes I think that “We have a website for that” would be a better slogan for this government, because their solution to so many deeply rooted programs that need some funding behind them is to build a website for those people and hope that that helps them get through.

Would you just expand a little bit on why it's so difficult to monetize online content in that way, and why you need direct support for your industry in the meantime?

Ms. Miranda Mulholland: Absolutely. I think Emy touched on some of it earlier, which is just that a digital version of something is sort of just like a copy of a copy of a copy. It's not necessarily how I would want to get my art across. Again, there are those problems with barriers to entry with Internet. In monetizing, there's no panacea here. I think everyone pivoted right away to online and the digital streaming market, and so much of that was free. Again, right away, we had this incredible swath of free online content, which is very problematic in the long run, because if we're giving away free content all the time, then how are we ever going to expect people to pay later down the road?

I have an example of this. Jim Bryson is a musician in Canada, in the Ottawa region, and he was doing a concert with Side Door. He wrote to Dan Mangan, a musician who runs Side Door, which is one of these platforms where you can actually have a payment plan. People can buy tickets and then have a virtual concert. He said, “I'm not selling tickets.” Why? Dan said, “Well, you're doing an Instagram live-stream for free every night. Why would anyone pay for this?” Again, it's also just free content out in the marketplace, which was our problem in 2000. So we just sort of re-created that.

I do think it's good as a stopgap, absolutely. A lot of these things have popped up. The NAC has done one, and Ontario has done one, trying to get some money in people's pockets. But again, it cannot be a replacement, and it is by no means enough.

Mr. Ian Arthur: I just want to expand on an idea that MPP Smith put forward that communities in the north that don't have any cases could actually have artists come in and perform there live. I view that as strikingly problematic. Kingston was COVID-19-free for months, and then as we opened up, people started visiting Kingston, because we opened up a little bit sooner than other places. Now we have a couple of new cases that we have to get a handle on.

The north in particular is incredibly under-resourced in terms of what they actually have available to treat people who were to come down, and we know one of the ways this springs up in new communities is people who are asymptomatic. Would any one of you like to comment on the idea of a musician—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Ian Arthur:—accidentally bringing COVID-19 into a community that, frankly, doesn't have ventilators to support them? I just think MPP Smith is way off on this.
1440

Ms. Miranda Mulholland: Yes, I'll speak to that. The amount of contact that—for example, my band is two people. He has a family of five, so us getting in a car together to drive up north to do a concert, and all the gas stations along the way and all the hotels—that's a lot of risk. From a litigation point of view, I don't want to take that risk of what happens if, at my concert, somebody contracts this disease. That's very shocking to me and deeply worrying.

I think until we have better testing, quicker testing, until we have temperature checks, there are a lot of things that have to happen before that can happen. Again, a lot of this risk is being mitigated onto the artists. Promoters are not giving—if an artist cancels because they don't feel comfortable, they are actually required to pay back—that is the Live Nation thing—double their deposit.

This is deeply problematic. I agree.

Mr. Ian Arthur: I'm going to pass it over to my colleague Sol Mamakwa, who's here with me.

The Chair (Mr. Amarjot Sandhu): MPP Mamakwa.

Mr. Sol Mamakwa: Thank you for the presentations. It's good to hear about some of the things that you guys are doing.

Certainly, music is a big part of our lives. Being from Kiiwetinoong, which means north—I'm from the Far North in Ontario, and I know music is one of the things that we cherish. Not only that, but because of some of the social issues that we deal with, music actually saves the lives of some young people.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Sol Mamakwa: I'm wondering—maybe, Miranda, I'll just take this to you—what provincial tools that are available, what has worked for you. During this pandemic, what provincial funding programs have worked for you?

Ms. Miranda Mulholland: I did apply for Ontario Creates and Celebrate Ontario for my music festival, which is pivoting, and that was extremely helpful because I was able to get money right into the hands of artists and hire them to create this content that will be shown at the drive-in. I'm really proud to be able to support artists during this time.

Mr. Sol Mamakwa: What about you, Emy?

Ms. Emy Stantcheva: In terms of getting support to artists via provincial programs? Was that the question?

Mr. Sol Mamakwa: Yes.

Ms. Emy Stantcheva: As an artist, I wouldn't—

The Chair (Mr. Amarjot Sandhu): Thank you. That concludes the time.

I will now go to the independent members for their second round. MPP Schreiner.

Mr. Mike Schreiner: I think I'm going to give Michael a chance to answer a few questions, so I'll give you a little heads-up. I know you come to things from the publishing side, but one of the concerns I have is how independent

bookstores are going to survive. They're already under threat, and this added pressure to move online is putting even more pressure on independent booksellers, which I'm assuming must work hand in hand with Canadian publishers. I'm just wondering if you share my concerns. I know this has been a long-term trend, but it seems COVID-19 has made it even more problematic—some things we can do to support independent booksellers as we think about supporting the publishing industry in general.

Mr. Michael Levine: I think there is a complexity to book publishing that's somewhat different than what you've heard from the music side. The music side has talked about artist, artist, artist. My prejudice in book publishing has always been author, author, author.

The problem is that there is a very complex distribution system that involves publishers. Who owns the publishers? Bookstores. Who owns the bookstores? So while I am very sympathetic to independent bookstores, as I am very sympathetic to Ontario-owned book publishers, in my life experience, authors have been served very often by both of those, but very, very often by international players who have seen their value. Take, for example, Margaret Atwood.

My problem is that there are competing interests here, which are not easily reconcilable. When you focus on one at the expense of the other—you focus on an independent bookstore but ignore the digital possibilities both in terms of environment, in terms of safety and health—you're on the horns of a dilemma. I can't answer that in 30 seconds, but let me say that my career has been in IP; it has not been book publishing. We took *The Little Prince* from a book to a ballet to a documentary on CBC and Netflix. We took *Murdoch Mysteries* from a book to TV and now to theatre. To me, it's the artist that counts first and foremost.

Mr. Mike Schreiner: And do you feel like authors are in need of additional support due to COVID-19, or do you feel that authors will be able to weather the storm?

Mr. Michael Levine: I think it's extremely difficult. I've been fortunate in being able to give a number of name authors ghostwriting assignments for wealthy individuals who want to write memoirs, whatever, whatever. But basically, the entire book publishing industry has been pushed back six months or a year. There are very few offers being made now, and where they're being made, the payments are being deferred an inordinate amount of time. So there are authors who are in severe economic difficulty.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Mike Schreiner: We had film and live theatre industry representatives in the last couple of rounds come to committee. Given that many of your examples are authors benefiting from their books being turned into either films or theatre, how important is that part of the cultural and artistic industry to supporting Canadian authors?

Mr. Michael Levine: It is extremely important. I have always claimed that I am a multi-platform person. I look at every piece of IP and say to myself, "Is it a book? Is it a film? Is it a ballet? Is it a theatre piece?" And often, it's all of the above. As we grow and become more sophisticated,

it is extremely important, for example, that we take advantage of the streaming services and get some taxation out of them and get some commitment to creating content out of our creators. This has been a very, very important part of my mandate for the last 40 years.

The Chair (Mr. Amarjot Sandhu): Further questions?

Mr. Mike Schreiner: Miranda, you've talked about the importance of your festival. What do you think you need from government to begin to think about how we can restart festivals in a post-COVID-19 world? I know how essential festivals are for musicians, in particular.

Ms. Miranda Mulholland: Absolutely. Again, I think that goes back to the application process and the red tape. Accessing those funds—it took me three years in order to even start to access some of these funds that I could then use to parlay into creating an event that did have an economic driving piece as well as supporting artists. That would make a big difference to us. There are a lot of very intricate payment schedules that are worked out, which make it very difficult, actually, to book an artist, make a deposit—and then the repayment plan on the other side.

The Chair (Mr. Amarjot Sandhu): Forty seconds.

Ms. Miranda Mulholland: So if there could be some way to simplify that, I think that would be very, very helpful, because the excellent work and excellent planning does take time. We're already starting to plan 2021 and what that's going to look like, to go ahead and have our multi-venue festival next summer, if possible—fingers crossed. So that could be a big help.

Mr. Mike Schreiner: It's nice to hear about some red tape we can reduce that doesn't threaten the environment, worker or consumer rights, and really is about making it easier for people to access the supports they need. So I appreciate you bringing that perspective to committee.

Emy, you—

The Chair (Mr. Amarjot Sandhu): Thank you. Your time has come up now.

We'll move to the government side for their second round. I'll go back to MPP Smith.

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Mr. Dave Smith: To MPP Arthur: I'm sorry that you've gotten caught up in the bubble of Toronto. I know you spent some significant time at Trent University in Peterborough, and Kingston is a lovely city, but you seem to think that the only way you can have music is in large facilities like the SkyDome or the ACC or other giant facilities. I was getting at if it's possible to have artists come up to an area where there isn't any infection and where you could have something more intimate, like a patio type of scenario, where we could use some of those resorts, where artists could potentially be there for a few days, providing some kind of entertainment and an experience that you wouldn't normally have had some other place. It's unfortunate that you only think of things from Toronto's perspective now.

My question is for Mr. Levine. We had a presentation earlier today from Alana Wilcox. She talked about how it's possible to have the backlist, as she referred to it—I

always thought it was “back catalogue,” but she referred to it as the “backlist”—being printed on demand, where you have some excellent books, excellent publications, where there might be a demand for 20 or 30 of them a year and it's not worthwhile to print off, say, 1,000 of them at a time, because you would have 20 to 50 years' worth of those books available, but you could do it on a smaller scale. Do you think that there's any opportunity, then, for us to get back to that type of publishing, and can it be successful?

I'm 50. I have been immersed in technology. I worked in the software industry for about 20 years, but I still prefer having that hardcopy book, that hard-copy newspaper or magazine and not reading it on my screen. Is there any opportunity that we could be expanding that again?

Mr. Michael Levine: I think there is a minor economic opportunity here, but one of the things you should observe is the fact that Nelson, the largest university press publisher in Canada, who only did hardcover books, has been bought by a tech company who are only going to do, for university students, digital books. The future is digital, and while printing on demand and several other opportunities exist in the business, Amazon has changed the name of the game. They've put two million books out of copyright online, available at a very inexpensive price, and basically knocked the centre out of the midlist book market. Obviously, bestsellers are bestsellers. Certain backlist items are valuable, but it's amazing how few millennials know much about backlists.

Mr. Dave Smith: I'm going to turn it over to my colleague MPP Khanjin.

The Chair (Mr. Amarjot Sandhu): MPP Khanjin.

Ms. Andrea Khanjin: I wanted to direct my question to MusicOntario, but first to Miranda, as well.

Miranda, you had mentioned that you had been working with Music Canada. Funnily enough, Jackie Dean, who is the CEO of Music Canada, actually lives around the corner from me in Innisfil, so it's a very small world.

In terms of interim measures the government can do to expand the artists—what are your thoughts in terms of being able to expand outdoor settings such as patios so that local performers could perform more there? Restaurant owners are more than happy to pay for those live performers, but how do we do that safely, so that we can obviously take public health into account as well?

If you don't mind answering first, Miranda.

Ms. Miranda Mulholland: I'm so sorry. I had some technical difficulties there, and I missed the question.

Ms. Andrea Khanjin: Oh, no worries. I just wanted to ask you what your thoughts are on expanding platforms for musicians to be able to play at local venues such as patios, where restaurant owners could be able to pay those local artists, and how would we do that safely?

Ms. Miranda Mulholland: Again, I think it comes down to clear and consistent messaging and best practices as to what the venues are going to do to protect the artists once they're inside the venues. But I think it can happen safely, and I think it will probably be happening quicker than we think. But the one worry I have, then, is if it will

be a race to the bottom as to how artists, who want to get paid, will then ignore safety rules or won't be protected well?

One thing that I've seen that's really good, that's working, is live-streaming live concerts from empty venues, but it's actually paying the musicians to be there. They're having that performance as within a band kind of situation, but it is broadcast for ticket sales. That's another way that venues can start supporting artists—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Miranda Mulholland:—and getting content out there that isn't free.

Ms. Andrea Khanjin: Thank you. And did you want to just take the last minute to answer that, Emy from MusicOntario?

Ms. Emy Stantcheva: Sure. First of all, I think it's important to remember that artist safety is also important. Just because a patio's open doesn't mean they should travel three, four, six hours to get there to perhaps no audience. As I mentioned, consumer confidence is very low for at least the next six to eight, maybe 12 months—maybe until there's a vaccine. It's important to remember that artist safety is also a consideration to how and when we can get live music into venues.

In terms of cutting red tape, I know permits have been mentioned. I've had this conversation on a municipal level as well. Having access to more unique spaces, making it easier to permit them, making SOPs, special-occasion permits for alcohol less complicated, less time to process one, and also to take into account that as gentrification occurs and noise complaints—

The Chair (Mr. Amarjot Sandhu): That concludes our time. Thank you to all three presenters for your time and for your presentations.

CANADIAN LIVE MUSIC ASSOCIATION
AND MUSIC CANADA

CANADIAN OPERA COMPANY

FEDERATION OF ONTARIO PUBLIC
LIBRARIES

The Chair (Mr. Amarjot Sandhu): We'll move to our next presenters for 3 p.m. First, I will start with the Canadian Live Music Association and Music Canada. If you could please state your name for the record, and you will have seven minutes for your presentation.

Ms. Erin Benjamin: Good afternoon. My name is Erin Benjamin, and I'm the president and CEO of the Canadian Live Music Association. I'm also the co-chair of the Ministry of Heritage, Sport, Tourism and Cultural Industries' Ontario music panel. I'd like to express our thanks to the government; in particular, Minister MacLeod, her staff and the ministry team for their dedication, resilience and leadership. I'd also like to acknowledge my colleague Patrick Rogers, with Music Canada, who is co-presenting with me today.

The Canadian Live Music Association represents the stages upon which our incredible artists stand, both

indoors and out, and the supply that surrounds them. We are behind the people behind live music, from small venues to Canada's large-scale concerts, arenas, festivals, performing arts centres, talent agents, artist managers on behalf of the Music Managers Forum, suppliers and others.

Until recently, this vibrant industry contributed \$3.5 billion to Canada's GDP and supported 72,000 jobs, the lifeblood for many of our artists, including Miranda, for whom touring and live performance was their primary source of revenue.

The live event industry supports public health measures, absolutely. However, today, Ontario's live music industry is failing and it's failing quickly. With zero revenue since early March, the industry has experienced a near complete shutdown. This sector which feeds our creative economy and helps to define our cultural identity was among the first hit and will be among the very last to recover. The time frame for the reopening is unknown, and even when we can open, studies show, as Emy just said, consumer confidence could remain low.

A staggering 96% of responding companies in a recent survey say they will close permanently, if they haven't already, within weeks, despite leveraging existing federal relief programs. Production companies are selling off gear. Highly qualified experts are exiting the field. Sponsorship dollars and ticket revenue are a thing of the past.

Now we're innovating where we can. We're working with public health and sharing information and resources, furiously trying to identify short-term and medium-term solutions to mitigate the devastating impacts of this crisis. We're doing everything we can within our power to preserve and persevere.

You've likely heard of the drive-in concert model. There are emerging examples of creative bridging. However, in most cases, the map for operating shows at reduced capacity doesn't work and pivoting simply isn't pragmatic.

To echo the recommendations we put forward in the music panel's report, we will need sector-specific funding to ensure that shuttered companies and individuals can survive the months ahead. Without them, our artists, like Miranda, will be starved out of the opportunity to create and share just when we need them the most.

For the last three months, we've been here for Ontarians, online throughout the pandemic, bringing music, mostly for free, from our living room to yours, and we remain here, making music accessible, providing another kind of relief from the stress and uncertainty. Typically, it's the live music industry that steps up to help others in need, but today we are the ones who need your help.

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Whether it's relief measures through the Ontario Music Investment Fund, redirected unspent Celebrate Ontario dollars, money that could be repurposed from other government departments or agencies, programs or a blended model, we're here to work with you so that when it's finally safe to gather at concerts again, the industry is intact and we can hit the ground running, bringing people

and communities together like never before, so that we can play our part, which we are very anxious to do, in the recovery and rebuilding of Ontario's economy and reclaim Ontario's reputation as one of the greatest live music destinations in the world.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Erin Benjamin: Now I'd like to turn it over to my colleague Patrick.

Mr. Patrick Rogers: Thank you, Erin.

To begin, I'd like to thank Minister MacLeod for her leadership during COVID-19 and her commitment to the Ontario Music Investment Fund. By putting "investment" in the name, it highlights that the minister understands what we've long known to be true: Investing in music in Ontario creates jobs and economic opportunity.

During the pandemic, our members, Canada's major record labels, have continued to compete in the global music market while maintaining the community and jobs, most of which are here in Ontario. But the consequences of the pandemic for the music industry as a whole are clear and devastating. The pandemic truly hit home for us when it shut down the Junos weekend, a national celebration of everything that is great in Canadian music. The abrupt cancellation of the biggest event in the music industry's annual calendar made it clear that it wasn't just going to be the Junos, but that every live show, from your local pub to the Rogers Centre, would be cancelled, and our industry's most vulnerable would be our artists.

With this in mind, Music Canada, with the support of our members—Sony Music Entertainment Canada, Universal Music Canada and Warner Music Canada—has focused our resources and energy during the pandemic on advocacy and initiatives designed to help artists. From innovative surveys and data collection, to advocating for specific CERB interpretations, to promoting the need for and value of investing in the Unison Benevolent Fund, Music Canada has put the needs of artists and individuals working in our sector first, and that focus is essential.

As the minister has said, our industry faces a triple threat: There are the critical health concerns and the obvious economic consequences of the shutdown required to keep people safe, but next on the horizon are the challenges associated with reopening, which will be acutely felt by the music industry and other mass gathering industries.

When will it truly be safe to see a performance as we once did? Will the businesses and infrastructure needed to host live music exist on the other side of the pandemic? And before all of that, for our industry and the artists that drive it, when will it be safe to perform again?

Ultimately, Music Canada knows—

The Chair (Mr. Amarjot Sandhu): Thirty seconds.

Mr. Patrick Rogers: —what I'm sure is evident to each member of the committee: The next steps of the recovery for live music will be long and complicated. Those who depend on live performances to earn a livelihood will be out of work or be in even more precarious employment long after you and I return to our offices.

In addition, through the music panel's recommendations, Music Canada asks this committee to recommend that the programs and assistance created to help Ontarians continue to be available for as long as regulations disallowing mass gatherings remain in effect.

Thank you for your time, and I look forward to answering your questions.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll move to our next presenter: the Canadian Opera Company. If you could please state your name for the record, and you can get right into your presentation.

Mr. Alexander Neef: Good afternoon. My name is Alexander Neef, and I'm the general director of the Canadian Opera Company. Thank you for providing me with the opportunity to speak today about the impact of COVID-19 on the COC. I am joined by my colleague Amy Mushinski, who will also be available to answer any questions the standing committee may have.

As I bring forward my remarks regarding the effects of this pandemic on our company, it will quickly become clear to you that what is at stake is much more than an individual organization or a collective of artists. The arts and culture sector is an intricate ecosystem. The continued vitality of its future and the multiple industries it feeds, supports and enhances is currently shaken to its core.

Founded in 1950, the COC is the largest producer of opera in Canada and internationally recognized for creativity and innovation. Throughout our 70-year history, the COC has played an influential role in the global opera community. In 1983, the company created Surtitles, now an industry standard. These are simultaneous English translations projected above the stage to ensure that audience members can follow along. The advent of Surtitles was a major force in making opera more accessible around the world.

Today, the company has an annual operating budget of approximately \$40 million and engages more than 100,000 people per year with live opera and community activities. We own and operate two facilities in Toronto: our rehearsal and administrative space, the Joey and Toby Tanenbaum Opera Centre; and the Four Seasons Centre for the Performing Arts, Canada's first purpose-built opera house, recognized as one of the most impressive venues for live music in the world.

The Four Seasons Centre is home to not only the Canadian Opera Company; it is also the performance venue for our principal tenant, the National Ballet of Canada. It is clearly a destination venue for two of Canada's largest arts institutions. Each year, we employ up to 500 people to bring our remarkable craft to the stage.

The effects of the pandemic on our sector are nothing short of catastrophic. In March, activities at the Four Seasons Centre ground to a halt, with both the Canadian Opera Company and the National Ballet of Canada forced to suspend the remainder of their 2019-20 seasons. Most of our revenue streams dried up, and we are now facing a \$3-million deficit at the end of our fiscal year, which is in just a couple of days. To date, we have managed to keep our staff complement intact by accessing emergency support measures such as the Canada Emergency Wage

Subsidy and the COVID-19 emergency support fund from the Canada Council for the Arts.

We have been actively exploring every option regarding what our return to the stage might look like in these strange times. As we make these deliberations, there is much to consider. Opera gathers talent from all around the world to work together in close quarters. It requires an extensive rehearsal schedule and, to remain economically viable, an auditorium full of audience members, without whom no live performance is complete. Given these complexities, and the likelihood of physical distancing remaining in place well into the fall and winter months, we recently made the difficult decision to cancel our fall season.

While this is certainly a difficult time for the COC, I want to emphasize how grateful I am to our generous supporters, who continue to demonstrate their commitment to our company. Another silver lining has been recognizing that opera can continue to connect us all through new, innovative ways, and we have launched numerous digital initiatives—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Alexander Neef: —over these past four months. But this is not a long-term solution.

Simply put, opera, like all the performing arts, requires us to gather in large groups to both create and enjoy the art form. I therefore remain hopeful that our government will recognize that in the current pandemic environment, our core work is an absolute impossibility. Despite the current adaptations in our business to the new reality, we will need government intervention to ensure the long-term health and survival of this sector.

The performing arts sector will be one of the very last to emerge from this pandemic, because we cannot practise physical distancing with an orchestra of 50 or 80 or 100 instrumentalists in the pit. When we emerge from this crisis, we anticipate continued anxiety about large gatherings in our communities, even as physical distancing measures are relaxed. As well, given the turmoil and unpredictability of the markets, we expect contributed revenue from our donors to be affected in the mid- to long-term.

I highlight these challenges for the committee as a reminder that the performing arts are part of a larger ecosystem. Patrons to our businesses also enjoy a meal at a local restaurant. They stay in hotels across the street and around the corner from the opera house. They take the TTC and cabs to get to their destination. I remind you that a vibrant culture sector often ranks as one of the primary motivators for businesses to locate to a city, and they are at the core of our identity as a province.

What we're seeing is a catastrophic disruption of this artistic ecosystem, which threatens not merely the livelihood of individual artists, collectives and companies, but threatens to bring irreversible damage to our sector, a sector that reflects and enriches the quality of life for hundreds of thousands of Ontarians.

There are measures the government of Ontario can take to prevent the collapse of the culture sector in Ontario. I recommend that the committee consider—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Alexander Neef: —continued and increased investment in the Ministry of Heritage, Sport, Tourism and Culture Industries, and in its agencies such as the Ontario Arts Council and Ontario Creates; increase temporary support during this crisis through the creation of three-year special donation-matching programs for operating funding; and, finally, a coordinated and collaborative marketing campaign in partnership with the arts and culture sector to encourage audiences to explore the province, return to our venues and enjoy live opera, theatre and dance once again. Thank you very much.

1510

The Chair (Mr. Amarjot Sandhu): Thank you.

Our next presenter is the Federation of Ontario Public Libraries. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Stephen Abram: Good afternoon. I'm Stephen Abram, executive director of the Federation of Ontario Public Libraries. I'm speaking on behalf of FOPL as well as our partners, the Ontario Library Association. Shelagh Paterson has joined me to help with the question period so that we're both resources. Thank you for the opportunity to participate in today's consultations, and thank you to our committee and our ministry for all their support.

Earlier this year, when public libraries from across Ontario took part in the pre-budget hearings, we shared with you the critical importance of provincial funding to local public libraries, but few would have predicted the challenges that now face our sector. We have about 15,000 employees, and we're estimating between 40% and 50% of those right now are on furlough or have been laid off. This is a challenge for us, and while local public libraries physically closed during the lockdown, they nevertheless stepped up and continued delivering amazing services with hundreds of percentage points in growth.

Across the province, the impact has been about providing WiFi connectivity for residents, giving hot spots to municipal staff so they could work from home, and pointing our WiFi at the parking lot—and our parking lots are full with people trying to fill out government forms or whatever. We've lent laptops and PCs and peripherals to essential staff to continue working from home.

We've moved programming online to help families and individuals—virtual storytimes, tech training programs, book clubs and more—deal with mental health, social isolation and all the issues that COVID-19 has shone a big magnifying glass on.

We provide access to e-resources—inconsistently, across the province, due to funding issues—and we're registering non-library-cardholders online. We have donated staff from the library to make care calls to seniors and others so that we can ensure they're safe, and free up social services staff, or the stress on them. We're delivering reading materials to seniors' homes, essential-worker daycares and more.

We took part in the COVID-19 emergency response by using our 3-D printers, of which we have almost 1,000 in

the province, for making PPE for front-line workers, and turning library branches into emergency food banks when 85% of their volunteers disappeared and they had to close.

Public libraries are now taking careful steps to reopen while keeping patrons and staff safe. The critical role of libraries has been emphasized under COVID-19 and the challenges they will face over the coming months and years. This is a long-term change. These challenges are especially acute for public libraries in small and medium-sized communities in rural and northern Ontario and our First Nations reserves. For them, the public library is a vital and often the only cost-free, stigma-free community hub for residents and families. There are important actions that the Ontario government can take to assure that public libraries can continue to effectively serve their communities.

A recent piece of research came out showing that people who live below the poverty line—a lot have been pushed below the poverty line in the last 100 days—depend on the public library for their digital access. For 45% of students in that category, it's their only access.

We're proposing three critical, targeted actions to support Ontario's public libraries. First, ensure that municipalities have the funding necessary to protect front-line service delivery.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephen Abram: Across Ontario, municipalities are struggling with revenue shortfalls as a result of the pandemic. There was immediate concern to public libraries, as 96% of our funding comes from the municipality, and so we're seeing that 46% of our libraries have implemented some fairly massive cuts to staff. While we're seeing an increase in use—83% over the last five years and hundreds of percentage points digitally—we also know that during a recession, it increases radically, so we recommend implementing a supportive funding framework for municipalities. That is essential for protecting our public libraries so that they can continue to do the local economic development community supports and access to children's programming, educational services and e-government.

The second recommendation: Leverage Ontario's broadband action plan to ensure that modern broadband connectivity is available in more library branches across Ontario. COVID-19 has demonstrated that Ontarians in all communities depend on digital access. There is a big difference between being able to get WiFi in a Starbucks or a Tim Hortons and having access to a printer and a scanner and someone to help you to print your resumé. You can't print your resumé on the bill at a Starbucks.

COVID-19 has demonstrated that many communities in Ontario have limited or very poor access, and even with our physical doors closed, demand for public library broadband increased. There are people working remotely, applying for government relief and participating in remote learning for K-12 and university and college, and we have no expectation that this won't increase a lot over the next few years.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Stephen Abram: Our last recommendation is to provide critical e-learning support through fair access to modern digital resources for people of Ontario, no matter where they live, by creating an Ontario digital public library. Most northern schools do not have a school library. Most schools do not have access to digital databases. We are the main homework support after hours and during the day, so we must deal with creating an Ontario digital public library as a critical initiative to move forward.

We look forward to continue working together to maintain robust, locally impactful public libraries throughout Ontario.

Thank you. We look forward to your questions.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll start this set of questions with the independent members. MPP Hunter.

Ms. Mitzie Hunter: I just wanted to ask the Canadian Live Music Association and Music Canada: There have been presentations that have talked about increasing the funding for the sector. Do you have an idea of what amount would be required?

Mr. Patrick Rogers: I will say that we understand that the Ontario Music Fund represents an opportunity to spur economic growth. It requires a 50% investment by the players. I know on our behalf, half of our members, that when we invest in that fund, we create real jobs, real investment and real economic opportunity. We would support increases to that fund as the government saw fit, but it's important that that money can be turned into real opportunity.

Ms. Erin Benjamin: I would add that we're seeing federally, through phase 2 of the emergency fund coming through Canadian heritage—the minister has said that \$20 million of the \$500 million may come to live music. It remains to be seen how that will break down. There are examples internationally of other countries who are investing far more than that, and their live music industry is in much smaller countries, geographically speaking. By far, the vast majority of the live music industry, the larger companies, would be based in Ontario.

There's some activity in British Columbia, too, through the Amplify BC program, which is a lot like the Ontario Music Investment Fund, in which they have taken their dollars and reimagined a relief fund for the industry there.

I think it would be really interesting to watch what happens at the federal level. We know that the Ontario Music Investment Fund was formerly \$15 million and is now \$7 million, and that \$7 million will be directed to ongoing programming, not relief. I think the gap will become more evident in the coming weeks, as well, after we learn more about heritage.

1520

Ms. Mitzie Hunter: First of all, it has taken a hit in terms of the support, but there need to be specific amounts set aside for relief and to restore the live music sector.

Ms. Erin Benjamin: Yes, in part, because so many of the stakeholders in the live music ecology are not traditional clients of government funding programs.

That's a reality that we've been stressing from our office. Whether it's production companies or small, live music venues, you wouldn't necessarily see them as clients to provincial funding programs. When you unpack the broad ecology of how the live music industry works, we really need to understand the types of companies that make it go and facilitate, ultimately, that performance by the artist.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Mitzie Hunter: Thank you. I appreciate that clarity.

I have a question for the Canadian Opera Company. It just seems to me, as I was listening to your presentation, that the requirement for large audiences is not going to be coming back any time soon. How are you planning to adjust so that there can be some measure of presentation of your offering as part of a recovery stage in Ontario for the next, I would say, 12-to-18-month time frame?

Mr. Alexander Neef: Thank you for the question.

I hope your 12-to-18-month time frame is pessimistic, even though we're obviously asking ourselves that question as well. Right now, we're trying to figure out how we can get safe access to our own venue that we own again, and bring groups of artists in there, first of all, to rehearse but then also eventually start performing again. I think full-scale staged opera is probably a little bit further in the future right now than we want it to be, because even without an audience, it involves hundreds of people on stage and in the pit. It doesn't seem quite safe to do that at the moment.

So what we're looking at right now is using the empty theatre, if you want, as a canvas or as our stage to bring in maybe first a piano with a singer, stream that or record it for later streaming, and later make those groups a little bit bigger as it becomes safer to do so; eventually, admit a small audience, then a larger audience over time, until we can go back to fully staged opera as we used to do it.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Alexander Neef: There are huge revenue implications, obviously, because with a lot of these alternatives to streaming and so on there's very little revenue to be gathered in our business model. It depends very heavily on, as I said, a full auditorium of 2,000 people to offset the cost. Small initiatives will have the lower cost, but it is quite uncharted territory for us—for people who will be ready to contribute for, let's say, a streamed, scaled-down performance.

Ms. Mitzie Hunter: I was also thinking that your audiences are vulnerable to the pandemic, and have been actually told to not participate in crowds as well, or indoor activities. That's also a unique challenge, I think, to your specific offering.

Mr. Alexander Neef: It is a unique challenge—and the same for some of our peers like the ballet and the symphony that share the same performance conditions at large.

The Chair (Mr. Amarjot Sandhu): We'll have to move to the government side for their time of questioning. I'll start with MPP Roberts.

Mr. Jeremy Roberts: Chair, forgive me; my video camera doesn't seem to be working.

I'll just ask my question to the Federation of Ontario Public Libraries. It's great to have you here before the committee again. It's hard to believe it was pretty much six months ago that we had you before the committee as part of our pre-budget hearings. We've certainly had a lot that's happened in that time.

As I've mentioned to the committee before, I'm a big supporter of local libraries. Some of my finance committee colleagues like to tease me a little bit that in my younger days I was the Ottawa Public Library mascot, Bopl the dragon.

My question for you today is a bit on the marketing side. There are so many resources that our local public libraries offer us. For example, over the pandemic period, I've been able to access a lot of e-books, and I'm wondering how we can potentially as a government work with our municipal partners, work with our public libraries on a marketing scheme to help encourage people to tap into their public libraries and to show the public what resources are available to get more people in there. For example, I know a couple of years ago Ottawa did an Every Kid a Card campaign to get more young people to get a library card.

Are there any thoughts that either of you have on the marketing side and how we might be able to support you?

Mr. Stephen Abram: Three years ago, we created a master dashboard of all the libraries in Ontario and every website and every social media account, and we've been able to track our growth. Right now, it's running at about 5,000%, and we're using it as a targeted strategy by certain audience types. So we use some for teens, some for seniors. There are different social media and different targeting stuff. We have trained a good two thirds of all the libraries in Ontario to adopt these tools and use them effectively. During the COVID-19 pandemic, most libraries expanded their social media team to get out the word. I think we've been really good at pivoting for that.

Some of the problem is that we need the resources to market. We can market the e-books, and we've seen a 300% growth in the use of e-books over this period, because they can't carry a virus. But now we're looking at how we make sure that every Ontarian has equitable access—for those small towns where their broadband is like a pizza pie and only the pepperonis have decent access and everybody who lives in the cheese is out of luck. We need to make sure that the pipes are there and we need to make sure that there's content in the pipes to support our learners.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephen Abram: Then our over-2,000 partnerships in Ontario with schools and universities to promote the expected hybrid model for the next 18 months of e-learning and the ability to support people who don't have correct connectivity or decent equipment—that we can do that. That's where our funding ask is: to level the playing field for all Ontarians, wherever they live.

Mr. Jeremy Roberts: I know my colleague MPP Piccini has been working hard with some of our other rural colleagues on that equitable access to broadband Internet, so I definitely appreciate your comments there.

Chair, I'll pass it over. I think some of my other colleagues have some questions.

The Chair (Mr. Amarjot Sandhu): MPP Piccini.

Mr. David Piccini: Thank you to all of the presenters.

My first question is for Stephen. Stephen, it's a bit on the broadband piece. I've been working with some of our local libraries and our upper- and lower-tier municipalities on the broadband piece. We of course recently announced leveraging up to approximately half a billion dollars on the ICON proposals, which are due, and we're working with local providers on that.

This is just more of a question vis-à-vis the federal government, because we're trying to get support from everyone we can: Have you spoken to anybody in the federal government about broadband? If so, what was their response? Finally, would you join with a number of the provinces in calling upon the federal government to release some of that \$1.7 billion that they allocated, of which we're not aware of any of those funds yet flowing?

Mr. Stephen Abram: Shelagh and I, at the OLA and FOPL, are members of the Canadian Federation of Library Associations, and we have a firm and a council in Ottawa that are working with the federal government. Ottawa, to date, rarely will give money directly to municipalities; it gives it to the province to filter through. That's a problem for us because oftentimes they specifically exclude libraries. So we've been having regular discussions and sharing information with the Ministry of Infrastructure to encourage them to see the beachhead that libraries provide in a community, to get the significant number of our libraries that don't have fibre-based high-speed broadband—so that they can get video and concert performances and all that sort of stuff. The bandwidth just isn't good enough to support a whole bunch of people in the library connecting to our WiFi. So it's—

The Chair (Mr. Amarjot Sandhu): Thank you. Your time has come up now.

1530

We'll have to move to the opposition side for their time of questioning. MPP Arthur.

Mr. Ian Arthur: Good afternoon. Thank you all for coming in.

I'm going to start with you, Ms. Benjamin. You made a comment about artists selling off gear or places having to sell off gear. They're at the point, in terms of needing to have revenue to get through, that they're selling items in order to get through. That's a pretty dire situation already. If you're at the point where you're selling a video collection to make rent, basically, or in this case, instruments or other musical equipment—if they want to get back into the business after, they're going to need to have funds at that point to reinvest. It's horrible that they're selling it.

Would you talk about the ongoing support that musicians and people in this industry are going to need going forward?

Ms. Erin Benjamin: Well, my example was a production company.

Mr. Ian Arthur: Sorry; a production company.

Ms. Erin Benjamin: It was really to illustrate the dire nature of, basically, putting food on the table and the reality that they may not be able to return to the work they used to do, and so they're prepared to sell everything.

I think, moving forward, as Patrick said, we're going to need support until those who convene mass gatherings can get—until that is possible, and the various stakeholders in those industries will continue to need whatever help is available to bridge that.

I think what's really important to remember is, when we're talking about innovation, certain organizations and companies can innovate to a certain extent—but as I indicated, it's not only not practical; it's sometimes impossible, especially where the math is concerned.

There are so many stakeholders in the live music industry who can't pivot. I like to use the example of a company that is a member of our association that trucks concert gear across North America. You go to a festival, you see a big stage with speakers and screens—that kind of company is not going to be putting what they do online and charging \$6 to watch anything. Unfortunately, that's a reality for so many of the individual stakeholders who make up the live music sector.

Mr. Ian Arthur: I have a very good friend who works for one those tour companies, and she is struggling right now.

I just want to move on to talk a little bit with Alexander or Amy. I've watched opera on TV, but I've also been to the opera in person, and of so many things, what a stark difference in terms of your experience—and the points about needing an orchestra and there's no feasible way to have a socially distanced orchestra, let alone what's happening on the stage or backstage.

The unspoken thing here is, normal doesn't return until there is actually a vaccine and then it's distributed globally. When you look at those time frames from development, 18 months, right now, is optimistic, frankly, and potentially multiple years away.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Ian Arthur: So the same thing—you can't really pivot, you can't really reopen. How do we make sure that (a) the people are okay who are in that industry and (b) that you're ready to go when you do have the opportunity to go again?

Mr. Alexander Neef: Thank you for that question. It's exactly the question that we're asking ourselves.

As I mentioned in my remarks, with wage support measures from the government, we are trying to keep as many people around as we possibly can. In the second step, when the conditions will allow it again, we will try to get some kind of performing, but we're completely aware that it's going to be a stony road ahead on both sides—fully staged opera, as you mentioned, but also for the audience to have the confidence to return to our venues.

I think there is no obvious solution right now. We will have to be a combination of our supporters who are very loyal to the company—we have subscribers who, until recently, have been renewing for the fall, not taking the

risk that there might be no fall, but still making commitments to the company. That is very strong. So the support from the community is very strong, but it will require additional measures from the government side to keep us around, because what is true for everybody in our sector is, it's incredibly easy to break because it's very fragile in the first place and takes decades to rebuild. Right now, what we're trying to prevent is breaking it to a point where it will take decades to rebuild.

Mr. Ian Arthur: You have the ear of the government right now, and you said more government measures—what are you looking for? What form does that need to take?

Mr. Alexander Neef: Apart from continuing support for the Ontario Arts Council, which is our support body—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Alexander Neef:—there have been matching programs for donations in place in the past that encouraged philanthropic giving, for matching at a certain level, and I think that would be incredibly helpful to create a positive dynamic of giving. Let's leave it at those two measures.

Mr. Ian Arthur: That's fantastic. That's interesting because, right now, if you make a political donation, I actually think it's a little bit kinder to you on your taxes than if you make a charitable donation—so maybe bringing those in line together so that there's no incentive for one over the other.

Mr. Alexander Neef: Certainly, yes.

Mr. Ian Arthur: We're out of time. We'll leave the last 10 seconds.

The Chair (Mr. Amarjot Sandhu): We'll start the second round with the government side now, and I'll go back to MPP Piccini.

Mr. David Piccini: Thank you once again to all the presenters.

I'm just going to close out on the broadband question with you, Stephen, that you mentioned. Have you got a commitment from the federal government over libraries on the broadband piece?

Mr. Stephen Abram: Not really, because what we're trying to do is get the eligibility, and the federal government's policies are not to interfere in provincial funding. The municipalities are provincial funding.

Mr. David Piccini: Just before we talk about eligibility—have you got any commitment that funding is even coming, or close?

Mr. Stephen Abram: No.

Mr. David Piccini: On the broadband, I was wondering—any advice or any recommendations? In a rural setting, they're so key, with respect to books, studying and so many other community functions. Do you have any recommendations from a rural lens on how we can better link the broader rural communities? It's not like you can just walk downtown to a library. In rural communities, it often involves driving. There is no public transit to get in. Any comments on that and how we can make that connection?

Mr. Stephen Abram: We were successful in the 1990s around setting up a consortium in Simcoe county using

federal dollars. Librarians were on the CANARIE task force. We were able to generate \$300 million across Canada, and that money was used in Simcoe county to make sure that every library in Simcoe county is broadband-connected, and they've upgraded. It was a funding formula that could be copied.

On the other side, with us it's the ongoing operating costs. Fibre-based broadband is more expensive when it's run through the for-profit companies. We have several not-for-profit professional utilities for broadband; one, the SWIFT consortium, and the other is ORION. ORION just completed a glass fibre under the repaving of Yonge Street. The north, which is the most disadvantaged on broadband, needs the money to connect it to the pipe that is under Yonge Street now, and completed all the way up past Thunder Bay.

We need the funding to connect it up into three major hot spots. The colleges and the hospitals are already connected, and they could be next door to a school or a library not connected. It's actually just a few thousand dollars, like under \$10,000, under \$15,000 per library, to get this stuff going, and then we need the connectivity funding, which is being released by the government under our tradition in the next three weeks, to be adapted to the higher cost, unless it flows through a not-for-profit utility like ORION or SWIFT, where they keep the costs down.

1540

As you know, Canada has the highest broadband rates in the world, and we need a not-for-profit measure across all of our communities—entertainment, culture, libraries—to ensure that our broadband connectivity is there, so that we can do performances that—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephen Abram:—are high bandwidth, so that we can connect people up to things. Those are the models that need to be addressed, and that's the nature of our conversations with the Ministry of Infrastructure and the feds.

Mr. David Piccini: Thank you very much, Stephen. Those comments are greatly appreciated.

Alexander, have you received clear criteria for music and singing? Is there a clear and critical path forward to opening up singing, either, as you suggested, in empty theatres, concert venues and/or with limited attendance?

Mr. Alexander Neef: Not yet. We're in constant touch with the city and the province. We're also involved in a federal effort to determine the future of larger venues all over the country. But right now, I couldn't tell you that I can give you a date when you could go back in and start doing things.

Mr. David Piccini: Are there any other jurisdictions that you could point to which have a more progressive look vis-à-vis singing or a clear direction?

Mr. Alexander Neef: Not in Canada. We're looking to the way the wave of the virus happened: It started in Asia, then went to Europe and came to North America. We're looking a lot towards Europe and how they're opening there. Most of the companies do not have the pressure of revenue there, because they have much, much higher

government subsidy, so it's easier for them to open to an audience of 50.

Mr. David Piccini: Do you think that in a public setting—for example, right next to the Capitol Theatre in Port Hope, we have the Bandshell. We could maintain physical distancing. We could have the public out and enjoy a concert. Is that something you would support?

Mr. Alexander Neef: We would definitely support that if we could do it safely for the audience and for our artists. There are venues in Toronto where we're exploring the same measures. I think the problem is that there is going to be very little revenue associated with those initiatives, as worthwhile as they might be, but we would definitely not—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Alexander Neef: —refuse to partake, because it's important to get back into performing.

The Chair (Mr. Amarjot Sandhu): MPP Park.

Ms. Lindsey Park: Alexander, I'll continue with the discussion. I just wanted to get your perspective. Maybe just for the benefit of the committee you could describe what you think it will look like when your sector starts to reopen and what you're hoping to see.

Mr. Alexander Neef: Well, we always get back to the sanitary conditions and how we can keep our own people and our audience safe. I think what would incredibly help us is increased capacity for testing. As people come to work, for example, to make sure that everybody's fine would make an enormous difference to us, and I think it would make an enormous difference to our audience, too, to know if they—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. That concludes the time.

We have to move to the opposition side for their second round. MPP Glover.

Mr. Chris Glover: Thank you to all of the presenters.

I'll start my questions with Erin and Patrick. Over the last couple of weeks, we've been having deputations from different sectors—small business, now the arts and culture. I grew up in Oshawa. Everybody in my family for five generations worked at General Motors, and the economy was very simple: They dug up iron in northern Ontario, they manufactured it into steel in the steel mills, and then they came to Oshawa and we built cars. You could see the value-added of all of that.

Our economy over the last 30 years has become much more complex as we have transitioned to a service economy, and now it has become even more complex as we've transitioned into a digital economy. Then, in the middle of this transition, we've been thrown into this pandemic. I'm realizing more and more, through these deputations and through the last couple of years in this position, just how fragile that economy is and how the role of government in supporting the development of the IT economy and of the entertainment and live events industry is so crucial, and how important those sectors are for being able to bounce back from this.

You were talking about the broad ecology of the live music industry. Within the live music industry, can you

talk about the network that's involved and some of the supports that you need to keep that ecology alive in order for us to bounce back?

Ms. Erin Benjamin: Thank you for the question.

When you put an artist on the road—first, that artist has probably played some smaller venues. It's something we call the venue ladder in this country. You play your local coffee house or pub and you slowly start to play larger shows. Probably at that point, you're starting to need a little bit of business support. Maybe you've got a manager—I'll condense this—and an agent, and they're working together to get you bigger shows. Then those bigger shows need a concert promoter and a larger venue—so a venue manager. Maybe it's a festival with a festival director and a series of artists. Then you're starting to tour, travel and knit those shows together in a really reasonable, realistic way so that you can see many audiences and share your work and sell your merchandise and music with as many people as possible. You also need publicists, graphic designers and recording studios. You need catering companies, road managers, roadies and so on. There's really no end.

The universe of the live music industry, which is actually something that we're working really hard at educating the government—our association is only five years old. I think the live music sector remains a bit of a mystery. It's our job to change that and entrench our narrative with policy-makers across the country so that you truly understand where we're situated in terms of the economic, social and cultural benefit and the impact on quality of life in this province. It is intrinsically linked to many, many other sectors; obviously, tourism and local business—you've heard about hotels, airlines, restaurants, Ubers, parking lots and corner stores. When you go to see a show—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Erin Benjamin: —that artist and all of those small businesses that have been touched by that artist are intrinsically linked and impacted when that concert ticket is purchased. Without that purchase, there's the opposite domino effect.

Mr. Chris Glover: It's interesting; you're talking about the domino effect. It sounds like non-linear mathematics. We saw that at the beginning of the pandemic. Just a few cases spiralled up and now, hopefully, they're spiralling down.

It seems a small investment at this time from the government in preserving the live music industry will reap huge dividends for all of us in the economy. Is that a fair statement?

Ms. Erin Benjamin: Absolutely. I couldn't agree with you more. It's a sector that's done a lot with a little over time. I think we have to be realistic about the number of people and companies that will need supports, but when you line up the music industry next to others, we're not the biggest, but we're certainly not the smallest. The reality is that in a survey with some of our members, we asked what folks would need just to bridge that gap, and it was reasonable and realistic.

When we think about the job loss and the overall impact—and again, this is the cultural piece, but the economic piece: I talked about the \$3.5-billion contribution to this country's GDP and 72,000 jobs. Those are specifically in the industry, not to mention the ancillary businesses and the indirectly linked businesses.

Yes, a small amount of money—I don't know; but just enough would probably keep this industry shuttered for the time it's going to take.

Mr. Chris Glover: I'll direct my next question to Stephen.

I'll confess my bias here: My mother was a librarian, and her love of books got transferred onto me.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Chris Glover: The thing that I've learned about libraries over the last while is that libraries are not just places of books. The library near my home, the Fort York library, has a film studio for actors, and they can actually shoot their takes there and then send them in.

You were talking about the ways that libraries act as community hubs to integrate people back into the economy. Can you just talk a little bit more about that and the importance of supporting libraries, especially getting that WiFi through the libraries and into the communities, and supporting the economic development of those communities—by economic development, I also mean the education of that community.

1550

Mr. Stephen Abram: Exactly. As you know, libraries are one of the major employment hubs in Canada. We are focused right now on STEAM—science, technology, engineering, arts and math—

The Chair (Mr. Amarjot Sandhu): Thank you. That concludes the time for the opposition.

We'll have to move to the independent members now for their second round. MPP Hunter.

Ms. Mitzie Hunter: I thank everyone for these wonderful presentations.

Stephen, I'd like to continue with you on the role of libraries in communities. Certainly, in my riding of Scarborough-Guildwood, the libraries are community hubs. The Cedarbrae library became a food bank, in fact. So they are adaptable and flexible.

I have a couple of questions around accessibility for libraries, particularly in northern and rural communities, and in urban areas where there is income disparity. Libraries can be a safe place, actually, for everybody, for newcomers—in fact, many of them go to the libraries to read books at all levels, to learn a new language or what are the norms and the culture. I just see endless possibilities for libraries, and I think that we should be doing all we can to make them more open and more accessible and, of course, funded appropriately. Also, I really believe in the inter-library exchanges, as well, where they're sharing resources. I've done a lot of work on communities and on cities, and the presence of a library is actually an indicator of the health of the community.

What are your thoughts on, first of all, improving broadband access by working with school boards, for

instance? There is a plan in place to make sure all the school boards are connected, so why not have the school boards and the libraries under the same strategy? For libraries that might be already connected, they're sharing that connectivity by creating mobile hot spots with communities that are of lower income and where accessibility is a problem. How do we make the libraries more of a hub, coming out of COVID-19?

Mr. Stephen Abram: There isn't much that a library can't do to support government policy initiatives and funding efforts to improve the lives, education and economic success of Ontarians. We hit on all cylinders. The thing is that we have not had real increases based on inflation, so the elastic is stretched too tight now. In order for us to pivot—we're pivoting, but it's just too tight.

We like to make sure that we're creating people for employment in the arts and culture. We want to introduce kids to arts education. You can't do graphic arts now just by drawing on a page; it's so much computer literacy. Editing music in our music studios and all that sort of stuff—we introduce that at a very young age, and it's essential to the development of our communities. I do a lot of work with the Unity Charity, which teaches leadership skills to at-risk youth. They do amazing work, and the library partners with them.

We like to make sure that we're not just about reading. I hate it when people say that libraries are about books, because we're about reading, and that's the challenge we face.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Stephen Abram: So we partnered with the CBC—Shelagh is here, and within weeks of the COVID-19 lockdown happening, she pivoted all the reading festivals across Ontario, where we involve tens of thousands of children in reading Canadian authors and voting on the best book, to the CBC so that we could continue to encourage the right kind of reading, so our kids develop well.

We built Canada on a railway linking coast to coast, and that railway built Canada. We're building Canada now to make sure that everyone is linked to the world through broadband, and that we have the quality resources and access to entertainment and culture and music and everything effectively through your library.

Ms. Mitzie Hunter: I think it's a great vision; very powerful.

I want to use the remainder of my time to speak to the music sector as well as the Canadian Opera Company. Just today, my tiny Guild Festival Theatre in Guildwood, in Scarborough, which is an outdoor amphitheatre festival that happens every year—they decided to do porch plays and pop-up plays and work towards a drive-in play for the end of the summer. I was really proud of them because of their innovation. They recognize that the neighbourhood and the community in which they're nested is really missing the cultural offerings this year because of physical distancing and the lockdown.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: What is it that you could do to offer your culture, your music and your art to help people get through in the short term?

Erin, do you want to start?

Ms. Erin Benjamin: There are all kinds of examples. I talked about the online shows that artists have been doing from the outset, the drive-in concert idea, the balcony concerts. People are attempting socially distant concerts in a variety of different ways. I think I can speak on behalf of the live music industry and say that we've been doing everything we can to keep fans and our artists connected to each other and to reinforce the value of live music in this time of great need. There is nothing more important than access to the arts right now, especially live music, so that we can feel connected to one another, as part of a community, part of a neighbourhood.

There are many wonderful examples. Unfortunately—well, not unfortunately; I think that's what needs to be happening now—these are short-term and medium-term—

The Chair (Mr. Amarjot Sandhu): That concludes our time. Thank you for your time and for your presentation.

STRATFORD PERTH MUSEUM

ROYAL ONTARIO MUSEUM

NATIONAL BALLET OF CANADA

The Chair (Mr. Amarjot Sandhu): Moving along to our next group of presenters: I'll first start with the Stratford Perth Museum. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. John Kastner: My name is John Kastner. I'm the general manager at the Stratford Perth Museum.

The Chair (Mr. Amarjot Sandhu): You may start.

Mr. John Kastner: Thank you. Just to give a very brief backgrounder on the Stratford Perth Museum—and at the same time, I'm very humbled by the opportunity to speak to this group. It's greatly appreciated. This museum has been around in one form or another for over 100 years. In the late 1990s, it was transformed to a not-for-profit board, and that's the case today.

It is a unique model. That's perhaps one of the reasons we were selected here today. We get 45% of our funding from the city of Stratford and the county of Perth, and we're responsible for raising the other 55% of our revenue. Provincially, we also get the CMOG, our Community Museum Operating Grant, every year of \$24,000. Our annual budget here is about \$500,000.

In 2013, this museum had 853 visitors. Late that year, we rather organically began to build a close relationship with the Stratford Festival. In 2014, we jointly presented Shakespeare's First Folio, a book valued at \$6 million. The relationship with the festival paid immediate dividends as that weekend we had a person per minute through the museum.

In 2015, with the help of the festival, we were able to mount a travelling exhibit from the Anne Frank House that set a Canadian record for them and a new attendance record for us, with 11,000 visitors. Also in 2015, we sold part of the property here to the county of Perth, and they built the new archives facility which created an historical campus and some excellent synergies with the archives and researchers.

We've had exhibits from the Art Gallery of Ontario; Royal Ontario Museum; and the Harper Lee exhibit from Monroeville, Alabama, which came outside the United States for the first time. Those high-profile exhibits really changed the scope of the museum.

Then, in 2018, we launched the Justin Bieber exhibit—as you may know, he's from Stratford—and that also changed the museum again as we reached another high-water mark for attendance, with 15,000 visitors and a totally new demographic. So in five years, we went from 853 visitors a year to just over 15,000.

In 2020, we were poised for another great year, and then, of course, COVID-19 hit. We closed on March 13, for 87 days, and we reopened two weeks ago. Normally, at this time of year we would have about 100 people a day; I can tell you that in the two weeks that we've been open, we have had eight visitors.

1600

The relationship with the Stratford Festival, obviously, has been transformational for us. They sell tickets to the museum via their box office and website. They provide ads to us at no cost in their visitors' guide and playbills. They help us pursue high-profile exhibits, and we jointly create exhibits about the festival. The Stratford Festival is indeed, without question, our best friend. It was of course devastating in so many ways when they mothballed their season, and the ramifications for the museum speak for themselves when we look at the numbers.

It made me think of a remark by Justin Trudeau's father in 1969. Pierre Trudeau said living next door to the United States is “like sleeping with an elephant. No matter how friendly and even-tempered is the beast ... one is affected by every twitch and grunt”—well, let alone closing for a year. And so it is with the museum and the Stratford Festival—our data shows us that 65% of the people who visit the museum between May and October were at the festival that day, the day before or the next day. Add in the 30% of our visitors annually who come from outside Canada. In 2019, we had visitors from every province, 38 of the United States and 70 countries. Those international visitors come from as far away as—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. John Kastner: —Brazil, Iran, Sierra Leone, Russia and the Far East, and they're not always drawn here by the Stratford Festival; in most of those cases, they're drawn here by the Justin Bieber exhibit.

When you combine the pandemic itself, the Stratford Festival hiatus and the closing of the border to international visitors, I think it's reasonable to suggest or contend that no community museum in Canada has been as adversely affected as the Stratford Perth Museum. In addition, we

raise \$40,000 a year from an annual fundraiser, the Innkeepers' Dinner. That was in April, and it was cancelled. Our March break camp is one of our largest sources of revenue. It was also shut down, a loss of about \$3,000. Our exhibit sponsorship has completely dried up, because we have very few visitors.

I know this is a provincial committee, but I can say that without the federal wage subsidy, as well as a \$40,000 loan, I'm not sure the museum would survive the pandemic and our closure. We've done our budget again for 2020, paring down expenses and revenue expectations by about \$150,000 on both sides of the ledger. Additionally, we have changed our priorities as far as visitors go, shifting almost only to programming, moving much of it outdoors, which utilizes our seven acres of property.

Fiscally, 2020 will be very different for us. I doubt very much we will even reach our low-water mark of 853 visitors. We do have some savings. We have had a couple of surpluses in a row. We have put off our major exhibits until 2021, and we think we can tread water until next spring. That said, from a broader perspective, we can weather one year of this. It will eat into much of our reserve. Two years will be very problematic.

Finally, as I said, this museum model is somewhat unique, where we are required to raise 55% of our revenue. Personally, as a general manager, I like this model. It keeps us nimble. It keeps us entrepreneurial.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. John Kastner: We're constantly looking for partners and new ideas, and I think a lot of our success that we've had here can be attributed to this unique model. That said, while I prefer this independent model, it is particularly perilous at this time, and during this pandemic it is obviously very challenging for this museum. I'm humble in saying that, because I know that almost every sector of society and every sector of the province is in a similar situation, and to that extent I really appreciate the opportunity to speak about the heritage sector in Perth county, Stratford and this riding, and also in particular about the Stratford Perth Museum.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll move to our next presenter, from the Royal Ontario Museum. If you could please state your name for the record, and you will have seven minutes for your presentation.

Mr. Josh Basseches: Good afternoon. Thank you, Mr. Chair. To all the members of the committee: I'm really pleased to have a chance to be with you today. My name is Josh Basseches, and I'm the director and CEO of the Royal Ontario Museum. I'm grateful for the opportunity to share with you the impact of COVID-19 on the ROM, and I'm also going to talk a little bit about its impact on other agencies and attractions here in the province.

As I think you probably all know, the ROM is Canada's largest and most-visited museum, and one of the most-visited museums in North America. The ROM ranks first in Canada for highest museum attendance, fifth in North America, and 50th in the world of about 80,000 museums. Over the past number of years, pre-COVID-19, we've

been on an extremely successful trajectory. We have grown our attendance and membership by over 40%, getting as high as 1.5 million visitors, and are committed to being an economic and cultural engine for the province.

While we remain dedicated to this long-term strategic direction, the pandemic has caused a major setback. We closed our doors to the public on March 14, the first day of March break, which is one of the peak visitation periods of our year. We have been closed for four months, and during that period we have had zero attendance, zero self-generated revenue—which usually represents about 60% of our operating budget—and reduced contributed support and philanthropy.

We are grateful, I must say here today, for the provincial grant that has continued, and in fact we appreciated that grant being flowed quickly. That's really what has helped us stay afloat over these recent months.

The pandemic, as I'm describing, has resulted in an extremely serious financial situation for one of the great, iconic institutions of the province. We are currently projecting approximately an \$18-million loss for this fiscal year, against an annual operating budget of about \$65 million, so about a 30% loss on this year. That's following a \$2-million loss just in the last two weeks of the last fiscal year, so we're projecting about a \$20-million loss to get through this year. To deal with this financial impact, we've had to put half of our full-time and all of our part-time staff on declared emergency leave, and the half that are remaining are being paid at about four fifths or 80% salary right now, including myself and our executive team.

Now that Toronto has moved to stage 2 of the provincial reopening framework, we are very excitedly planning a restricted reopening of the museum in the coming weeks, and we are taking a variety of measures to ensure that both staff and visitors are safe when visiting the museum. While we are excited to see the public return to the museum, we are projecting that for the remainder of the fiscal year, we will likely see only 40% to 50% of the attendance that we would typically see.

In addition to my role as CEO of the ROM, I've had the pleasure of co-chairing the ministerial advisory council convened by Minister MacLeod, which brought together the province's 12 culture and tourism sector agencies and attractions. This group includes the ROM, of course, and other institutions like the Art Gallery of Ontario, the Niagara Parks Commission, Ontario Place and Science North, among others. I wanted to take the chance to briefly summarize the impact of the pandemic on this group of really critical agencies and attractions that are part of the province and that play such a role in the life of the province.

Prior to the COVID-19 pandemic—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Josh Basseches: —the combined annual economic impact of these 12 agencies and attractions was slightly more than \$1.5 billion annually. The COVID-19 pandemic has deeply affected our revenues, attendance and staff. Our combined pre-COVID-19 annual revenues were close

to half a billion dollars, and since mid-March, as I mentioned, all of us have gone to zero in terms of earned revenue. We project approximately \$98 million in loss for the first quarter of the year and more than \$200 million of loss over the entire fiscal year, assuming that all of us can reopen as the ROM is, and that will be permanently lost revenue.

Pre-COVID-19, we were projecting almost 14 million visitors in attendance across these 12 institutions, and given our closures, we are now projecting about five million, or an over 60% reduction in that number. The pre-COVID-19 employment of these organizations was a little over 5,000, and layoffs of either short-term or longer-term duration have affected almost half of the workforce of these organizations.

Our agencies and attractions are central to Ontario's cultural and tourism economies. We reach audiences across our province, as well as far beyond. We contribute to the province's health and well-being—obviously, the educational aspects and many others—while delivering significant economic impact to the province.

1610

As we reopen in the coming weeks, organizations like the ROM can be part of the solution and engines for the recovery that I know we all want. Our revival will send the signal that Ontario is open for business once again and will help instill confidence for Ontarians.

And yet, I have to acknowledge, as well, that it is clear that the major financial challenges we've been experiencing will continue.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Josh Basseches: As I think you all know, as part of the culture and tourism industries, we are one of the hardest-hit sectors, and it will take a long time for us to emerge from this crisis.

As we and as you develop multi-year strategies and business plans, continued direct financial support from the province will remain vital to ensure the sustainability of these critical organizations and what we in turn can give back to the province economically and culturally and in terms of well-being. In the near term, that support may actually need to be increased, owing to the challenges of some organizations. I say that while recognizing the many strains and demands on the finances of the province. But I would say that our cultural agencies and attractions give back on a financial and economic level to the province as well as to the tax base.

When this province starts to look to economic stimulus through infrastructure funding, when that time comes, I also want to acknowledge that we have a role to play. Some of us—

The Chair (Mr. Amarjot Sandhu): Thank you. Your time has come up now.

We have to move to the next presenter, the National Ballet of Canada. Please state your name for the record, then you can get right into your presentation.

Mr. Barry Hughson: Good afternoon. My name is Barry Hughson. I'm the executive director and co-CEO of the National Ballet of Canada, Ontario and Canada's

largest professional dance institution and the fourth-largest ballet company in North America. I bring greetings from my co-CEO and artistic director Karen Kain, one of Canada's most recognized artists in dance.

Thank you for inviting me to speak today about the impacts of COVID-19 on the National Ballet of Canada and the cultural and heritage sectors.

As we entered 2020, the National Ballet was in the middle of an extraordinary season, celebrating Karen Kain's 50th anniversary with the company, both as artist and artistic director. As we began our run of *Romeo and Juliet* in early March, the significant danger of COVID-19 became clear. And on March 12, we gave our last public performance.

Our buildings have now been closed for nearly four months.

We lost most of our March season, all of the June season, our first tour to London's Royal Opera House in 41 years, and we are now faced with the likelihood of losing the balance of 2020's public performances and related revenue.

Financially, the impact of COVID-19 has proved massive. We began our fiscal year, which runs from July 2019 through June 2020, projecting revenue of \$40,569,000. With the cancellation of all programming since March 13, we now expect to end the fiscal year with revenue of \$29,791,000, a decline of nearly \$11 million.

We have reduced the head count amongst our employees and contractors from 428 to 266. When the federal wage subsidy program ends, we will likely be forced to reduce the workforce further.

As we look ahead, the prospects for returning to large-scale, live performances in 2020 seem unlikely. While we can imagine ways to socially distance an audience, there is no viable way to socially distance dancers and musicians and no economic model that is sustainable under any social distancing requirements. The sad fact is that the National Ballet of Canada will not be able to return to live performances at our home at the Four Seasons Centre until audiences and artists can once again gather together safely, and as we all know, this is not likely to be in the near future.

Over the last 15 weeks, we've turned our attention to contingency planning, with a focus on protecting jobs and ensuring that the National Ballet of Canada can return as the world-class cultural attraction that it once was.

We are working to build our digital capacity so that we can stay connected to our community, audiences and donors through virtual programming, but any monetization of digital programming will not cover the lost revenue from live performances.

Today, our most immediate issue is getting our dancers back into a proper training environment. Ballet dancers are elite athletes who require continued training to keep their bodies in shape and to sharpen their skills. Since March 12, they've been training from home as best they can, but we hope to be able to return them to socially distanced training in August, with similar plans to those of professional sports teams that have been allowed to reopen training camps.

As for our financial health, we will likely need to continue to operate without significant box office revenue. This future will involve some measure of support from our governmental partners, which in a normal year totals about 24% of our annual budget; special funding relief measures like the federal wage subsidy; and continued backing from our donor community.

We also know that large-scale, live events of any kind will be the last to recover from the COVID-19 crisis. Despite all of this, we remain optimistic about the future. We're grateful for the responsiveness—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Barry Hughson:—of all three levels of government since the outset of the crisis. Our weekly calls with Minister MacLeod and her staff have been critically important in keeping the provincial government informed of our needs and having first-hand information available about the province's next steps.

I was proud to sit with my colleagues on the minister's Big Eight advisory council, and we produced a paper outlining the impact of eight of the largest arts and culture institutions on the health and vitality of our province. Combined, we are a magnet for seven million visitors each year and employ more than 3,000 Ontarians. Furthermore, Ontario's arts and culture sector as a whole generates \$26.7 billion annually, or 3.5% of the province's GDP—more than accommodation and foodservice and more than agriculture, forestry, fishing and hunting combined.

As the province begins its recovery, the arts and culture sector will be a vital partner in returning tourists to our region, contributing to the economy with every dollar spent by our patrons in restaurants, hotels, parking facilities and more.

Today, I respectfully ask that your support and guidance include:

(1) Clear timelines and insight for our reopening. While we respect that the realities of COVID-19 continue to evolve, it will be imperative that the culture and heritage sector is considered in each phase of reopening. Unlike other businesses, we will likely reopen as part of different phases and not just one. We will present our plan for reopening for socially distanced training for our artists in the coming days and ask that the province consider our plan similar to recently approved plans for professional sport.

(2) Support to increase digital capacity. The lifeline for the arts and culture sector will be in leveraging opportunities to deliver programming to audiences virtually, and we will need both funding and distribution support to move this forward expeditiously and in a manner that is financially feasible for our organization.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Barry Hughson: (3) Continued investment in core operating funding from the Ontario Arts Council. This financing is critical, now, more than ever.

(4) Enhanced coordination and alignment with federal initiatives, including the possibility of matching programs for private donations.

(5) Support for a major provincial marketing strategy and campaign that will invite the world to return to Ontario's theatres when it's safe to do so.

In closing, I am grateful for this opportunity to speak with you today, and as a leader in the arts and culture sector, I stand ready to partner with our government in any way I can to help bring Ontario and its people through this crisis.

Thank you for your time today and for your continued leadership.

The Chair (Mr. Amarjot Sandhu): Thank you. We'll start the first set of questions with the opposition members now. MPP Arthur.

Mr. Ian Arthur: Good afternoon. Thanks for coming in.

This question would be for both John and Josh, as museum representatives. It strikes me that museums are one of the areas that we can get back open in a safe manner. You're not supposed to touch things anyway, and you can space people out in a manner that is, I think, feasible, as you move people through the different exhibits. Do you see any opportunities for museums to help support other sectors in the arts, given that you have large amounts of space where physical distancing is possible?

Mr. John Kastner: Josh, you go ahead.

Mr. Josh Basseches: I'd be happy to quickly respond. Barry was talking about this group called the Big Eight, and the ROM is a part of that. We actually have regular discussions about how we can support different parts of the sector—I think you're absolutely right. For instance, we have a large outdoor performance terrace that we opened last August, and we have talked with our colleagues in performing arts groups, because outdoor performance has the potential to allow for a little more social distancing. We've offered that as one example, and I do think there are ways that we could work together with other parts of the sector, given the amount of space that we have, and we look for those opportunities.

1620

Mr. John Kastner: I would echo those remarks. This museum is an admittedly unique opportunity, as we're located on five acres of property, 300 metres outside the city of Stratford. So we're somewhat rural. We have a wetland and a large park area.

In the past two weeks, we've formed a number of alliances with the Stratford Festival, Gallery Stratford and the Stratford Public Library. Those programs, which are all what I would call not post-COVID-19 but current-COVID-19 programming, allow for social distancing. We are going to have actors and artists from the Stratford Festival do performances from our front porch. We're going to have Gallery Stratford do some crafts and things on our property. We have family bubbles on picnic tables that are separated. In addition to that, we're doing readings from our front porch for kids who are home from school, and that's going to be done by some of our students who are here for the summer. We refer to those as dramatic readings of children's books.

So there certainly is an opportunity for museums to be involved, not only internally at the museum—because we do have the capacity to provide social distancing but, as Josh said, externally as well where we have some property, similar to the ROM. So yes, I completely agree: There is an opportunity for museums to facilitate that for not only ourselves, but for other like-minded institutions.

Mr. Ian Arthur: MPP Andrew, do you want to ask any questions now that you're back?

The Chair (Mr. Amarjot Sandhu): MPP Andrew.

Ms. Jill Andrew: My Internet has been giving me great difficulties. I've been going in and out and not hearing all of your statements throughout the day.

In any case, I wanted to ask questions to John and also to—my apologies here. I'm not seeing your name there—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Jill Andrew: I wanted to ask questions related to museums and to the CMOG fund, which I have heard is just terribly underfunded. I know for larger museums, it may not be much of a trying issue, but I'm hearing from many of our small museums that it's certainly something that needs to be looked at.

I'm just wondering, in terms of retrofitting your museums, whether that's PPE for your staff or whether that's potentially PPE for students—I think of all the children that come to museums, where physical distancing can easily become an issue. I'm just wondering what budgetary considerations you've made around that and ensuring that your spaces are retrofitted for post-COVID-19.

Mr. John Kastner: Josh, you can go first again, if you'd like.

Mr. Josh Basseches: In terms of the retrofitting: As I referenced briefly in my remarks, we are looking forward, now that we're in stage 2 in Toronto, to reopening in July, and we have extensively looked at every part of the museum, as to how we can accommodate and keep social distancing. In terms of the retrofitting, it's things like—you can imagine, and you've all heard about this—Plexiglas where necessary, timed ticketing so that we have touchless ticketing. We've had to, for instance, close down any part of the ROM that is more of a hands-on area and a children's area. Children and youth are one of our most important audiences. We are not anticipating that we are going to be in a position to have school groups at the museum, which is a huge part of what we do through the fall, so that remains to be seen. Of course, making all of these changes—already-constrained budgets are further constrained to make it possible for people to come into the museum safely.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Josh Basseches: And as we can all imagine, there's the part of comfort to revisit: Is the public feeling that we can create the environment that will allow them to revisit? We'll know more in about three weeks as to what that looks like.

Ms. Jill Andrew: John, did you want to add anything further?

Mr. John Kastner: I think there are two elements to your question. Regarding reopening: We went through

similar expenses that were unexpected, of course—things like Plexiglas and sanitizing. Training was a big thing for us. When we spent about three weeks leading up to the very prompt opening of the museum—we found out on Tuesday that we could open Friday—fortunately, we had prepared for the inevitable, that we would open at some point, and we had done a lot of work. We did bring all of our staff back—

The Chair (Mr. Amarjot Sandhu): Thank you.

Mr. John Kastner: —on the Thursday, and including we had quickly hired—

The Chair (Mr. Amarjot Sandhu): Thank you. The time has come up for opposition questions. I will move to the independent members now. MPP Hunter.

Ms. Mitzie Hunter: Thanks very much to all the presenters. I believe the work that you're doing is really critical to communities, and we have to make sure to find a way for you to survive this and obviously to thrive and grow in the future.

I'd like to start my questions with the Stratford Perth Museum. I was struck by your comparison that it's like sleeping beside an elephant. Every movement that happens at the big Stratford Festival really affects you and your audiences.

There are other festivals, like the swan festival that I know was a big attractor of tourists. It just created such an atmosphere. My family and I would go down to the festival and enjoy the shops, the restaurants, all the attractions and the sights along the way.

What type of conversations are happening locally to think about marketing? There's discussion around domestic tourism first being where things open up, and encouraging Ontarians to explore their own backyards and front yards. Can you just talk a little bit about some of the planning that's happening and perhaps how the provincial government can help on the marketing side or in any other way?

Mr. John Kastner: Yes, certainly. As fate would have it, the city of Stratford struck a committee called the Stratford Economic Response and Recovery Task Force. I was asked to chair one of the subcommittees, and as we speak—I spent a lot of time today orchestrating the construction of causeways which will go into parking spots in front of downtown restaurants so that restaurants can fill the entire sidewalks with tables and chairs and double or triple the size of their patios. I'm not sure how I ended up with that file, but I did, and I was glad to take it. A lot of our friends are in the hospitality industry, a lot of our friends are in the Stratford Festival industry, so I was glad to take that on.

They've also taken a large area behind city hall, which is about 10,000 square feet, turned it into an al fresco project there where they've got seating for about 150 people, and people can buy takeout meals at the surrounding restaurants and then go behind city hall to Market Square and eat their takeout meals. We've also worked with the province to have that area licensed, so you can buy a bottle of wine or a beer at one of these adjacent

restaurants and take it over to the al fresco project behind Market Square.

There's a myriad of things that are happening. They've closed the road—you'll be familiar with Stratford—that goes along beside the Stratford Festival to traffic. It's pedestrians, bicycles, and also there's an al fresco element down there where people can take their meals, including beer and wine. So there are a lot of things happening here.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. John Kastner: It's a slower time at the museum. The festival is closed completely, so there are some resources for people who normally would be very busy this time of the year. They have put their hands in the middle to try to help with some of those projects.

Marketing is interesting. Like the conversations taking place across much of the province, particularly in Muskoka and along Lake Huron—how many visitors do you want? How many tourists do you want at this point? Do you want a lot of people coming in from the GTA, from the 416?

I think now, a lot of that conversation has been muted by the continuing declining numbers. There is less angst now than there was four or five weeks ago when this committee was struck. Someone mentioned about being open for business, which is an Ontario catchphrase these days, and certainly this area is that now. I can tell you the visitors we've had in the museum, such as they are—very few of them have been from Perth county. They're 416/905 visitors.

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Ms. Mitzie Hunter: I could really see that working, John. I would encourage you, your community and city hall to think of Stratford as a festival town. Right now, open air is being recommended. The area around the pond and all of that by the river is such a beautiful area that could be used.

In my riding, in Scarborough–Guildwood, just today, the Guild Festival Theatre, which is an open-air theatre normally in Guild Park, announced that they were going to be doing porch plays and pop-up plays around the community. Of course, it's very exciting and everyone's buzzing about it, but that's on a small scale.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: With Stratford, the depth is there in terms of expertise and artists—and I'm sure the ability to demonstrate the creative aspects, and to get through what is going to be a very difficult summer and fall, to be able to come back, hopefully, in another year or so when this is under better control.

Mr. John Kastner: I very much appreciate your observations about Stratford. I agree with them. Unlike my friends at the ROM—it is more of a rural, less condensed environment than Toronto, New York City, Chicago or lots of places like that. You would have a bit of an appeal during this creative time.

I think when you talk about the Stratford Festival and its impact here—I gave some numbers for the Stratford Festival as they were presenting at the federal level—

The Chair (Mr. Amarjot Sandhu): Thank you. I'm sorry to cut you off.

We have to move to the government side now. I'll start with MPP Smith.

Mr. Dave Smith: My first question is for John. You mentioned the Stratford Festival and the effect that it has on everything else in Stratford. They actually presented to us last week, and my understanding is that there are about 175,000 US visitors who come. The length of time that they stay represents between 300,000 and 500,000 people days, if I could refer to it that way.

When I look at your close proximity to both Michigan and New York state—combined, in the last seven days, they've had close to 5,000 infections. We were sitting at about 1,100 or so, maybe slightly less than that, in that same time period. It has been concentrated in three areas of Ontario. Stratford is not one of the areas where there have been significant infections.

How challenging is it going to be for you if we're not able to open the border to the US and invite those visitors to come any time soon?

Mr. John Kastner: Certainly, for the museum—and I can speak for the festival itself, because in these two areas, we are very similar. As I said, the majority of people who come here have been to the festival, so we have an idea. Our online ticket sales are from the 212, 313, 905 and 416 area codes; we know that. That's upstate New York and that's Michigan.

There are two elements to this. One is, as we can see right now, it's very difficult to suggest opening the border. In this riding here, Huron and Perth, we are 38 days without a new case. I think there are no patients currently in any of the five hospitals in these two ridings.

With that said, economically, this museum and the model of the Stratford Festival is very dependent on US visitors for a myriad of reasons; the dollar, for one.

As I just almost completed my thought on the previous thing—it's very apropos because it relates to this—there were more people who went to the Stratford Festival last year than there were who went to Ottawa Senators games. Ottawa is a community of one million people; Stratford is a community of 33,000. We're one thirtieth of the size, but we had the same number of visitors to the Stratford Festival as who attended the Ottawa Senators. Think about the economic impact on Ottawa of losing an NHL team and amplify that by Stratford losing the Stratford Festival. It's one thirtieth the size, and I argue the ticket prices are similar. They stay longer than they do for an Ottawa Senators game. Most people are here overnight because of hotels and meals, whereas the majority of people who go to Senators games live there and go home. The economic impact to me is so exponential and almost hard to monetize when you think about it in those terms. So it is an unbelievable challenge for this community, for the Stratford Festival and for us, even with the border open; without the border, it's difficult.

Mr. Dave Smith: I didn't mean to chuckle when you mentioned that—

Mr. John Kastner: No, everyone does.

Mr. Dave Smith: It's just that our colleague MPP Roberts is a big Ottawa Senators fan and he's taken some ribbing from us over the last couple of months. So when you brought up the Ottawa Senators and the fact that they don't have as many people go to their games as the Stratford Festival—it's one of those good ones to get in.

Mr. John Kastner: Now you have a water cooler remark for him.

Mr. Dave Smith: My next question is for Barry. I'm going to take a slightly different approach here. I apologize for not knowing a great deal about ballet. Both of my daughters took it, but only when they were five and six years old, so I really have no frame of reference. I recognize, though, that these are exceptional, elite athletes. How much lead time, realistically, in training do they need to get back to an actual performance level? You had mentioned that you wanted to be treated similarly to some of the professional sports. How much time are you going to need to get your athletes in game shape, so to speak?

Mr. Barry Hughson: Thank you for the question.

Our artists rarely have more than two weeks off in a given year when they're not physically training, so any kind of absence from regular training is damaging to their career. I would say that the last four months have been extremely damaging. Right now, we have a hope that we can get them back in a socially distanced training environment in August. If we do that, there is a chance that they can be performance-ready by our November and December season, if we can move forward with those seasons. Of course, the risk is, if they don't have that pathway to performance, that training pathway, our rate of injuries will meaningfully increase, and that will affect our ability to move forward as well.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Barry Hughson: So training is really quite critical.

I appreciate you sharing that you don't have a lot of background in ballet. You're not alone. It's sometimes difficult to understand the difference between—opening the ballet for live performance is not a flip of a switch. It's actually going to take many, many weeks for us to recover from a long shutdown, to be able to get to that place where we can safely return to the stage—not just due to COVID-19, but to ensure that our athletes are in their peak condition.

Mr. Dave Smith: Before I turn it over to my colleague MPP Crawford, I'm going to make a comment on that. It's not just getting back up and running; it will be the extended period of time that you have to get back into performance shape, so to speak, when there is going to be a need for support—because even if we were to say to you tomorrow, “Yes, you can start having your performances again”—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll come back to you in the second round.

We'll have to move to the independent members. MPP Hunter.

Ms. Mitzie Hunter: I really want to thank all of the presenters for the contributions you make to Ontario's communities and economy.

I do have questions for the ROM and also for the National Ballet. Are you both part of Toronto's Big Eight conversations? We keep hearing about that.

Mr. Barry Hughson: Yes, we are.

Ms. Mitzie Hunter: Therefore, you are seeking solutions in marketing and planning and all of that, which is excellent. Because you are more facilities-based—is there anything you're doing to think about presenting your offerings outside of those facilities? I just want to ask in case there are things that you are working on.

Mr. Barry Hughson: One of the challenges with professional dance is that it's quite different than—you can send a small group, a chamber group of musicians out into the community and they can play almost anywhere. The same thing for vocalists—you can send singers and musicians out into unique locations and keep the art alive in front of the public. With dance, it's more challenging. It's particularly challenging at the National Ballet, because we operate in partnership with five different unions, so there's very strict governance around the kind of space required for our artists to deliver what they do. So it's harder for us to do that.

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That said, I think the digital platform is really where our best hope is for continuing to deliver our art to the community during these next weeks and months, and so we have really accelerated work around building our digital capacity. We're working in partnership with the Canadian Opera Company to properly outfit the Four Seasons Centre, and then both the Imperial Oil theatre, which is the opera company's black box theatre, and our studios at the Walter Carsen Centre on Toronto's lake-front, so that we can more easily capture digital content.

I think the real challenge ahead is working with our unions to loosen restrictions within those collective bargaining agreements to make this kind of capture of content financially viable. So we have quite a bit of work to do, and we're trying to do it in an accelerated way.

Ms. Mitzie Hunter: I do get your invitations on the digital side, so thanks for all that you're doing.

I'm wondering about the ROM's education programs. What are you doing there to provide continuity, as you're thinking about the fall?

Mr. Josh Basseches: MPP Hunter, I know that you have a deep background in education and working with schools and youth.

Like Barry, we are very focused on how to use digital tools. Certainly, we get out across the province in all circumstances. In fact, as some of you may not know, 80% of the schoolchildren we serve are actually from outside the Toronto core and are—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Josh Basseches: —across the province. We have historically served them in person, but also by sending edu-kits around the province—and digital learning, particularly for Indigenous youth in northern parts of the province.

Our main push right now with youth and with school-age children is to develop curriculum and other programming that cuts across the ROM's art, culture and nature

mission. We're partnering with the Ministry of Education right now as to how to both develop and then deliver digital content to families with children at home, as well as preparing for how we can do that with teachers and school districts in the fall, because we are not anticipating that the traditional field trip is going to be an active part of what's happening with schools and children in the fall.

Ms. Mitzie Hunter: The schools are also developing their own virtual portals, and I can see the content that you provide being really excellent for that. So, hopefully, more investments are made on both sides to—

Mr. Josh Basseches: And on the investment side: It's investment in the right kind of infrastructure, the technology to be able to deliver this well, the portals that we are working hard to do—and then also engaging everybody, from our educators to our curators, to bring really exceptional content, whether it's on issues of climate change or cultural change or Indigenous programming, or work that is engaged with the importance of Black Canadians and their role in art, culture and nature.

Ms. Mitzie Hunter: I enjoyed the exhibits you've put on for the Black community. I think it was two years ago I had the opportunity to see that—and just the excellence of the art, and the presentation was great.

Mr. Josh Basseches: Thank you.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: There has been conversation throughout that the tax credit that individual philanthropists are provided could be improved in Ontario. Would you all agree with that?

Mr. Barry Hughson: Absolutely, yes. I think that would help tremendously. We're also interested in exploring whether there can be some kind of COVID-19 relief matching program to leverage private investment in our cultural institutions as we recover from the crisis.

Ms. Mitzie Hunter: Great.

Mr. Josh Basseches: I would just concur with that. We very much look for private-public partnerships. There are philanthropists that want to make a difference, and improving the tax credits and creating matching programs is a great way for the province to figure out how—

The Chair (Mr. Amarjot Sandhu): Thank you. Your time has come up now.

We have to move to the government side for their second round. I'll go to MPP Crawford.

Mr. Stephen Crawford: Actually, my first question was similar to MPP Mitzie Hunter's question. Something we haven't really talked about through this committee over the course of the last few weeks is philanthropy donations. Obviously, we've talked about government support, what the government can do to help certain non-profits or businesses, but I wanted to go a little deeper into what MPP Hunter went through about donations.

I'll start with Barry from the National Ballet. Perhaps you can give a sense of what percentage of your revenue typically does come from donations. And do you have any ideas? I guess a COVID-19-related matching program might be good. It would be nice to get that partnership of

philanthropists, donors and government coming together. I think they could have a big impact on your organization.

Mr. Barry Hughson: No question. For the National Ballet of Canada, we raise between \$12 million and \$15 million a year in philanthropy from individuals and corporations; that is of a \$40-million annual operating budget, just to give you a sense of its importance. It's very important.

I think in this period of COVID-19, there are some significant challenges because many of our donor programs are aligned with our activities in our performances, in our delivery of our content to the community through live performance. We are already beginning to work with our donor community to realign those core giving programs to meet the needs of this moment as we move through COVID-19, but we know it's going to be quite challenging ahead.

I do think the endowment incentives program at the federal level has been incredibly powerful in leveraging private philanthropy to grow the financial stability and capacity of our field. During the time of COVID-19, if any or all levels of government can participate in some kind of incentive program that would unlock private donations to help our organizations support the staffs that we're trying to keep employed through the crisis so that we can emerge from it—I think that's something I would be very interested in pursuing in partnership, certainly, with the province, but with all three levels of government.

Mr. Josh Basseches: MPP Crawford, may I add something to that?

Mr. Stephen Crawford: Yes.

Mr. Josh Basseches: All of Barry's points are good. I would add one more that I would be interested in this committee thinking about, which is that as thoughts turn from the emergency to recovery, and then to stimulus and how to jump-start the economy, I think that issues of the potential for infrastructure are going to be very important, and I would just like to acknowledge that that's where a private-public partnership is going to be very promising.

For instance, the ROM has a very exciting and dynamic shovel-ready—and I think shovel-worthy—infrastructure project that we are eager to move forward with, and we have private donors that are standing by to be able to put money on the table, but they want to do that in partnership with the province and the federal government.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Josh Basseches: Our project, for example, has the potential to create more than 1,000 jobs and more than \$600 million in economic activity if we can figure out how to do it. Early in March, we had one private donor that expressed an intent to put an amazing \$25-million leadership commitment on the table if that can be matched in relation to both provincial and federal support. So it's a way to really serve the economy, serve the well-being of the community and do so in a way that leverages private support.

Mr. Stephen Crawford: Obviously, the governments at both the federal and the provincial level have limited

capacity. We only have so much money, and you know the debt problem we have. But if we can leverage some of that private money, I think that's something we really need to explore, to get museums and organizations like the National Ballet of Canada and the Stratford Festival really on track.

Are private donations down quite a bit since COVID-19—I suspect they probably are—just given the financial uncertainty?

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Mr. Barry Hughson: For the National Ballet, I would say that our nearest and dearest, our most loyal donors have been sticking with us through the crisis. I think where we are losing traction is with the middle of the pyramid and the bottom of the pyramid, new donors and not-as-developed relationships, so those are the folks that are at risk.

Mr. John Kastner: It's very similar for us—not so much donors, which is a bit of an issue, of course. The big thing for us is sponsors. Our March break camp is sponsored. Our Justin Bieber exhibit is sponsored. We get \$10,000 with sponsorship of the Stratford Festival exhibit. It's very difficult to solicit those sponsors (a) because the museum is closed, (b) there are fewer—

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. John Kastner:—visitors, of course, so it's a tough ask, and (c) the places that sponsor us, while they're not closed and they're still successful, are under more stress, too. We are obviously an expense that is optional. So yes, it's difficult.

What I would like to see with a museum of our size is a better tax recognition for gifts in kind—people who build something for us, people who plow the snow, people who do all the landscaping for us, people who build all our picnic tables. They send us a bill, we write them a cheque, they write the cheque back, so they show that money as revenue and then they get a tax receipt for the exact same amount. There's very little philanthropic advantage to those gifts in kind, and for us—perhaps I can't speak for the ROM or the National Ballet of Canada—

The Chair (Mr. Amarjot Sandhu): Thank you. We have to move to the opposition side now for their time. MPP Andrew.

Ms. Jill Andrew: Good afternoon. Thank you for your comments.

I just wanted to share with you what I had gotten from TAPA in terms of some ideas they had, and I wanted to know if you all were on side with this. They mentioned considering allowing donations made in the 2020 tax year to apply to the 2019 tax year, enabling organizations to enhance their donations during this critical period.

On the note of the matching program, we actually have been asking this of the government for some time—to relaunch the Ontario arts endowment program, which, as we've been discussing, matched private sector donations with government funding. That being said, I have spoken to some smaller museums and smaller arts organizations who said that they were a little worried about the private sector potentially having too much control, so to speak, in

terms of leading the direction of arts content or what's programmed.

So I just wanted to have a conversation around the pros and cons of private-public partnerships in terms of matching programs. I see them as definitely a positive way to build revenue at a time like this, but I'm also hearing a lot of that undercurrent, especially from organizations that are afraid that some of the private philanthropy may undercut some of the more equity-seeking, revolutionary, more cutting-edge or, dare I say, radical works that artists may want to bring to the fore.

Mr. Barry Hughson: Thank you for the question.

First of all, at the National Ballet of Canada, neither our donors nor our board even have decision-making power over the programming. They do approve an annual operating budget and there's programming that's built within that budget, but that is purely at the discretion of the artistic director. All programming is purely at the discretion of the artistic leader of the organization.

I'm in full favour of any opportunity to leverage private philanthropy through public investment. It has proven itself time after time, and I would love to see the endowment incentive program at the provincial level started again. I'll share that in partnership with a number of organizations that have been able to leverage the federal program successfully over the last number of years, we have all agreed to become mentors to small and mid-sized organizations that don't have quite the same capacity in terms of development teams and so forth, to help them learn how to leverage these opportunities as they come. I think if there were a program in Ontario, those Ontario-based organizations, the larger organizations in the province, would step up to make sure that there is equity in people feeling they have the resources they need to leverage these programs.

Mr. Josh Basseches: I would certainly echo Barry's remarks.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Josh Basseches: I think these kinds of matching programs and private philanthropy are very important. Certainly, programmatically we keep a very strong separation between donors and their voice in relation to any content and the content itself, so I'm not at all worried about private philanthropy somehow torqueing or not serving more innovative and creative programming well. I just think it's very important to be able to leverage private support to engage with and enhance the support that comes both from self-generated sources and from the province.

Mr. John Kastner: Yes, finally, nor am I. The Stratford Perth Museum is on a smaller scale, but I can tell you about some of the exhibits we had that are maybe more cutting-edge for a small museum. We had exhibits from the Harper Lee museum, in Alabama, and we also had the Anne Frank House exhibit in 2015. We were scheduled to have it again this year, but we tabled that and it's going to come to the museum in 2021.

It's almost the opposite for us, in that we created a policy where we could reject sponsors. We would not

accept unsolicited gifts or sponsors, particularly if they were tied to any sort of artistic or curatorial direction.

With the Harper Lee exhibit and, in particular, the Anne Frank House exhibit, it really opened us up to a number of funds and foundations and private sponsors—including the Art Gallery of Ontario exhibit we had, which was the foremost collection of Inuit art, which we had here three years ago. That really opened us up to a lot of additional funding and sponsorship opportunities.

Of course, Josh, when we had the Franklin exhibit from the ROM, again, that opened some doors for us, both private and public.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. John Kastner: I don't see the peril in it. Josh alluded to the idea of the independence of the board and the independence of the staff—and we're a little bit of Teflon from undue influence, I would say, at this point.

Ms. Jill Andrew: Well, that is definitely good to hear, because I have heard otherwise, but of course everyone is open to their opinion. It is certainly something that I have asked the government directly, through letters to Minister McLeod, to relaunch, because it does seem to make sense. However, as a critic, the idea is to hear as many opinions and get as many different sides of the coin as possible.

Next, I had a question for Barry. I know that at the National Ballet of Canada you will have done extensive work to try to diversify your audience, to try to engage children, young people, communities that wouldn't necessarily have—

The Chair (Mr. Amarjot Sandhu): Sorry to cut you off. That concludes our time.

Thank you so much for your presentation.

LIAISON OF INDEPENDENT
FILMMAKERS OF TORONTO
LIVE NATION CANADA
SHAFTESBURY

The Chair (Mr. Amarjot Sandhu): We'll move to our next presenters. I would like to call on the Liaison of Independent Filmmakers of Toronto. If you could please state your name for the record, and you have seven minutes for your presentation.

Mr. Chris Kennedy: Thanks, members of the committee, for your attention to my testimony today. My name is Chris Kennedy. I am the executive director of the Liaison of Independent Filmmakers of Toronto, otherwise known as LIFT.

We are a charitable film organization that has been around for 40 years. We rent a 6,000-square-foot facility in Toronto. We have over 500 members and provide them with equipment, facilities rentals and professional development opportunities.

We support over 1,000 film productions a year through our facility. In addition, we offer the greater Toronto community over 180 workshops a year, as well as mentorships and support for community-based film projects. Our

workshops have an 80% attendance record, which represents about 1,000 people per year.

Our database of participants includes over 12,000 people who have networked with LIFT in one way or another over the past decades. Our past members have included notables like Atom Egoyan, Clement Virgo, Bruce McDonald and Patricia Rozema, and we continue to seed new talent into the larger Canadian film industry.

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We receive \$54,000 from the Ontario Arts Council, which is about 6% of our annual \$900,000 budget. Some 50% of our budget is self-generated through workshops, rentals and sales; the rest of our funding comes from three arts councils to support our programming, which includes our artists-in-residencies and our mentorships. We are currently running a newcomer mentorship program for newcomer filmmakers which is supported by RBC and Ontario Creates.

As a result of the COVID-19 pandemic, we had to shut our doors on March 13, suspend equipment rentals and cancel 40 workshops and refund \$26,000. Over the last four months, we have lost the equivalent of \$150,000 in earned income. This represents workshops, equipment rentals and sales revenue. Fortunately, many of the measures put forward by the federal government, including the Canada Emergency Wage Subsidy, the commercial rent assistance program and the Canada Emergency Business Account have gone a long way towards recovering this loss.

We have started to open, gingerly. We have been able to offer many of our workshops online, and we will continue to offer them online in the fall. With the emergence of phase 2, we will begin offering curbside pickup for our equipment rental services in July to service the members who are willing to start working on their film productions now that it is allowed again. Our hope is that we will slowly be able to offer our services over the course of the summer and into the fall, and that we will be able to be back to full capacity at the beginning of 2021. This, of course, relies on the ability of independent filmmakers to begin to make work again and the larger infrastructure to be there to support that productivity.

We have survived a fierce blow in the first few months of the pandemic, a chaotic moment of fear and loss, that has been blunted by the federal government's understanding of the value of the arts and its place in Canada's economic ecosystem.

Our biggest threat is now the future. In 2021, we worry that the support and goodwill that we received in the first few months of this pandemic will be clawed back in the name of austerity, and we worry the most in Ontario. Prior to the pandemic, arts funding in Ontario was cut in 2019, and we worry that this trend will continue during the recovery period. Although the brunt of the costs of the pandemic have been borne by the federal government, we hope the provincial government doesn't see this as an opportunity to return to austerity measures.

Public arts funding through the Ontario Arts Council, while a small part of our budget, is a significant part of our

organization. It both supports the organization and supports the larger community of filmmakers and artists and the community-minded colleagues that form the basis of Ontario's arts and culture scene. We worry that a further reduction in funding in 2021 will damage the interconnected community of artists, filmmakers and organizations that support the grassroots of our provincial arts scenes. This is funding that supports marginalized and under-represented communities, and supports the younger artists who will become the next generation of artists and filmmakers. Reducing public arts funding in 2021 will be a huge blow to the population in our province who have already sustained heavy economic losses over these last few months. The artists have eked out a living in an increasingly expensive province.

We'd also like to go on record to state that we support that public funding goes through the Ontario Arts Council rather than being funnelled through matching funds for private donations. The arts council has a system of checks and balances that enable oversight, equity and jurisprudence in a way that matching funding does not. It is ground-up, rather than top-down.

I imagine that a call for more public funding for the arts may fall on deaf ears, but I do want to state the irony that for arts organizations like LIFT—it is that for the last 20 years, arts councils have encouraged organizations to seek more earned income. During adjudication, the percentage of earned revenue was perceived as a sign of the longevity of an organization and made the organization more worthy of government support. However, a situation like this, where earned revenue is decimated, makes us particularly vulnerable and causes us to seek greater public funding to fill in the loss.

Finally, I want to emphasize that the future funding of the arts should also prioritize the ability to safely congregate when this is all over. The importance of the arts community in this province is in the physical presence that allows us to engage with each other. The temptation is to seek digital strategies as a solve-all solution, and indeed, many of the digital technologies have been very helpful for us being able to deal with this crisis. But the worry is that we will get carried away. Having the ability to watch Netflix or Disney+ or even CBC on your tablet at home is no substitute for public engagement with the arts in reality.

It might be the smaller niche arts that make Toronto such a vibrant city, and Ottawa and Guelph and other cities in Ontario are falling through the cracks as people de-stress in front of the easiest products they can find. When this crisis is over, we will need the support to help people present works to the public again, safely, so that we can engage with each other in real life and reconnect with the social closeness that art brings us when we can be in each other's presence again. This is especially key in a province like Ontario, where our proximity to each other should enable us to be safely and creatively together. We must continue to support this ability to interact in person again, when that time comes.

To reiterate, we must keep an eye on the future and make sure that we don't lose further funding to the arts

when the pandemic is over. That will be adding further injury to the arts and culture field at a time when we need the support the most.

Thank you again for your time.

The Chair (Mr. Amarjot Sandhu): Thank you.

Our next presenter is Live Nation Canada. If you could please state your name for the record, and you can get right into your presentation.

Mr. Erik Hoffman: Good afternoon. My name is Erik Hoffman. I'm president of Live Nation, Toronto. I can only imagine that today's testimonies and all the days leading up until today must be extremely challenging for this committee to take in, so with that, I thank you sincerely for your time.

Live Nation is the world's leading live entertainment company—run by a Canadian, I have to add. But I'm here not only representing my Live Nation colleagues, but also as an advocate for the entire live music sector in Ontario. I grew up in this industry quite literally. I've been a musician, a sound person, a production manager, tour manager and concert promoter for going on three decades. This is why what's happening to our business is particularly painful for me to witness. What was a thriving industry in Ontario entering what would have been a record year for audiences and revenues almost across the board is now a business that faces an almost impossible challenge.

How bad? Well, most concert promoters, venues, agencies, management companies, production companies and artists are operating at zero revenue. This isn't a bad quarter or two; this is a horrifying halt to our livelihoods. Sure, we can creatively pull together on online solutions or drive-in concerts to help us keep the candle burning during this time, but in no way will this carry us financially for much longer.

All that being said, I want to be perfectly clear that we were and continue to be 100% supportive of the decision to shutter large public gatherings back in March. This was the right decision at the time, and it most certainly saved lives.

I know you've heard about the \$3.5 billion to Canada's GDP and all the stats around jobs in music and the creative industries. Traditionally, these kinds of metrics have been the great untold story, rarely socialized. I don't think you need me to run through all these numbers again today, but what I do want to get across is just how independent the segment truly is. While the Canadian and, more specifically, the Ontario live music business has been up and running since the 1960s and 1970s, it didn't find its legs until more recent years and conducted itself in a truly organized manner, starting organizations such as the Canadian Live Music Association and having a dedicated conference specific to our live business.

With artists relying on their live appearance earnings over their recorded income in recent history, all eyes and reliance have shifted to the live sector. Because our industry in many ways is still in its infancy, many operators have never spent much time interacting with government. If I can be frank, we've done our own thing and forged our

own paths with very little asked-for support. But this time, it's very different. This time, we must lean on our government for help, or I'm very certain a very huge portion of our domestic music ecosystem will fall apart, leaving a gaping hole that will change Canadian culture for the worse.

Here are some examples of how government can help during this time:

- clear and user-friendly funding for the sector, whether it be through an existing fund or method, Celebrate Ontario or the OMF, for example, to accelerate the immediate need for financial relief;

- an extension of these funds specific to the subsectors of our business, production promoters, venues etc., with clear thresholds and requirements to access the funds. Existing initiatives, such as the tax rebate for landlords who house live music venues, were confusing, I believe, to some operators and the buy-in wasn't significant. We need to access funds directly;

- borders and international workers: a dedicated liaison or office for the music segment to seek guidance and provincial exemptions for our international artists, similar to professional athletes. While we will be working primarily with our domestic artists for re-entry shows, we will also need to access talent internationally—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Erik Hoffman: —to help fill our stages; and

- the ability to workshop re-entry policies long before they're applicable. Unlike some restaurants or retailers, the live music business is not able to flick a switch and come back to work in days or even weeks. The runway for us to safely plan and execute concerts, big and small, is typically many months at the best of times. Even without exact dates attached to a phase that would see fully functional concerts, the health authorities in our industry can come together now. It will set us up much better for greater success when we turn the lights back on.

Further, beyond the creative ideas that my colleagues have—many of which have been put forward to this committee already—it's my feeling that we need to look abroad to regions that prioritize the arts in the same way that Canada does. Take, for example, Australia, which has a robust plan to support the live music business: a \$345-million fund that includes an extended wage subsidy, a business reactivation fund, marketing campaign and many other initiatives. This is an excellent example of how government can support our segment.

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In closing, I'll leave you with this thought: In times of great stress, music, and specifically live concerts, can and historically have brought our nation together, no example being better than when the Tragically Hip took the stage for the final time on August 20, 2016, right here in Ontario. Over 11 million households tuned in that day, making it the second most watched event in Canadian history.

With the financial and health worries front and centre, never has it been more important for us to support those who bring us these special moments.

Once again, I thank you for your time.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We'll move to our next presenter, Shaftesbury. If you could please state your name for the record, and you have seven minutes for your presentation.

Ms. Christina Jennings: Good afternoon. My name is Christina Jennings, and I am the chair and CEO of Shaftesbury. Thank you to the committee for hearing my submission on how COVID-19 has impacted my business and our industry. I want to applaud the hard work that Minister MacLeod has done on behalf of the film and TV industry. She asked me to co-chair the film and television advisory panel, and I believe that you are in possession of our final recommendations.

COVID-19 has shown all of us the value of great concerts and our unique Ontario productions. Today, I would like to present some practical and actionable solutions to ensure that we have a vibrant domestic industry going forward.

A bit of context on Shaftesbury, if you don't know us: We are probably the largest domestic producer in the province. The differentiation between a domestic producer and a service producer is that we create and own the underlying IP—and almost always, our stories are Canadian. Service producers make shows primarily on behalf of US studios and networks. The annual split in Ontario is around 60% domestic and 40% serviced, compared to BC, which is 95% serviced.

Both domestic and serviced productions are important in and to Ontario and accounted for \$2.1 billion in production activity in 2019. Prior to COVID-19, we were on target to fulfill Premier Ford's publicly stated ambition of becoming a \$5-billion industry.

Shaftesbury has been in business for over 30 years. Our head office is in downtown Toronto, with 40 full-time employees. We make shows like Murdoch Mysteries, Frankie Drake Mysteries, Hudson & Rex, to name a few, and all of our shows are sold and seen around the world.

We shoot our shows all over the province. Just on Murdoch and Frankie, we have shot many times in Peterborough, Millgrove, Port Hope, Cobourg, Keene, Milton and Shanty Bay; on the west side of the province, in Guelph, Hamilton, Brantford and Cambridge. When we shoot outside of Toronto, we not only spend money in those local communities, but we showcase those communities to the world, and in some cases drive tourism.

In 2019, Shaftesbury had over \$100 million in production activity, and \$85 million of this was in Ontario, creating 4,000 jobs. Prior to COVID-19, Shaftesbury was on target to have our best year, increasing our production activity in Ontario to \$110 million and 5,200 jobs. Post-COVID-19, it looks like we'll hit \$73 million and 3,400 jobs, and we are one of the lucky ones.

Let me tell you about some of the issues we are facing to get our business back up and running in this new environment.

First, we must stay safe and avoid any cases of COVID-19 on our sets. To do this will cost money that is not part of our normal business, whether it is on-set medics, sanitization of sets and studios, or our crews needing to be

segregated and work less effectively while our cast practise their craft unprotected, staring back at crew who are all wearing PPE. Our company has tailored COVID-19 protocols and procedures for each of our shows, which have been vetted by the unions and medical officials.

It is clear that all parties on our sets are going to have to work together in a social contract to make sure that these protocols are successful. We estimate that our budgets per show will increase by 3.5% to 5%. By example, to make Murdoch Mysteries a safe workplace will cost us \$800,000, and right now, there is no clear path on how to finance these—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Christina Jennings:—extraordinary costs.

The second issue we face is insurance. I believe that our industry is unique in that it requires separate insurance for each production. Since the outbreak of the pandemic, insurance companies are accepting COVID-19 and other infectious disease claims on all new productions going forward. The costs of a temporary work shutdown, given a COVID-19 outbreak on set, would have to be borne by the producer, and these costs could be anywhere from a half a million to several million dollars. An uninsured loss would be something that many producers could never recover from.

A few other things that would make a huge difference—Minister MacLeod has a diverse portfolio that has been extremely hurt by COVID-19: tourism; live events; music; sports; cultural activities from the large, like the TSO and the ROM, to smaller local events. If Ontario Creates was to relax the definition of “studio,” companies like mine could be filming at venues hard hit by COVID-19, whether the Metro Toronto Convention Centre, the Canadian Film Centre or even Roy Thomson Hall. This could be a win-win situation for everyone, a unique opportunity to showcase and access some of the wonderful buildings that exist in the province and currently are left dormant in the wake of COVID-19.

Second, reduce red tape and stream the tax credits. Get them out of the door faster and into the hands of producers so that we can use them for much-needed infrastructure, overhead or COVID-19 costs.

To summarize what the province could do in the short term to get my company and our industry back to work safely and get our Canadian series back on air:

(1) All health and safety costs needed to make workplaces safe should be 100% tax-credit-eligible. I note that that the vast majority of these costs are labour and many entry-level positions. Recently, Quebec announced a \$40-million fund to promote a prompt start of new productions. It appears this fund will cover these new health and safety costs.

(2) The producers’ association, the CMPA, is working on a proposal with the federal government—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Christina Jennings:—and insurance providers to create a reserve fund that would backstop COVID-19 claims not covered by insurance. We would ask the province to consider participating in this fund. I note that

France has come up with a fund on this insurance issue and that the UK and Australia have proposals in front of their governments.

(3) Work with film commissions and local municipalities across the province to identify tourism, convention and live event venues that could be used in the short term as studios, and eligible for tax credits.

Thank you for your time. I’m happy to answer any questions.

The Chair (Mr. Amarjot Sandhu): Thank you so much. We’ll start this set of questions with the government. I’ll go to MPP Piccini.

Mr. David Piccini: I appreciate all of the presenters today and your thoughtful presentations.

My first question is for Erik. Erik, you spoke about marketing and some work that Ontario can do, of course. So \$13 million has gone out the door for Destination Ontario. But I’m curious, as we look now federally with the borders reopening—could you specify some advice on what you would like to see from this government on making sure Ontario is a destination both domestically and, when it’s safe to do so, globally as well.

Again, thank you for the work you’re doing. I’m a big fan of Live Nation and the concerts.

Mr. Erik Hoffman: It’s a great question.

We’ve certainly spoken with Destination Ontario. I think when it comes down to marketing dollars, and if there are new marketing dollars earmarked, we need to be able to apply those marketing dollars in very real and very usable ways. I think it’s one thing to direct everybody to a tourism site or some of the traditional tourism marketing—I’m talking about the idea of relaunching thousands of concerts.

I think the suggestion, rather than getting into the weeds—instead of having a fund that supports us, it would be more about having a fund that we can help steer. To me, that would be the most effective way to utilize those dollars. So often when we’ve got support from various levels of government—it’s great, it’s an additional amplification of the event, but it’s not replacing the dollars that we need to earmark to relaunch all of these events.

I’m hoping that’s answering your question.

The biggest differentiator would be to have those fellows work with us as opposed to just sending some artwork for a tourism site.

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Mr. David Piccini: I appreciate that. Good comments.

My next question is for Christina. Again, Christina, thanks for the breakdown and very poignant, well-articulated recommendations that you’ve rolled out. I wasn’t aware of the 60-40 split between domestic and service, and pointing at BC’s numbers—so my question is on your piece about studio space.

Certainly, from what I’m hearing locally of the towns you rhymed out—a number of which actually fall exclusively within my riding, so it’s very exciting for me. What recommendations would you lay out to government—let’s say a three- or five-point plan—on unlocking greater studio space, again cognizant of what I mentioned

this morning about our municipalities and unlocking municipal assets as well?

Ms. Christina Jennings: I think that the key is—say, you take a hockey arena that currently is underutilized. I can go in and film in that hockey arena. So why wouldn't we have that win-win?

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Christina Jennings: But if it's deemed a studio, then it's eligible for tax credits that I get to go in. It just makes it easier. I think there are ways of identifying these buildings in all the municipalities in Ontario where we can film, and as you say, I think it'll be a win for both sides.

Mr. David Piccini: Do you have some specifics? Are there some guidelines out there? I'm really getting in the weeds, I know, but I'm really keen to get this going. In speaking with the producer of Murdoch Mysteries, they specified specific height and width requirements.

Ms. Christina Jennings: Yes, there is. Ontario Creates has a very specific definition for a studio and, to be really honest, that needs to be relaxed right now in these extraordinary times. For example, the Canadian Film Centre is sitting up there on Bayview Avenue, unable to bring students in right now for its programs. It's losing all the revenue from all its events that they could have. I could go up and shoot—but it's not deemed a studio, so I can't. We just have to relax the definition of "studio" under Ontario Creates and it will create all sorts of new filming opportunities.

Mr. David Piccini: Again, thank you to all the presenters.

No further questions.

The Chair (Mr. Amarjot Sandhu): We'll go to MPP Smith now.

Mr. Dave Smith: I'm going to pick up on that, Christina, if you don't mind. You said that under Ontario Creates, there's the definition. I apologize for not knowing this, but do you know if it's defined in the regulations, or is it defined specifically in legislation? Does it require a legislative change or simply a regulatory change?

Ms. Christina Jennings: I don't believe it requires a legislative change. I think the tax credit—the one I talked about; the 100% of the tax credits—would require legislative change. I think the definition of "studio" does not, but I could get back to you on that.

Mr. Dave Smith: Mr. Chair, how much time is left?

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Dave Smith: I'll touch on the tax credit side of it, very quickly, and when we come back to the second round, I'll have a few more questions.

You talked about PPE being a 100% tax credit as opposed to something else. Right now, it would be considered one of your operating expenses and would come off your corporate taxes as an expense, coming from your revenue, reducing it.

If you made it a tax credit, would you be looking to double-dip, where you could still count it as part of your expenses, or would you be looking at it as some new type of a credit that you would get on the corporate taxes?

Ms. Christina Jennings: Yes, it would be a credit. When I cited the \$800,000 on Murdoch Mysteries, I would say that 85% of that \$800,000 is new labour. It's new labour to make sure our sets are sanitized—the on-set medics and all of that. If those jobs could be part of the 100% tax credits, that would be a huge benefit.

Mr. Dave Smith: So you're looking more for the labour side of it as opposed to the physical.

Ms. Christina Jennings: Well, we're not for 100%, because suddenly we're—

The Chair (Mr. Amarjot Sandhu): Thank you. We'll come back to that in the second round.

We have to go to the official opposition for their time of questioning. I'll start with MPP Stiles.

Ms. Marit Stiles: Thank you to all of you for being here and for presenting today. I think we heard some very strong calls for some significant action on the part of the provincial government for your various industries.

I want to ask a question to Chris from LIFT, specifically. I want to welcome him here. We had an arts round table in my riding, and LIFT participated. I really appreciated that. Our MPP Jill Andrew, our culture critic, was also in that meeting. So I know we've talked a little bit about some of these issues before.

You mentioned something of a critique of the matching donation programs, I think. Would you mind expanding on that?

Because I might get cut off, I also want to ask one other question, which is if you could expand a little on what you see as the long-term impacts, getting beyond the immediate closures and what that means for the industry and for independent filmmakers. What do you see as the impact going into 2021 and the role of the provincial government in supporting the industry?

Mr. Chris Kennedy: For the first question: The concern is that historically it feels like funding has been taken out of the arts councils to move towards matching funding. I think when Hal Jackman was involved, that was one of his ideas—that you'd have matching funds. That definitely promotes the bigger organizations. I saw that with the National Ballet of Canada; you guys were talking about this in the previous session. That really supports bigger organizations. For an organization like LIFT, whose membership is cash-poor because they're independent filmmakers, we don't get a lot of donations. Something like this would not have any benefit to us.

But the stronger benefit is the fact that the Ontario Arts Council is adjudicative. It's a jury of peers. It's a group that decides what organizations require support, rather than having the richest people in the province decide on what organizations require support. Again, it's grassroots rather than top-down.

It's definitely hard to see what the long-term impact is. I'm bracing for it because we've gotten past the first bit. I think the long-term positive is that we've realized that we're all in this together. When we closed down in March, everyone closed down—frustration, but no complaints; we all decided that this was it. We've done the work to help each other through this initial crisis. The worry is that in

the future, we'll get back to the old ways and pull out some of that support. That's, I think, what we're bracing for. We can make it through this year, but when COVID-19 is not looming over us, in a way, I feel like the potential is there for things to be cut back.

Ms. Marit Stiles: And the impact on your members—you must be seeing that as well.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Ms. Marit Stiles: They're obviously very precarious workers—and I know we talked about it with others earlier today—folks who may have other jobs that sustain them, and now those jobs are gone.

Mr. Chris Kennedy: Exactly. I think it's going to be a long time coming for people to get back to doing smaller projects. I know that Shaftesbury has large projects, but we support the smaller projects. I don't see there being a lot of demand, at least this year, and hopefully we'll get back to people working. But it really depends on the economy, it depends on health, and it depends on a lot of different factors that allow it. A lot of people have been really relying on stuff like CERB and the idea that universal basic income could keep that going. That would really be beneficial for our constituents, as well. People are going to be fearing for their livelihood for more than this year, so I think it's important to keep that in mind.

The Chair (Mr. Amarjot Sandhu): Further questions?

MPP Tabuns, before I do that, can you please confirm your attendance?

Mr. Peter Tabuns: Yes. Peter Tabuns, Toronto–Danforth riding. I'm here in Toronto.

The Chair (Mr. Amarjot Sandhu): Thank you, sir. Go ahead, please.

Mr. Peter Tabuns: Ms. Jennings, thank you very much for your presentation. I'm very happy to see you coming from my riding and speaking here today. You raised some very interesting and, I think, useful suggestions in terms of steps that could be taken to actually address the problems that the film industry is facing.

The relaxation of the studio definition certainly makes sense to me. Are there any practical issues here that we should be aware of that would be obstacles to doing this?

1730

Ms. Christina Jennings: Obviously, it would have to meet all the safety requirements. You'd have to be able to make sure that you've got whatever exits and fire—anything like that—before you could go in. That's just obvious.

The definition requires currently that you exist as a studio and that that is your primary source of income. So if we wanted to go into the Metro Toronto Convention Centre, for example, and film, that doesn't meet that definition. Its primary business is not the studio business.

None of us believe that this should be a big change for Ontario Creates. And we already have a big shortage of studios in Toronto, as you know. So the more that we can use government buildings or other convention centres—which are sitting dormant right now—again, is the win.

Mr. Peter Tabuns: It makes a lot of sense to me.

The insurance issue: Could you expand upon what's being done in other jurisdictions? I understand the value of resolving this one.

Ms. Christina Jennings: France, for example, has now got a—

The Chair (Mr. Amarjot Sandhu): Thank you. Sorry to cut you off. We'll come back to that in the second round.

Now we have to go to the independent members. MPP Hunter.

Ms. Mitzie Hunter: I want to thank all the presenters.

Maybe I can ask Erik to comment. You described many of the other jurisdictions that seem to be more ready or proactive in terms of setting out guidelines or putting funding in place. It was a common theme across all the presenters. How can we pick up the pace here in Ontario so that we're not losing talent, even, to other places?

Mr. Erik Hoffman: Well, you're not going to lose talent, because they can't go anywhere. But I know what you're saying and I'm certainly not making light of it.

I think we need to go through each of these initiatives one thing at a time, but the key, particularly when you get into the venues or smaller operators, would be the immediate need for relief. Some of the larger funds that have been earmarked, whether they're federal or the existing funds provincially—I think we need to get in some very real and immediate recommendations on how to access some of them, particularly as it relates to rent or fixed costs.

You're right in saying that some jurisdictions have been quicker to it—but no judgment passed on any of them. It's just more like, as Canadians, we would prioritize the arts and music, and we need to look at it sooner than later. I think the worry is that we won't be having this discussion in three months because a large share of our venues will be out of business.

Ms. Mitzie Hunter: And we don't want that.

Mr. Erik Hoffman: We don't want that.

Ms. Mitzie Hunter: After the fact, it's going to be harder to bring it back.

Do you have anything to add here, Chris, on how to pick up the pace in Ontario?

Mr. Chris Kennedy: No, I don't have anything to add on this one.

Mr. Erik Hoffman: Can I just say, on Christina's suggestion, this is an amazing example of a win-win across industries. I hadn't even thought about film and television occupying some of our extremely empty venues right now. I think if there's a take-away from this, that should be a very real possibility to be explored.

Ms. Mitzie Hunter: Christina, you also said that there were final recommendations that were made to the ministers' panel. Is that something that we can receive as a committee so that we can see those?

Ms. Christina Jennings: I'm certain you can. We submitted them about two weeks ago, and I can certainly check in with Minister MacLeod and make sure that you will receive copies of them.

Ms. Mitzie Hunter: I would appreciate that very much.

I loved your list of things that need to be done. One of them was insurance. You mentioned that France has come

up with a fund and a solution. Talk a little bit more about that, because it seems like it's across the industry that that's needed.

Ms. Christina Jennings: Oh, it really is. I've got to say, Chris, I really do feel for the smaller filmmakers and the smaller companies. Shaftesbury is a larger company, and we're looking at \$800,000 on Murdoch Mysteries, just as an example. But you've got a small independent film that you're making for \$1 million and you've got to add COVID-19 practices on top of that to keep you safe—how does that happen? So I'm quite worried.

The insurance thing is going to face those guys as much as me, and it's around the world. It is a global issue. So we're really hoping that the feds will work with the insurance companies and maybe with the province and come up with this backstop measure that works for Shaftesbury and works for Chris's small clients as well. We need insurance, because if we face the risk of uninsured losses it will cripple us.

Ms. Mitzie Hunter: Did you want to add to that, Chris?

Mr. Chris Kennedy: She's right. Obviously, the scale is different, but the fear and the worries are the same. How do you have a set with more than five people? As she was saying, the talent is not protected and the people behind the camera are. There are all kinds of issues that this has brought up. We're still figuring out how they work and how they're going to affect our members.

Ms. Mitzie Hunter: Christina, I believe you also talked about the WSIB tax credit deferral. You wanted to see that as a credit and not a deferral?

Ms. Christina Jennings: Again, I just keep using this \$800,000 example on Murdoch Mysteries—those \$800,000 of costs that we're going to incur as a company on that production that right now there's no funding for. Right now, in the way the federal-provincial system works, you could look to about 35% of those costs—

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Christina Jennings: —being covered by tax credits. We are asking that 100% of those costs be covered by both the federal and the provincial tax credit. That's our ask to government.

Again, I think of Shaftesbury: We might be able to get our way through this. Some of those smaller clients that Chris reps are smaller Ontario companies and will not be able to do it. That's what we ask.

Ms. Mitzie Hunter: You've said that Quebec has established a fund—

Ms. Christina Jennings: They just did. They just announced a \$40-million fund, yes, to get new productions started, and it looks like health and safety costs will be part of that fund.

Ms. Mitzie Hunter: Right, it was health and safety costs. That clears it up for me.

The Chair (Mr. Amarjot Sandhu): You have 15 seconds.

Ms. Mitzie Hunter: Thanks, everybody.

The Chair (Mr. Amarjot Sandhu): We'll start the second round with the opposition. I'll go back to MPP Tabuns.

Mr. Peter Tabuns: It was interesting to me, Mr. Hoffman, how you jumped in on the utilization of the venues by the film industry. I'm glad everyone was in the room for that same "aha" moment.

Where do you see the future for live performance, at this point? Is there any jurisdiction in the world where they're actually putting together substantial plans that will allow live performance to come back sooner rather than later?

Mr. Erik Hoffman: Yes, the definition of "sooner rather than later"—I think where we're at on the world-wide stage right now, with some outliers, would be the idea of reduced-capacity, non-traditional concerts in some of the larger venues. Certainly, it's a different tack in the southern United States, where it's a little bit more open right now. Even with a reduced cap, you're still seeing thousands of folks gathering.

How do I see concerts? I see concerts re-entering in a slow and safe manner. I think we'll be relying on our domestic talent into the fall. If you've followed any of our moves in terms of the larger concert announcements, we don't have any large public gatherings in 2020. I think we're like all of you in trying to put health and safety first and just edge back into what we know. It's obviously quite fluid.

We'd like to see some smaller-venue, reduced-capacity concepts approved and we're certainly putting some of these things forward, most recently in BC for our venue the Commodore Ballroom, and trying to live-stream but also have some audience participation. That's where we're at right now.

Mr. Peter Tabuns: Ms. Jennings, I'm going to go back to you. You recommended that mechanisms be put in place to accelerate the payment of tax credits as a way of providing, I imagine, cash flow for productions. What timelines are we looking at now, and what timelines do you think are going to be needed to actually turn things around?

1740

Ms. Christina Jennings: In our final recommendations that we made to the Ministers' Film and Television Advisory Panel that I was chairing—basically, there used to be a system in Ontario where you got the tax credit 85% as filed, leaving the last 15%. That got the money into the hands of the producer. What I like to say is, the bottom line is that it gets the money on the screen, as opposed to it being part of a bank's profit, to be really candid.

Again, for all of us—that's the small producers and the large producers—if we're going to get a tax credit, let's get it into our hands faster. Just get it in, because we'll be able to spend it, onscreen or on these COVID-19 costs or whatever the new methods are. That was one of the main recommendations of our report.

Mr. Peter Tabuns: The other thing that occurs to me is that—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Peter Tabuns: —you do a lot of domestic work, but you're also competing for service industry dollars. Who are the main competitors out there right now who are ahead of us in getting production safely back on track?

Ms. Christina Jennings: Well, Iceland and New Zealand are both back.

We are about to start shooting in Newfoundland on July 12. I think we'll be the first prime-time series in Canada to get back up. Shaftesbury has had to hire medical consultants now to advise us on every single aspect of our business—because suddenly it's all medical.

Again, I worry for the smaller Ontario companies, how they're ever going to be able to navigate this and afford this world.

It looks like Hudson & Rex will be our first show out, around July 12, but it's a whole new world. The way we shoot is going to be so different. I could take you through it. It's going to be quite remarkable. Chris said back to me what I said in my speeches: "Can you imagine? We're all going to be there with masks, and there are our actors standing there unprotected." It is really going to be a sea change in how we make our shows.

I'm very excited because Canada and Ontario have always been so innovative. We've always had smaller crews who've got that can-do attitude. We can get in and make it cheaper and just as well as the Americans. I think we're going to rise to this occasion, but it will be an interesting time. With each show, we'll learn something.

Mr. Peter Tabuns: Yes, of that I have no doubt at all.

What is happening with the American jurisdictions that you're competing with? Are they moving ahead in the way that New Zealand or Iceland are? Are there any moves happening there?

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Christina Jennings: Yes.

They are behind us, for sure. If you look at Netflix and all the big studios, they're not coming into Toronto, for example, as quickly as we're getting back to work. They're going to be coming back in maybe later in the fall. Again, I'm not completely clear on which states are ahead. California is opened up now, but I think we're probably about level with the Americans.

Mr. Peter Tabuns: It's important for us to at least be level.

Ms. Christina Jennings: Yes.

Mr. Peter Tabuns: We don't want a lot of production going back down there, without a doubt.

I think those are the questions I have for the moment.

Thank you, all three of you, very much. It has really been very useful.

The Chair (Mr. Amarjot Sandhu): Now we'll move to the independent members again. MPP Hunter.

Ms. Mitzie Hunter: I also want to say thank you to all of the presenters for the exciting work that you do. You're such a big part of Ontario's cultural scene and, frankly, I believe the soul of our communities in how people come together in this pandemic. It has really affected your industries in very significant ways, and you've made that very clear today—not just those who we see on the stage or in front of the camera, but all of the other talent that is behind the scenes that make it work.

I'm just wondering if you could speak to the industry pipeline and young people, and how you believe they are

being affected by what is happening with respect to COVID-19. I know that the arts and cultural scene is one which is an important training ground for young people and for young talent, whether they stay in the industry or not. Oftentimes, this is where they get jobs—summer jobs and part-time jobs as well.

Did you want to start, Christina?

Ms. Christina Jennings: Again, I think of things like low-budget feature films or Web series, which are usually made for just hundreds of thousands of dollars. That's where we all get our start; I did, on those tiny no-budget shows. My great fear right now is that those opportunities aren't going to be there to bring along the next generation of talent. Places like the Canadian Film Centre—it has not got programs running right now. I do worry that a lot of opportunities are going to be closed off for young people.

I still believe this is a fantastic industry for people to literally get in the front door and work their way up. So that would be my worry—that the smaller productions are really going to get hurt over this period.

Mr. Chris Kennedy: If I could jump in, from the more Ontario Arts Council-minded stuff—I also came up as a young person through community organizations and arts organizations that were supported by the Ontario Arts Council. It's a nurturing environment for young people. One of the things that we're seeing is that with COVID-19, a lot of the inequities that have been part of the province for a long period of time have come to the fore—whether it's rent relief for young people or older people, whether it's appropriate pay, whether it's racism. All of these things are holding a lot of our young people back. I think we have to keep that in mind—that it's not about people not being able to do stuff because they're incapable; there's actually systemic pressure against them getting to a certain level.

We're losing a lot of young people in the arts—

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Chris Kennedy: —because they just can't do it. I think it's important to keep that in mind. It has always fostered a strong scene because of its youth, but I'm fearful for that.

Ms. Mitzie Hunter: We actually had a really robust conversation this morning with Minister MacLeod about that—that it is not just time to address the recovery as it relates to the COVID-19 pandemic, but also the other major challenge that we have right now, where there's anti-Black racism, Indigenous racism that has surfaced during this time. We have to make sure that the arts and cultural community does not present barriers, whether through granting funding in those types of streams—even in terms of eligibility and often criteria that need to recognize that there need to be entry points for various artists from various communities and backgrounds.

Mr. Chris Kennedy: The Ontario Arts Council has been a leader in this in the province, in terms of funding racialized communities, putting their money where their mouth is and basically saying that the way that we get rid of some of the systemic issues is to support the people who need to rise against that. Supporting smaller communities

has been a real key to the Ontario Arts Council, and I think that's very important. They know where to put the money and the jury knows where to put the money. They know the smaller organizations. Again, funding the OAC especially is very good towards addressing a lot of these problems.

Ms. Mitzie Hunter: I want to thank each of the presenters for sharing your perspectives—such a broad range and a really important one.

The Chair (Mr. Amarjot Sandhu): One minute.

Ms. Mitzie Hunter: Ontario has, really, a globally leading arts and cultural scene, and we want that to be protected and we want it to have a place.

Maybe it will look different. I do agree with the fact that we have rules that were designed in a pre-COVID-19 time. Maybe those rules can be and need to be changed, and the way that we see space as creative space needs to be adjusted as well.

1750

The Chair (Mr. Amarjot Sandhu): I will go back to the government side. MPP Smith.

Mr. Dave Smith: Christine, I want to pick up a little bit on the tax credit concept again because I'd like to flesh out some of the ideas on it.

With respect to studios, are you suggesting that the lease or the rent amount that you as the film producer would pay would receive the tax credit, or are you suggesting the actual venue itself should receive the tax credit?

Ms. Christina Jennings: No, the venue would get the lease. I would lease the venue, so they would get the revenue from that, and then I would claim that as a tax credit.

Mr. Dave Smith: That's very clear at that point, then.

FilmOntario presented earlier this morning, and they had talked about the possibility of a fund where producers and so on would be putting some money into it because of the lack of ability to get insurance, and then the province and country would backstop that if there happened to be a work stoppage as a result of COVID-19. Any excess beyond what had been put into that fund by the producers—assuming or suggesting that it would be like paying an insurance premium—we would backstop. That was a concept that was put forward because of the difficulty of getting insurance. I'm sure it's something that was talked about at the council table you were part of. Conceptually, it sounds okay. The challenge that I see with it is, because of international trade rules around a lot of different things, there are restrictions on what governments can do that get seen as different types of subsidies.

I don't know enough about this, so I'm reaching out to you as someone in the industry. Are there trade restrictions in place right now that prevent other types of subsidies for your industry? And is there something, then, that we should be considering if we were doing this type of a backstop?

Ms. Christina Jennings: To be really honest with you, I don't know the answer to that question.

On our committee, because this is a global issue and a Canadian issue, we really left it to the CMPA, which is the

Canadian producers' association, to basically do the heavy lifting. The insurance business is complicated—it's global, to your point—so our committee just flagged the government that this was an issue, that there is going to be a gap in insurance for all productions going forward, both in the province and in the country, and how can we fix that. What might happen is, no new shows will go forward because there's no insurance and therefore no jobs, and therefore no content. So we did lead with CMPA.

I am not an expert, so I'm going to say I can come back to you on that, certainly. But probably what FilmOntario presented would be pretty accurate.

Mr. Dave Smith: My hesitation on all of this is, as a committee, we are going to make some recommendations on what we should be doing, and it would be incumbent upon us to make sure that if we make any recommendations, we're not making a recommendation that is against our trade partners' agreements because, in effect, we would be creating more damage for an industry if we did that.

The Chair (Mr. Amarjot Sandhu): Three minutes.

Mr. Dave Smith: So we have to be very cautious on those types of things and make sure that we do our due diligence on it.

Ms. Christina Jennings: Yes.

Mr. Dave Smith: I'm going to turn it over to my colleague MPP Piccini again.

Mr. David Piccini: Just two quick questions—the first one is for everyone. Building on Chris's comment on COVID-19 giving us an opportunity to really think critically about a variety of societal, racial, class discussions that we're having, I'm wondering if any of you have partnered with any of our Indigenous institutes.

Ms. Christina Jennings: Shaftesbury has been working with the Weengushk Film Institute up in Manitoulin Island. In fact, we've optioned a property from some young Indigenous creators. We're going to continue to work more with the Weengushk Film Institute. So that's our beginning in the last few years.

Mr. Chris Kennedy: LIFT has worked with the imagineNative film festival for 15 years. We've supported an artist every year to make their first film, and we supported them through the process of a short film. We're doing that this year, even though it's kind of on hold until we know more things about that. We were going to hire someone from the Indigenous community through Miziwe Biik, but because of the lack of clarity about how healthy the environment would be, we weren't able to hire someone this year, unfortunately.

But we're very much part of the community in Toronto, and the community in Toronto is a very diverse one.

Mr. Erik Hoffman: We don't work with any organization specifically, but obviously we present many Indigenous artists.

The Chair (Mr. Amarjot Sandhu): One minute.

Mr. Erik Hoffman: It's interesting that you bring this up, actually, because borne out of the success of the CBC Music Festival at Ontario Place, we would have had a concept that would see us creating an Indigenous music festival. There are a bunch of existing festivals—but

something that would amplify it in a greater way. We were working with some specific artists on bringing that together, which would have been this summer, but obviously we'll park that for 2021.

Mr. David Piccini: Everybody's coming to government; we're hearing every day about a number of different fiscal asks. I know we all understand; in an ideal world, we would be able to give everybody their ask, but we're limited—all levels of government.

I was just curious, in my role as parliamentary assistant to colleges and universities—

The Chair (Mr. Amarjot Sandhu): Thank you. I apologize to cut you off. That concludes our time. That also concludes our business for today.

Thank you to all three presenters, the committee members and the committee staff. As a reminder, the deadline to send in written submissions will be 6 p.m. Eastern Daylight Time on July 6.

The committee is now adjourned until 9 a.m. tomorrow, when we'll meet to continue hearings on the culture and heritage sector.

The committee adjourned at 1757.

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