



ASSOCIATION FOR  
**OPERA IN CANADA**

**ROAD TO RE-OPENING**

Written Submission

Pre-Budget Consultations in Advance of the 2022 Budget

**Submitted to:**

The Standing Committee on Finance  
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Association for Opera in Canada (AOC) appreciates the opportunity to submit a brief to the Standing Committee on Finance as part of its pre-budget consultations in advance of the 2022 budget.

AOC is the voice of Canada's opera sector: the companies, artists, businesses, and organizations that bring opera to Canadians and beyond. Our members are an important part of their community – be that a community in a large urban centre or a smaller town or city. Through partnerships and collaborations among the cultural sector, with community organizations and businesses, we reach out to Canadians from coast to coast to coast.

Our recommendations are as follows:

#### Tailored Wage, Fixed Expense and Basic Income Support

Whereas the arts and cultural sector is one of Canada's hardest hit sectors and has experienced ongoing and pronounced contractions in GDP and job losses, that the Government of Canada consider a sector-specific, tailored program in support of wages and other fixed costs through to the re-opening of the opera sector in early 2022. This support program should also include basic income support for artists, our sector's essential and most vulnerable workers who are predominantly self-employed and who will also need basic support now and through to re-opening in 2022.

#### Support for Innovation, Resilience, Sustainability and Equity

That the Government of Canada invest in the rebuilding of a more resilient, innovative, equitable and sustainable arts sector. This could be achieved in several ways including through well-funded stand-alone project support, through a cross-ministerial approach that appreciates the fact that arts touch our lives in many ways, or through a re-contextualization of existing programs of support for the arts sector through the Department of Canadian Heritage.

#### Capitalization Strategy for Financial Resilience

We recommend a federal donation matching fund to match all levels of organizational giving to incentivize and build all forms of capital including deficit elimination, working, risk and growth capital, in addition to the existing Endowment Incentives, which currently excludes small and mid-sized organizations that cannot meet the Endowment minimum thresholds.

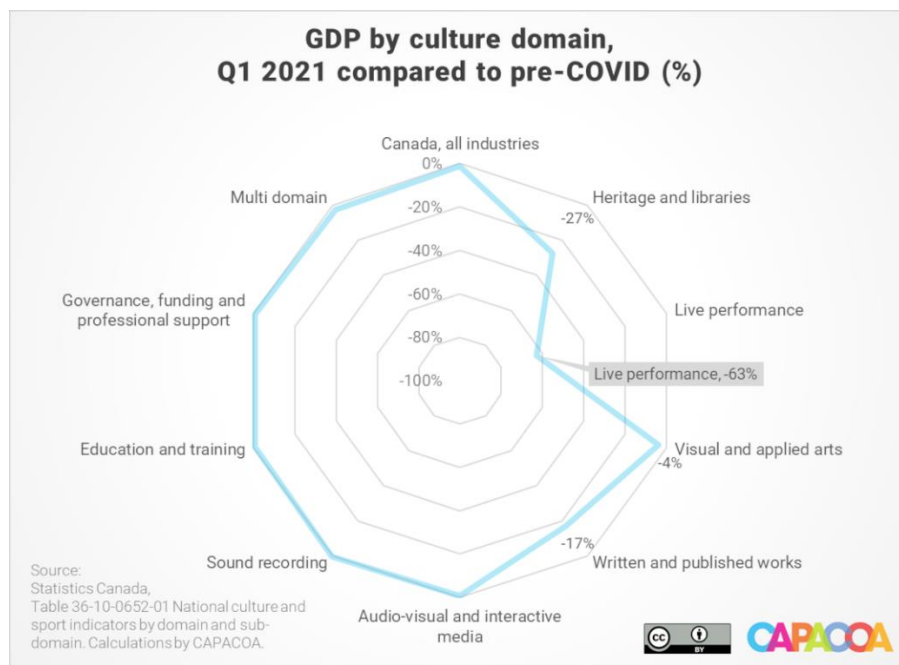
## Outlook for Opera in Canada 18 months into the pandemic

The sector greatly appreciates the emergency funding provided to date to the sector including the recent announcement extending the Canada Emergency Wage Subsidy, the Canada Emergency Rent Subsidy, the Canada Recovery Benefit, the Canada Recovery Hiring Program and enhanced Employment Insurance CEWS to support arts organizations through to the third week of October 2021.

Since March 2020, the pandemic has closed the opera sector from live production almost entirely with catastrophic repercussions for artists, arts organizations, and the people employed at these organizations. The closure of the opera sector has proven to be a long and protracted one. Most opera companies in Canada are now planning for a full return no sooner than winter 2022, which will have been a full two years of closure since the pandemic began. The major impacts of this long closure are a deep and prolonged contraction of GDP, lost jobs, increasing inequity and precarity, but also the potential for longer-term opportunities to develop resilience and build back better through equitable investments.

### Prolonged Decline in GDP

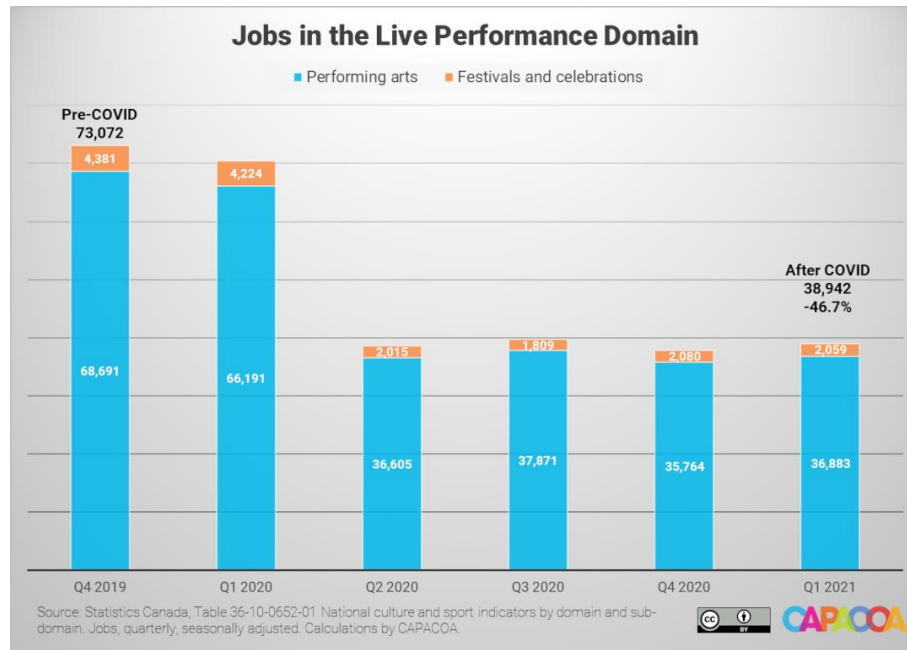
In the first quarter of 2021, the GDP of the live performing domain was still 62.9% below its pre-COVID level. This is much lower than in other culture domains, as the following chart attests.



Source: Statistics Canada, Table 36-10-0652-01 National culture and sport indicators by domain and sub-domain, real GDP (constant 2012 dollars), seasonally adjusted. Calculations by CAPACOA.

## Lost Jobs

A year after the pandemic's beginning, employment in the live performance domain sits roughly at the same level as during the second quarter of 2020: 46.7% away from recovery.



Source: Statistics Canada, Table 36-10-0652-01 National culture and sport indicators by domain and sub-domain, jobs, seasonally adjusted. Calculations and chart by CAPACOA

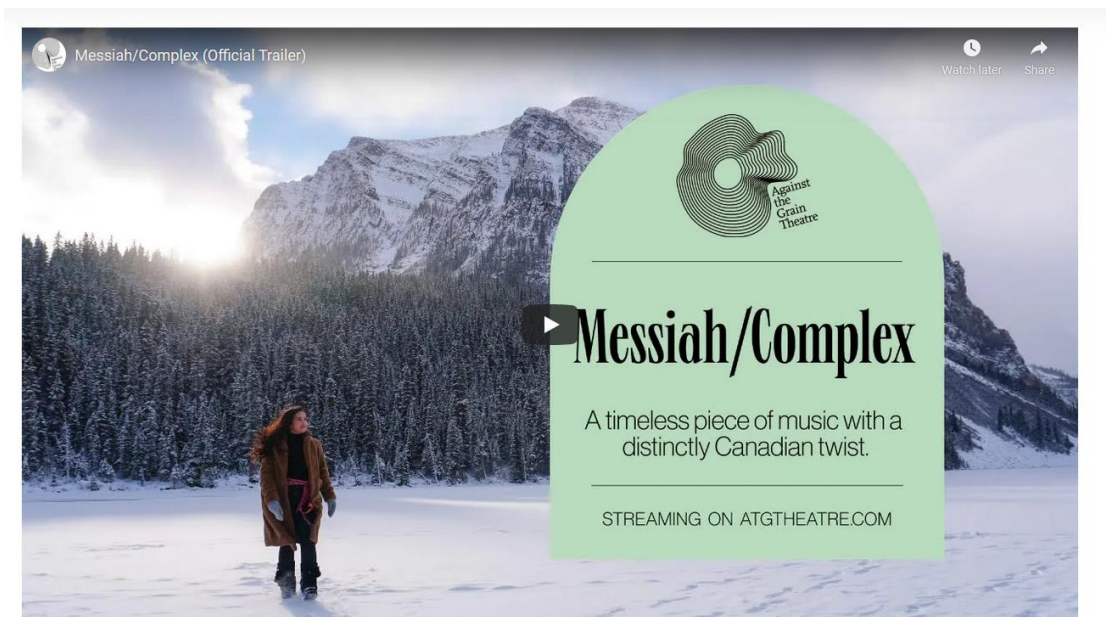
## Equity, Digital Innovation, and Resilience

These are some of the most commonly heard words throughout the pandemic in conversations around building back better. They are the main themes of the day and direct reflections of our times, and yet are often funded through special/niche project support. AOC recommends that during this period of historic infusions of federal funding, that the government ensure they are investing in systems that create equity, support innovation, and build resilience thereby addressing the needs and concerns of our times.

The pandemic has highlighted and exacerbated inequities and precarity in the sector. Opera artists, already the most vulnerable in terms of income and work precarity, have borne the brunt of the pandemic through cancelled contracts, loss of work, and increased pressure to learn, adapt, and develop new skills.

For opera organizations, whose doors have been closed to public gatherings for 18 months, they have seized the opportunity to adapt rapidly behind the scenes, harnessing new digital skills, innovating and planning for re-opening and building back better to become a more resilient, equitable, innovative, sustainable and inclusive sector. Questions remain on how virtual programming can solve the sector's lost revenue problem as business models for monetizing digital content are unpredictable.

Re-opening in winter 2022 will be no small feat for opera companies. When most re-open, they are looking at hybrid presentations, both live in theatre and digital, available to those at home through streaming. This will increase productions costs, even as ticket revenues are projected to be lower due to audience safety concerns. Our recommendation for support for equity and digital innovation will be essential to their re-opening success and longer term innovative capacity.



*The official trailer for Messiah/Complex. Edited by Coffeeshop Creative.*

Against the Grain Theatre's uplifting [Messiah/Complex](#) which captured the attention of tens of thousands of viewers across Canada, and 43 other countries around the world.

## Financial Resilience

COVID19 is not the first crisis to hit the live performing arts, and it likely won't be the last. The sector needs to become more resilient, and in particular, more financially resilient to withstand future shocks. Our recommendation for a federal donation matching fund will match all level of organizational giving to incentivize and build all forms of capital including deficit elimination, benefitting small, mid-sized and large organizations.

## Conclusion

The sector is united in its desire to bounce back, build back better, and re-emerge a more equitable, innovative and inclusive sector in the future, and greatly appreciates the opportunity to make recommendations on how the Government can enable our recovery.