

January 25, 2022

Re: The Canadian Association of Exposition Management (CAEM) 2022 Ontario Pre-Budget Submission: Supporting Ontario's \$14 billion exhibition industry to boost commerce and tourism in the post-pandemic economy.

The Canadian Association of Exposition Management (CAEM) is pleased to share its 2022 Ontario Pre-budget Submission. Our recommendation aims to provide critical funding relief to producers of trade shows and consumer shows, thereby preventing significant job loss and bankruptcy within the industry, with the goal of ensuring these shows survive to drive tourism activity to and within Ontario, while also stimulating billions of dollars of commercial transactions across thousands of different sectors and industries.

Recommendation: Inclusion of producers of trade shows and consumer shows in one or more of Ontario's COVID-19 relief funding programs

Due to the in-person nature of trade and consumer shows, the exhibition industry was completely shut down from March 2020 through September 2021. In December 2021, businesses in the industry were once again subject to closure under the modified Step Two of the Roadmap to Reopen, and today these businesses continue to be impacted by the provincially mandated 50% capacity limit. Moreover, despite these ongoing restrictions, trade show and consumer show producers have not been eligible, since March 2020, for Ontario government COVID-19 relief programs, including the Ontario Small Business Support Grant, the Ontario Tourism and Travel Small Business Support Grant, the Ontario Tourism Recovery Program, the Ontario Business Costs Rebate Program and the recently announced Ontario COVID-19 Small Business Relief Grant.

According to survey data collected from CAEM members in January 2022, 77% of survey respondents have experienced a revenue loss of 70% or more compared to pre-pandemic revenues, with 47% of these members reporting a 90% to 100% loss in revenue. Also, because of the most recent restrictions on events in Ontario, over 30% of CAEM members have been forced to lay off or terminate additional staff, with another 35% saying additional layoffs and terminations are now under serious consideration.

When surveyed on the future-outlook of the exhibition industry, 65% of survey respondents reported that continued public health restrictions will negatively impact their business into 2022, with an additional 25% reporting that continued shutdowns will have increasingly negative impacts, to the point they may need to consider shutting down their businesses. Additionally, over 80% of survey respondents anticipate negative impacts from public health restrictions will persist for a minimum of 12 months and up to 24 months after the events industry is allowed to permanently reopen.

By including producers of exhibitions in one or more of Ontario's COVID-19 relief funding programs, this Government can protect the \$14 billion Ontario trade and consumer show industry from bankruptcy and the loss of 100,000 jobs. This can be achieved in two ways:

- Under the Ontario Business Costs Rebate Program or the COVID-19 Small Business Relief Grant expand eligibility to include producers of trade shows and consumer shows
- Recognize producers of trade shows and consumer shows as businesses in the tourism and travel sector and include them when launching tourism relief funding programs such as the Ontario Tourism Recovery Program

While indoor meeting and event spaces are eligible for COVID-19 relief funding, these venues rely heavily on revenues from trade show and consumer shows producers who continue to be excluded from provincial support programs. Without access to this funding, these producers may no longer be in business when the industry is allowed to permanently reopen, jeopardizing the recovery of meeting and event spaces and the overall tourism economy. **As a result, the Government must consider expanding eligibility of COVID-19 relief funding when reviewing ideas to continue to support businesses during the pandemic and build an economic recovery.**

Thank you for your support,

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Background:

The commercial events sector has been one of the most impacted sectors in the pandemic. There has been no work-from-home option for expositions. As a result, businesses in the sector have had little to no revenue for over 23 months.

To address this, CAEM has been meeting with provincial government officials since July 2020, to raise the industry's voice and ask for assistance in securing funding for CAEM members.

With the introduction of proof of vaccination programs and the easing of capacity limits in late 2021 CAEM members were able to operate for approximately 2 months and began to plan and market for Q1 and Q2 events in 2022, including investments and expenditures related to the planning of these events.

With the latest capacity restrictions announced on December 17th and January 4th, planning of events has paused and most Q1 events have been cancelled.

Relief and liquidity remain major challenges for producers of trade shows and consumer shows, all the while not being eligible for Government of Ontario COVID-19 relief funding.

Continuing to exclude show producers from support programs could mean the collapse of this \$14 billion sector and significant job losses among the 100 000 Ontarians employed in the industry.

About the Canadian Association of Exposition Management

The Canadian Association of Exposition Management (CAEM) represents over 500 producers, venues, and suppliers of commercial events – also referred to as trade shows, consumer shows and/or expositions. The business events industry, including commercial events, directly employs 229,000 people across the country and contributes \$33 billion in direct spending annually to local economies. Expositions contribute to increased business development, support for the tourism and transport industries, and drive research, innovation, and professional connections across countless industries. CAEM represents convention centers such as the International Centre, Exhibition Place, and Metro Toronto Convention Center. We also represent, trade and consumer show producer members such as the Toronto International Boat Show, Canadian International Auto Show, North American International Motorcycle Supershow, Toronto Motorcycle Show, Landscape Ontario Congress & Trade Show, and Toronto Gift and Home Market which have anywhere between 5000 to 100,000 attendees. Learn more here: <https://caem.ca/>