



WRITTEN SUBMISSION FOR THE 2022 PRE-BUDGET CONSULTATIONS:

LEGISLATIVE ASSEMBLY OF ONTARIO

CANADIAN LIVE MUSIC ASSOCIATION

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BACKGROUND

The Canadian Live Music Association (CLMA) is the voice of Canada's live music industry. Established in response to an identified need in the music industry, the CLMA represents concert promoters, festivals, talent agencies, venues, clubs, arenas, performing arts centres, ticketing companies, other organizations and suppliers to live music from across Canada. Its mission is to entrench the economic, social and cultural value of live music – creating the conditions for concerts to thrive, from coast to coast to coast.

Live music plays a vital role in creating **vibrant cities**, driving value in multiple ways, including **job creation, economic growth, tourism development, city brand building and artistic growth**. As such, thriving live music companies create jobs, stimulate tourism, and directly contribute to the development of artists' careers. Pre-COVID, live music was the largest single driver of the music industry. This vibrant industry contributed upwards of \$3b to Canada's GDP and supported 72,000 jobs – the lifeblood for many of our artists... for whom touring and live performance was their primary source of revenue.

The last 22 months have meant different things to different industries. To the live music sector, it has meant the erosion of what is now a tremendously fragile cultural infrastructure, alongside other countless obstacles such as the pandemic-long insurance crisis, labour shortages, the substantial accumulation of debt, liquidity issues, an alarming consumer confidence challenge and above all – what has become chronic uncertainty.

This is the hardest moment yet for our sector.

Thank you for the opportunity to submit the following recommendations for both our short- and long-term future, which we know can only get brighter – though there can be no question that true recovery for us needs to come first, and hopefully soon.

Economically, socially, and culturally, live music activity is vital to Ontario's recovery. We can't wait to bring live music fully back to fans but need governments to recognize the ongoing hardships faced by those who have been, and remain, hardest hit by the pandemic. By acting on our recommendations, the Ontario government can help to ensure not just our survival... but our ability to help lead Ontario's *revival*.

In addition to the following recommendations, we support, and work to amplify, any and all additional efforts that call to help artists directly in these times of extreme need. As we work together toward recovery and rebuild, we acknowledge both the efforts made by governments and other associations on behalf of our sector and the long road ahead.

KEY RECOMMENDATIONS

We ask that the Ontario government continue to acknowledge and support live music as an integral component of the hardest hit sector. A thriving live music economy not only contributes enormous economic, social, and cultural benefits to our country, but is essential to our quality of life as Canadians.

The following recommendations will support the live music economy to ensure it is

positioned to survive financially into recovery and rebuild.

1. Take Immediate Action on Commercial Insurance

Faced with disproportionately challenging market conditions, live music venues (and many others across hardest hit sectors) continue to struggle to find appropriate commercial insurance coverage. Although rates had been rising pre-COVID, venues have been confronted with exorbitant increases in quoted premium rates and deductibles. Even those with no recent claims whatsoever against their policies, have been unable to secure commercial liability coverage at any cost. The threat of unaffordable or unobtainable insurance may force even more venues out of business. These venues are the heart of Ontario's music ecosystem and a hallmark of the province's cultural identity. Ontario has historically been blessed with a vibrant live music scene, with hundreds of bricks-and-mortar venues featuring live music as a primary or secondary element of their business. In a 2020 study, the CLMA set out to measure the impact of these spaces and found that Toronto's venues were generating over \$850 million in annual GDP contributions and providing the equivalent of 10,500 FTEs. Today, they face an uncertain future. Rounding the corner into year 3 of the pandemic, we still haven't moved the needle despite all efforts to realize viable solutions. It is among the greatest of ironies that live music businesses may ultimately fail not because of COVID, but because of the price of insurance. We are asking you to do whatever you can to help rectify this, including, if necessary, subsidizing commercial premiums until fairness and reason are restored.

2. Resourcing for Recovery: Increase the Ontario Music Investment Fund and the Reconnect Program; and Support Artists through Canada's leading music industry charity, the UNISON Fund

The Ontario Music Investment Fund (OMIF), administered by Ontario Creates, is a vital component of business development with demonstrated impact, and in a post-COVID world will be urgently needed to help businesses begin to reinvest in local and international activities. The shows we are losing today due to restrictions are much more likely to be canceled than postponed, and as a result we are seeing a permanent contraction of economic activity. Meaningful investment in the sector through this program is one of the straightest lines to recovery. Like OMIF, Reconnect Ontario is essential to our festival and live event ecology, generating increased tourism spending and positive economic impact at community, regional, and provincial levels. Increases to both of these programs should be made permanent to harness the obvious benefits of hyper-local events, which stimulate and service regional economies.

Finally, above all, we need to be thinking about our artists who make all concert activity possible. In 2021, Minister MacLeod was able to provide **Unison: Canada's leading music industry charity**, with \$2M in funding that enabled the organization to quickly and directly – with minimal red tape – provide essential emergency assistance to artists, creators, and industry from local communities across Ontario. Artists and the broader live music ecology have been deeply impacted by COVID-19, and this vital support to Unison was desperately needed, helping artists to manage unprecedented demand for

their services. And this demand will continue to increase.

Increasing the OMIF and Reconnect programs, and supporting Unison will help the industry to more quickly mitigate the blows we continue to suffer - to our artists, infrastructure, human resources, domestic talent development, and mental health.... Challenges that will persist until COVID is truly in the rear-view mirror.

3. Building Businesses Back: Expand Testing Access, Work with the Federal Government to Forgive Loans, and Offer Grants to Manage Increased Pandemic-Related Expenses

Since the onset of the COVID-19 pandemic, our industry has been in full compliance with regulations, which has effectively meant the shuttering of our venues and operations for the last 22 months. We have done so in recognition that the COVID-19 pandemic will only be conquered through collective civic effort and sacrifice. Health and safety measures are imperative to help rebuild consumer confidence and restore businesses of all sizes. Live music businesses have complied with all public health regulations, with many [leading the way](#)¹ by developing, sharing and implementing rigorous safety measures to ensure the health and safety of their employees, their artists and their crews. The sector is deeply committed to continuing compliance as the pandemic evolves.

In line with the Ontario Chamber of Commerce and many others, we agree that:

1. Ontario should expand access to rapid antigen tests and PCR testing to promote a return to safe business operations
2. Government should work with financial institutions and the federal government to forgive loans for businesses most severely impacted by public health restrictions such as live music and...
3. ...offer additional grants to businesses required to implement the government's enhanced vaccine certification protocols and to cover increased pandemic-related expenses for PPE, improved ventilation etc.

¹ <https://www.manula.com/manuals/ryerson-university/lights-on-venue-guide/1/en/topic/introduction>

CONCLUSION

Keeping these businesses alive saves the critical infrastructure that supports Ontario's live music ecology, communities and event businesses, and the unique local attractions that enhance our visitor experience. Action based on these recommendations, will help to reduce uncertainty, save businesses and help to ensure all Ontarians can once again, and hopefully very soon, have access to the world class live music spaces, artists, and experiences we have all missed so very much.