



FAME

FESTIVALS AND MAJOR EVENTS
FESTIVALS ET ÉVÉNEMENTS MAJEURS

CANADA

2018
Annual
Report



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Photo credit: Frédérique Ménard-Aubin



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FAME

FESTIVALS AND MAJOR EVENTS
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CANADA

Festivals and Major Events Canada (FAME) is a pan-Canadian association representing festivals and major events.

FAME aims to:

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

New Members

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

Concord Pacific Dragon Boat Festival



Edmonton Folk Music Festival



Cornucopia



Edmonton Fringe Theatre Festival



Vancouver International Wine Festival



Edmonton International Film Festival



Vancouver Folk Music Festival



TD Salsa in Toronto (featuring the TD Salsa on St. Clair Street Festival)



And the return of

Carnaval de Québec





Executive Director's Message

United we stand!

With its good news for the event industry, the budget tabled by the federal government in mid-March 2019 capped off a busy year at Festivals and Major Events Canada (FAME). It also demonstrated that, for festivals and events of all sizes and from across Canada, having a unified voice and working together around common goals can produce major results.

We'd been hearing it for many years: the Canada Arts Presentation Fund and the Building Communities Through Arts and Heritage Program, the industry's main support tools, were no longer meeting the needs. One-by-one, festivals and events were feeling the effects of constant reductions or outright exclusion. By adding \$40 million over two years, the federal government has just pumped new oxygen into festivals and events and recognized their fundamental role in the cultural ecosystem, as FAME had resolutely demanded.

Without the campaign led relentlessly by FAME, without the hundreds of letters of support collected from members of

Parliament, mayors and various associations, without the dozens of meetings held in Ottawa for more than a year, without participating in the pre-budget consultation process, and without effective partnerships with other stakeholders such as the Canadian Arts Coalition (which I sincerely thank), it's unlikely we would have had the same outcome. This time, the voice of FAME and of its members was heard. We can all cheer, but we also need to ensure a proper encore.

That's because much remains to be done by FAME and its members with regard to the other pillars identified in its *Plan to create a better business environment for all festivals and events* and many other challenges. These include ensuring the growth of the industry, its development, and its recognition as an economic and tourism engine.

As she prepares a new tourism strategy for Canada, Minister Mélanie Joly needs to recognize that, just like other "sectors," event tourism is a pillar that she can and must support. Millions of people choose to travel every year, a few dozen kilometres or a continent away, mainly to attend a festival or event. This has been established by serious studies. It's time to acknowledge the role being played so effectively by events of all kinds across the country as a driving force and strong attraction for tourism.

Over the next few months, FAME will be doing its very best to meet with representatives of the various parties in advance of the general election. Top of mind will be the concerns expressed by festival

and event leaders during recent meetings in Vancouver, Québec City, Toronto, Ottawa, Edmonton and Montréal. Despite the distances that separate them, all have one thing in common: to be determined and imaginative entrepreneurs.

Once again, I want to commend them, as well as their teams. Together, they are making the event industry in Canada a powerhouse, an asset. I also thank them for their confidence in FAME. I can reaffirm that the association to which festivals and events belong (or are in the process of joining!) is firmly committed to working in their interest and in the interest of their communities.

MARTIN ROY

Photo credit: Ottawa Bluesfest

Support from across Canada

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

Support increased as never before in 2018. About 100 letters were sent to the Minister of Finance and to officials responsible for Public Safety, Canadian Heritage and Tourism. All signatories supported FAME's position of keeping festivals and events safe, of ensuring their continued growth, and of the importance of "creation."

Letter signatories include major players in the tourism industry in Canada such as the **Tourism Industry Association of Canada**, the **Tourism Industry Association of British Columbia**, the **Alliance de l'industrie touristique du Québec**, the **Tourism Industry Association of New Brunswick**, the **Tourism Industry Association of Ontario**, the **Office de Tourisme du Québec**, **Festivals et Événements Québec**, the **Ottawa Festivals Network** and the **Regroupement des événements majeurs**

internationaux. Other signatories include the **Manitoba Hotel Association**, the **Ontario Restaurant Hotel & Motel Association**, the **Hotel Association of Greater Montreal**, the **Canadian Association of Fairs and Exhibitions**, **Tourisme Montréal**, **Tourisme Mauricie**, **Tourism Toronto** and **Montréal International**. The cultural sector is also represented through the **Canadian Arts Coalition**.

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

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



Support for events is now unanimous among federal parties

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

 Excerpt from a letter in 2015 from the New Democratic Party: "An NDP government will look into the possibility of creating a **specific program to support the major events industry**. A New Democrat government will work with the industry to find the best avenues to support its growth."

 Excerpt from a letter in 2015 from the Bloc Québécois: "The Bloc believes that the federal government should contribute to **facilitate the organization of major events**. The government has neglected Montréal at the expense of other cities for the past 20 years. It is about time that the Québec metropolis regains the place it deserves in the federal government's priorities."

 In a letter from 2015, the Liberal Party of Canada says: "Our party and our leader, Justin Trudeau, have firmly decided to support the cultural industry, including **major and minor festivals**. We understand the importance of being able to count on reliable funding, allocated in advance, for the long-term planning of major events. We recognize the value of all that these festivals contribute to the country. In addition to stimulating the economy and providing jobs to Canadians, it contributes to preserving and promoting Canadian culture by highlighting Canadian identity and ensuring that we remember that what brings us together as a nation is much stronger than our differences and divisions. A Liberal government will be ready to work with participants (...) to ensure that Canadian Heritage programs are effective and practical."

New study shows the importance of festivals and events for the economy and tourism

Highlights of the KPMG study released on May 31, 2018

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

The benefits

\$290.8M

in added value for the Québec economy

4,606

jobs created or maintained by the events (full-time equivalent)

\$66.6M

in government tax revenues

\$378

average expenditures by visitors from outside the region of the event coming primarily to attend the event

\$396M

total eligible expenses (tourism and operations)

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

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

Requests to the Federal Government

Partly included in the 2019-2020 budget



KEEP THEM SAFE

That the government provide additional funding in the amount of **\$10 M** for the Communities at Risk: Security Infrastructure Program (SIP), and expand the program criteria to include festivals and major events.

Ministries: Public Safety



HELP THEM GROW

That the government establish a funding program in the amount of **\$20 M** per year specifically dedicated to the growth of festivals and events with a capacity to generate touristic and economic activity.

Ministries: Innovation, Science, Economic Development/Tourism



Partly included in the 2019-2020 budget

FOCUS ON CREATION

That the government increase the budget of the Canada Arts Presentation Fund (Professional Arts Festivals and Performing Arts Series Presenters component) in the amount of **\$20 M**; and increase the budget of the Building Communities Through Arts and Heritage Program (Local Festivals component) in the amount of **\$10 M**.

Ministries: Canadian Heritage



Recognize that festivals and events, tourism attractions and festivals, are a **"pillar"** of Canada's future tourism strategy.

Ministries: Innovation, Science, Economic Development/Tourism



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

Ministries: Innovation, Science, Economic Development/Tourism

Organization: Economic Development Canada



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

Ministries: Finance



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

Ministries: Finance/Canadian Heritage



Photo credit: Concord Pacific Dragon Boat Festival

Six reasons to support the event industry

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

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

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

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

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

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

Anticipated impacts of investments

- They will optimize the **current offering** (duration of events, programming).
- They will allow for investments in **product and experience renewal**.
- They will allow for greater investment in **customer relationship** and **international visibility**.
- They will stimulate **joint initiatives** and **partnerships**.
- They will develop the use of **emerging technologies**.
- They will promote **sustainable development**.
- They will reinforce Canada's **competitiveness** on a global scale — access to the festival "big leagues" in some cases, alongside Coachella, Governor's Ball, etc. in Fest300.
- They will improve the **promotion** and **protection of cultural diversity**, the **presentation** of performing arts and up-and-coming artists.
- They will have an **economic impact** in several associated or related sectors and industries.

The events also generate:

- International media coverage.
- Positive impacts for neighbouring businesses and their neighbourhoods or towns.
- Strong hotel demand.
- Greater visitor satisfaction in Québec and Canada.
- Exportable expertise.
- Contributions at the cultural, educational and sports levels.
- Greater regional dynamism.



Photo credit: TD Salsa in Toronto (featuring the TD Salsa on St. Clair Street Festival)

2018 Highlights



July 3

Industry cocktail event held at the TIFF Bell Lightbox in Toronto, organized by FAME.

July 18

Ministers Joly and Rodriguez take over the Tourism and Canadian Heritage portfolios, respectively: FAME congratulates them in the days that follow.



May 31

New KPMG study released on economic benefits of 17 Canadian events: the numbers give even more credence to FAME's requests, says the association.

JANUARY FEBRUARY MARCH APRIL MAY JUNE JULY AUGUST

February 27

FAME is disappointed to see that festivals and events were ignored in the 2018-2019 federal budget.

June

Newspapers in Québec, Saskatchewan, Ontario, Manitoba and British Columbia publish FAME's executive director's appeal for federal government intervention to ensure safety at festivals and events.

The letter is also sent to the Minister of Public Safety.

June 28

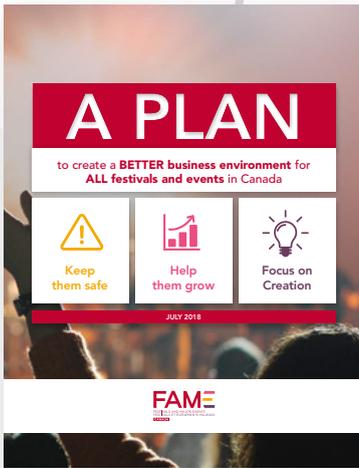
FAME meets with the office of the Minister of Public Safety.

August 16

FAME meets with the Minister of the Environment and officials of Canadian Heritage.

August 20

FAME makes public its brief to the House of Commons Standing Committee on Finance and the results of a survey that indicate that Canadians support federal funding to help festivals and events keep attendees safe.



October and November

FAME makes public its Plan to create a better business environment for ALL festivals and events in Canada.

In various cities, events publicly support the Plan to create a better business environment for ALL festivals and events in Canada and generate media coverage.

October 2

FAME meets the Minister of Employment and Social Development.

FAME participates in Arts Day in Ottawa with dozens of organizations also calling for reinvestment in Canadian Heritage programs, including the Canada Arts Presentation Fund.



December

FAME meets with members of the Economic Development & Tourism Advisory Committee, set up by Minister Joly, in preparation for a new tourism strategy.

December 7

FAME meets with the Minister of Canadian Heritage and Members of the House of Commons.

December 10

In its report on pre-budget consultations, the House of Commons Standing Committee on Finance suggests that the Government of Canada "increase funding for the Canada Arts Presentation Fund over three years, in order to have a strong domestic market that will serve as a launch pad on foreign markets for Canadian performing arts productions." It also recognizes "the economic and cultural benefits of fairs, festivals and exhibitions for local communities" and recommends allocating funds to these events to ensure their development.

September 5

FAME meets the Minister of Tourism's office and its senior officials.

September 9

FAME meets the Minister of Infrastructure and Communities.

September 26

FAME meets with the office of the Minister of Canadian Heritage, as well as an advisor with Innovation, Science and Economic Development and the office of the Minister of Public Safety.

November 2

In a letter at the conclusion of pre-budget consultations, FAME informs relevant ministers about recent developments before these members of the government submit their own demands for the 2019-2020 budget.

SEPTEMBER

OCTOBER

NOVEMBER

DECEMBER

October 9

FAME meets with Canada Economic Development.

October 17

FAME appears before the House of Commons Standing Committee on Finance in Edmonton as part of pre-budget consultations.



November 12

FAME meets with the Mayor of Québec and gets his support in the campaign for support of a Plan to create a better business environment for ALL festivals and events in Canada.

November 19

FAME meets the office of the Minister of Finance in Ottawa.

November 28

In a letter, the Mayor of Montréal adds her voice to more than 70 events, associations, cities and MPs who have written to MPs and ministers to show their support for the FAME campaign promoting the Plan.

December 14

FAME shares with the Minister of Finance the recommendations of the Standing Committee on Finance that affect festivals and events as well as the support received during the "Plan" promotional campaign.



● British Columbia/ Colombie-Britannique

Concord Pacific Dragon
Boat Festival



Cornucopia



Vancouver Folk Music Festival



Vancouver International
Wine Festival



● Alberta

Edmonton Folk Music Festival



Edmonton Fringe Theatre Festival



Edmonton Heritage Festival



Edmonton International
Film Festival



● Manitoba

Folklorama



Winnipeg Fringe Festival



● Ontario

Beaches International
Jazz Festival



Ottawa Bluesfest



Redpath Waterfront Festival



Rogers Cup (Toronto)



TD Ottawa International
Jazz Festival



TD Salsa in Toronto (featuring the
TD Salsa on St. Clair Street Festival)



Toronto Caribbean Carnival



Toronto International Film Festival



● New Brunswick/ Nouveau-Brunswick

Harvest Jazz & Blues Festival



● Québec

Carnaval de Québec



ComédiHa! Fest



Festival d'été de Québec



Festival International de Jazz
de Montréal



Festival Juste pour rire



Festival de montgolfières
de Gatineau



Festival Montréal en Lumière



Festival Western de St-Tite



Fierté Montréal



Franco de Montréal



International de montgolfières
de Saint-Jean-sur-Richelieu



Montréal Complètement Cirque



OSHEAGA



