



House of Commons Standing Committee on Finance – Pre-budget Consultations 2013

This brief is submitted by:

an organization Canadian Dance Assembly, 15 Case Goods Lane, Studio 312, Toronto ON M5A 3C4
Organization name: _____

or

an individual Name: _____

Topic: Arts and culture

***Recommendation 1: Please provide a short summary of your recommendation.**

Dance and other arts professionals are generally self-employed and many do not have medical, dental and other insurance coverage. Associations in the sector are working to develop programs tailored to the needs of arts professionals, but costs are a major issue. The community is seeking a one-time investment from the federal government of \$5 million into the Arts Professionals Insurance Trust. The Trust will provide a one-third premium subsidy for each eligible professional who subscribes to a qualifying private insurance program, for the first three years they are enrolled.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

\$5 million - \$9.9 million

1 year

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Roughly two-thirds of arts professionals must work outside their artistic discipline in order to survive economically. Many do so in temporary jobs where Employment Insurance premiums are paid. However, because of their freelance status, they are ineligible to collect regular benefits. The new EI Special Benefits provisions for self-employed are not structured in a way that benefits arts professionals. The funding for the Arts Professionals Insurance Trust should come either from the EI fund, or from general government revenues.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

To be eligible to receive a subsidy, the arts professional (as determined by membership in a relevant professional association) must have an annual Net Income of \$40,000 or lower. An eligible individual who is either currently subscribed to or enrolls in a qualifying private sector insurance program will receive a subsidy of one-third of the premium cost, for three years. The subsidies will be provided on a first-come, first-served basis and will cease after three years or when the funds are depleted, whichever occurs first.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

It is anticipated that, with the subsidy program in place, one or more of the private sector insurance programs will achieve a level of enrollment from arts professionals sufficient to ensure it is sustainable entirely as a private sector initiative. When it does so, the appropriate level of premiums/benefits will be achieved to ensure a reasonable growth in future years, as the associations continue to encourage members to participate. By supporting the arts sector in this way, the government will contribute to a vibrant and dynamic cultural sector.

Topic: Arts and culture



Recommendation 2: Please provide a short summary of your recommendation.

The Canadian Dance Assembly supports the proposals put forward in this process by the Canadian Arts Coalition for additional resources for the Canada Council of the Arts, renewal of all programs and funds of the Department of Canadian Heritage, and funds for innovation and market development for the performing arts and other cultural sectors.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

\$100 million -\$499.9 million

1 year

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Topic: Please select from the pull-down menu

Recommendation 3: Please provide a short summary of your recommendation.

The Canadian Dance Assembly supports the proposal put forward by CAPACOA that the Canada Arts Presentation Fund be renewed.

Expected cost or savings: From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

Please select from the drop down menu

Please select from the drop down menu

Federal funding: Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

Intended beneficiaries: Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

General impacts: Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Please use this page if you wish to provide more explanation about your recommendation(s).

Artists and other cultural professionals are generally self-employed and their earnings are low compared to other Canadians. Many do not have access to the social benefits enjoyed by other workers, including medical, dental and life insurance. The federal Status of the Artist Act and various Canada Revenue Agency Interpretation Bulletins acknowledge the unique working circumstances of artists and associated arts professionals.

For many years, associations representing arts professionals, including the Canadian Dance Assembly, have been working with a range of insurance providers to develop programs tailored to the needs of their members. Outside the larger permanent companies and unions with established collective bargaining relationships, none of these private sector initiatives has yet achieved a critical mass of subscribers, among a broad base of arts professionals.

In the largest initiative, roughly 30 associations, including CDA, who represent tens of thousands of arts professionals have worked with the Actra Fraternal Benefit Society to launch the Writers Coalition Program and the Arts and Entertainment Program. AFBS is a highly successful not-for-profit, member-owned, federally-incorporated insurance company which offers comprehensive health, dental, prescription drug and other insurance exclusively to professionals in the arts and culture sector. Monthly premiums for single coverage vary from \$112-142 depending on the age of the individual. Coverage for families can range up to \$365 per month.

Between May and June 2012, arts associations collaborated in a survey to judge the interest of their members in this campaign. Of the close to 1,000 respondents, 76.2 percent reported they did not have insurance coverage because it was too expensive. But, 64.2 percent reported they were likely or very likely to enroll in the cost of the premium is subsidized.

This is why the arts community, including CDA, is seeking a one-time investment of \$5 million into the Arts Professionals Insurance Trust, which the arts associations will establish.

*Please note that at least one recommendation must be provided



**House of Commons Finance Committee
Proposed Template Answers**

Topic – Arts and Culture

Recommendation 1

Arts professionals are generally self-employed and many do not have medical, dental and other insurance coverage. Associations in the sector are working to develop programs tailored to the needs of arts professionals, but no initiative has yet achieved the critical mass of subscribers, among a broad base of arts professions, necessary to make it self-sustaining. Therefore, the community is seeking a one-time investment from the federal government of \$5 million into the **Arts Professionals Insurance Trust**, which they will create. The Trust will be responsible for providing a 33.3 percent premium subsidy for each eligible professional who subscribes to a qualifying private insurance program, for the first three years they are enrolled. It is anticipated that this investment will ensure that a critical mass of subscribers will be achieved in one or more of these insurance programs to make them self-sustaining.

Estimated cost – \$5,000,001 -

Time – one year

Federal Funding

Roughly two-thirds of artists and other arts professional must work outside of their artistic discipline in order to survive economically. Many do so in temporary jobs where Employment Insurance premiums are paid. Yet, because of their freelance status, they are ineligible to collect regular benefits. Further, the new self-employed EI Special Benefits provisions are not structured in a way that corresponds to the circumstances of arts professionals.

The funding for the Arts Professionals Insurance Trust should come either from the EI fund, or from general government revenues.

Intended Beneficiaries

To be eligible to receive a subsidy, the arts professional (as determined by membership in a relevant professional association) must have an annual Net Income of \$40,000 or lower. An eligible individual who is either currently subscribed to or enrolls in a relevant private sector insurance program will receive a 33.3 percent subsidy for three years. For existing subscribers, this three year period shall commence on the first day the program is operational, for new subscribers, it will commence on enrollment. The subsidies will be provided on a first-come, first-served basis and will cease after three years or when the funds are depleted, whichever occurs first.

General Impacts

It is anticipated that, with the subsidy program in place, one or more of the private sector insurance programs will achieve a level of enrollment from arts professionals sufficient to ensure it is sustainable entirely as a private sector initiative. When it does so, the appropriate level of benefits/premiums will

be achieved to ensure a reasonable rate of growth in future years, as the associations continue to encourage their members to participate in a program tailored to their needs.

By supporting arts professionals in this manner, the government will contribute to a vibrant and dynamic cultural sector.

More Explanation

Artists and other cultural professionals are generally self-employed and their earnings are low compared to other Canadians. Many do not have access to the social benefits enjoyed by other workers, including medical, dental and life insurance. The federal *Status of the Artist Act* and various Canada Revenue Agency Interpretation Bulletins acknowledge the unique working circumstances of artists and associated arts professionals.

For many years, associations representing professional artists and other cultural professionals have been encouraging their members to obtain insurance coverage. Some have worked with a range of insurance providers to develop programs tailored to the needs of arts professionals. Outside of the larger permanent companies and guilds and unions with established collective bargaining relationships, none of these private sector initiatives has yet achieved the critical mass of subscribers, among a broad base of arts professions, necessary to make it self-sustaining.

In the largest initiative, roughly 30 associations, representing tens of thousands of arts professionals have worked with the Actra Fraternal Benefit Society to launch the Writers' Coalition Program, and the Arts and Entertainment Program. AFBS is a highly successful not-for-profit, member-owned, federally-incorporated insurance company which offers comprehensive health, dental and prescription drug coverage, as well as life and travel insurance exclusively to professionals in the arts and culture sector. Monthly premiums for single coverage vary from \$112-\$142 depending on the age of the individual. Coverage for couples is available for \$205-\$261 per month and family coverage is available for \$295-\$365 per month.

Between May and June 2013, arts associations collaborated in a survey to judge the interest of their members in this campaign. Close to 1,000 members responded in the tight deadline provided. Of the respondents, 76.2 percent reported they did not have insurance coverage because it was too expensive. But 64.2 percent reported they were likely or very likely to enroll in the insurance program if the cost is subsidized.

Therefore, the community is seeking an investment from the federal government of \$5 million into the **Arts Professionals Insurance Trust**, which the arts associations will establish. To be eligible to receive a subsidy, the arts professional (as determined by membership in a relevant professional association) must have an annual Net Income of \$40,000 or lower. An eligible individual who is either currently subscribed to or enrolls in a relevant private sector insurance program (including the AFBS programs) will receive a 33.3 percent subsidy for three years. For existing subscribers, this three year period shall commence on the first day the program is operational, for new subscribers, it will commence on enrollment. The subsidies will be provided on a first-come, first-served basis and will cease after three years or when the funds are depleted, whichever occurs first.