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Written Submission for the House of Commons Standing Committee on Finance
Pre-Budget Consultations in Advance of Budget 2025

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From the

The Canadian Dance Assembly

Respectfully submitted by

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Recommendation

1. That the Government of Canada permanently allocate at least 1% of its overall spending towards arts, culture, and heritage. To achieve this for the 2025-26 fiscal year, the Government should increase its allocations by \$330 million, via:
 - \$140 million to the Canada Council for the Arts
 - \$190 million to the Department of Canadian Heritage

The Canadian Dance Assembly

The Canadian Dance Assembly exists to facilitate the dynamic exchange of information relevant to Canadian professional dance of all forms and aesthetics. It strives to cultivate a strong national voice for Canadian professional dance and to support the development of resources for this field of artistic expression. It is the members of the Canadian Dance Assembly, through their activities, experience and participation, who provide the dynamism and synergy that make the organization vital in the Canadian arts milieu.

We represent a membership of over 100 dance organizations and 500 individuals; alongside our provincial partners, CDA has a global reach to a dance community of approximately 3000 arts workers. The Canadian Dance Assembly is happy to participate in the pre-budget process offered by the Standing Committee on Finance.

Mandate Letter

Our recommendation fits specifically into the four priorities, listed below, as articulated by the Prime Minister in his [mandate letter](#).

We will remind you, Committee members, that the [Liberal Platform](#) already committed to increases applicable to our recommendation, as it stated that the Government would:

Support Canadian artists and creators by increasing funding to agencies such as the Canada Council for the Arts, Telefilm, the Canada Media Fund, and the National Film Board, recognizing the economic importance of Canada's creative industries and creators.

We humbly submit the following arguments as to why our recommendation ties directly into the goals of the Government of Canada:

1) Protecting Canadian sovereignty

The dance, arts and culture industry underpins our sovereignty. A thriving industry is one in which Canadians work to tell our stories to fellow Canadians and those abroad. It is an industry which helps define what it means to be Canadian, in which all people living in Canada can afford to participate, both as arts workers who make liveable wages and as attendees who can afford the price of a cultural product or experience.

According to data from the [May 2024 Arts Response Tracking Survey produced by Business / Arts, the National Arts Centre and Nanos Research](#), close to 2/3 of culture-goers said that attending arts and culture events has a positive or somewhat positive impact on their sense of belonging to Canada. Respondents also noted that the biggest impact culture-goers feel that arts and cultural organizations have on their community is uplifting people and adding to their quality of life (23%, up from 9% in 2023).

These impressive statistics clearly demonstrate the significant value that Canadians place in arts and culture and its role in shaping our sovereignty. An investment in our industry of 1% of annual government expenditures is an investment in our sovereignty.

2) Spending less on government operations so that Canadians can invest more in the people and businesses that will build the strongest economy in the G7

We understand the Government of Canada seeks to spend less on government operations and invest in projects that bring a return for Canadians. As we have noted above, investment in the arts industry is as efficient as the Government can be. For example, on average, the Canada Council allots close to 90% of its annual parliamentary appropriation directly to Canadian artists and arts organisations.

Investment in the arts industry has demonstrated a tangible return on investment for the Government of Canada. In 2023, cultural industries accounted for [\\$77 billion](#), or [2.7% of Canada's overall GDP](#).

The Canada Council has calculated its specific economic impact. It has concluded that:

- 600% return on investment
 - For every new dollar the Council invested in core-funded arts organisations between 2016-2024, those organisations contributed \$5.75 directly to the economy.
- \$1.5 billion spent in communities.
 - Arts organisations funded by the Council generated \$1.5 billion in economic activities in local communities across Canada.
- Arts tourists spend 3x more.
 - Arts and culture tourists are proven to stay longer and spend more in local economies.

There is an undeniable argument here that an investment into culture returns economic value to Canada. If the Government is serious about growing Canada's economy to the strongest in the G7, the 1% investment, including \$330 million this fiscal year, is essential.

3) Attracting the best talent in the world to help build our economy

Theorists like Richard Florida have long argued that the professionals that drive the service economy – those who work in law, financial services, medicine, business, technology and more – are attracted to those places in which the creative sector is strong. Put differently, the best talent in the world seeks to live in places where they can achieve the fullest version of engagement in their community through culture.

The number of workers in the creative sector is not marginal. In the 2021 census, 850,000 people living in Canada identified themselves as workers in cultural occupations. This number is similar to the workforce of hospitals, and more than double of those who work on farms. The final [communiqué](#) from this year's Canadian Arts Summit asserted that culture represents a workforce larger than agriculture, forestry, and fisheries combined.

An investment in the creative industries is not an ancillary ask. It has a clear link to driving a strong economy and attracting the best talent in the world to come and to stay in Canada.

4) Bringing down costs for Canadians and helping them to get ahead

The affordability crisis for all Canadians has been well documented. This is particularly acute for the arts and culture economy.

A [recent survey](#) commissioned by the Cultural Human Resources Council, and conducted by Hill Strategies Research, suggests that one-half (51%) of responding artists have total personal incomes below \$40,000, with a mere 7% of respondents reaching the \$80,000 or more threshold. Financial stress was deemed to be very common (69%). In both cases, BIPOC artists are likelier to experience financial precarity (72% of BIPOC artists have incomes below \$40,000, and 85% of BIPOC artists express financial stress). Interestingly, artists point to [limited opportunities for grants](#) as the greatest challenge to their work (68%).

Frighteningly, the last renewal of grants, through the Canada Council's Explore and Create program, [saw an overall success rate of 16.6%](#). When combined with the federal government's requirement for cuts in every department and agency, this precedent has set a chill in the ecosystem, wherein existing grant allocations are already insufficient to maintain stability in the context of growing this nation-building industry.

A 15% cut, as mandated by the Minister of Finance, to the Canada Council for the Arts would result in a \$54 million reduction. Even with administrative or staffing reductions, a cut to the Council of \$50 million will make life less affordable for artists as their grants and those of the organisations which employ, engage, or present them, will shrink.

Conversely, what is required and promised in the Liberal platform is an additional, permanent investment into the Council. This investment represents the most direct and efficient tool available to the Government to aid in affordability for arts workers. **The Canada Council has committed that 100% of all new investment would be allocated to Canadian artists and organisations. This investment is the most efficient tool at the disposal of the federal government.**

1% of government spending

Our recommendation centres on an annual metric of investment in the arts sector. This metric allows the sector to measure the Government's investment on an annual basis tied into the overall size and scope of the public sector's role in the Canadian economy and life.

An increase to 1% of the Government of Canada's expenditures would involve an increased investment of approximately \$330 million to arts, culture and heritage serving programs and portfolios. This percentage is comparable to the [Australian government's annual allocation](#) of nearly \$7 billion to the arts and culture, representing around 1% of their total combined spending.

We recommend that the Government of Canada commit to this 1% target in perpetuity. An additional investment of \$330 million in Budget 2025 would be a first step to achieve this goal.

Given the efficiency and economic return cited above, we recommend that the Government of Canada allocate \$140 million to the Canada Council for the Arts in permanent funding. We believe this money will be best positioned to pre-empt the burgeoning crisis emanating from core grant decisions into 2025-2026. Therefore, we support that the bulk of the \$140 million be committed to growing and sustaining the core operating grants of the Council. We also support the goal of funding to improve application success rates for individual artists.

We believe the remaining \$190 million should be allocated to the Department of Canadian Heritage for programs across its portfolio. We note the need for investment in those that incentivize the private sector to fund arts, culture and heritage and which support dance, independent dance organisations, festivals, dance venues, and cultural infrastructure as opportunities for strategic cultural investment.

We recommend that this investment also be used to address the underfunding of equity-deserving individuals and groups and the structural barriers to access for specific art genres and forms.

Impact of Tariffs and Trade Instability

In a recent survey of Canadian Arts Coalition members and the sector, there are significant concerns about the downstream effects of the ongoing trade instability. Key messages included:

- Insecurity about the Canadian dollar, and lessening spending power both for artists, organisations, and audiences;
- Flow of goods, notably related to tariffs goods related to both production (raw materials such as lumber and textiles) and cultural goods (instruments, books, paintings, and other artwork);
- Escalation of tariffs and counter-tariffs, leading to restrictions on work visas and access to markets for artists; and
- An unstable Canadian economy where individuals have lessening buying power and expendable income that may otherwise be spent via philanthropy or towards the purchase of cultural products and experiences.

I would be pleased to provide more information to the members of the Committee at its request. For more information, please contact me at:

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