

Background

The Canadian Association of Exposition Management 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.

Issue

The commercial events space has been one of the most impacted sectors in the pandemic. There is no work-from-home option for expositions. Unlike retail, gyms, and restaurants, trade shows and consumer shows have not been permitted to re-open to any degree. While the vaccination rollout has given the exposition sector reason to be hopeful, the immediate future still looks incredibly bleak. This reality, combined with the seasonal nature of commercial events and the lead time required to plan and prepare trade and consumer shows, means that a drawn-out restart and recovery for the sector must be anticipated, understood, and addressed by government support programs.

The sector is committed to a safe restart and is well-prepared to rigorously implement health and safety standards as required by local officials, yet CAEM members have predicted that continued restrictions throughout 2021 – with no additional direct financial supports - will result in more layoffs, business insolvencies and insurmountable levels of debt. Furthermore, the collapse of the travel industry, including reduced airline schedules, mandatory testing and quarantines, and advisories against interprovincial travel, will further discourage the confidence of individuals who might consider travelling to events as restrictions are slowly lifted. Add to that the substantial uncertainty surrounding the pandemic's third wave, along with the likely extension of public health orders and restrictions for many months to come, and it is clear a potential comeback and recovery for the exposition sector is impossible in 2021.

The government has focused its attention and funding opportunities for hardest-hit sectors like tourism, but there has been minimal support for commercial events, which historically have not been eligible for cultural or tourism funding streams. Clearly more targeted support is needed for the commercial events industry which serves as the driving force behind countless other industries from travel to tourism, to local small businesses, to sports and to manufacturing. Giving a hand up to this industry, whose members are active participants in their communities, provides a golden opportunity to simultaneously support local economies, including sparking the creation of well-paying jobs and making it possible for small businesses across the supply chain to not just survive, but succeed.

A safe reopening is a priority for the sector, leading CAEM to establish the [Canadian Exhibition Industry Safe Reopening Guidelines](#), a set of national guidelines overseen by Infection Prevention and Control Canada (IPAC). A federally supported national reopening plan combined with direct financial support is essential to allow the commercial events sector to survive a prolonged shutdown and to plan for resumption of business activities in 2021 and 2022.

Asks

Canada Emergency Wage Subsidy: The wage subsidy has been critical to keeping the sector afloat this last year. However, public health orders and restrictions are currently being tightened in many jurisdictions. With commercial events operators, vendors, and suppliers looking at another year with little to no revenue, and with a projected elongated recovery due to the lead time required to produce commercial events, it is already clear that this support program will be needed well beyond September 2021.

1. Extend the CEWS until December 31, 2021 for the full amount, with no gradual decrease of funding.
2. Extend the CEWS until June 2022 specifically for the hardest-hit sectors, which includes producers of trade shows, consumer shows and expositions, as well as those in the supply chain relying on commercial events for a certain percentage of their annual revenue.

Canada Emergency Rent Subsidy: With the industry looking at another full year before they can begin to host in-person events and bring in revenue, much more additional support is needed to keep these businesses afloat during this time. The majority of exposition industry businesses have been forced to take on deep debts. Any kind of business planning or revenue forecasting for industries which rely on bringing hundreds or thousands of people together, will remain impossible for many months. Extending the rent subsidy through the initial reopening of the commercial events sector and expanding the rent subsidy criteria to cover rent paid by show producers to facilities once reopening begins, would be essential support for many businesses to be able to undertake large expenses after almost two years of little to no income.

1. Extend the CERS until December 31st, 2021 for the full amount, with no gradual decrease of funding.
2. Extend the CERS until June 2022 for the hardest-hit sectors, including producers of trade shows, consumer shows and expositions, as well as those in the supply chain relying on commercial events for a certain percentage of their annual revenue.
3. Expand the CERS eligibility criteria to include rent paid by show producers to facilities once reopening begins.

Budget 2021 Program Funding: While a significant number of supports have been announced and extended in the 2021 Budget, tabled by Deputy Prime Minister and Minister of Finance Chrystia Freeland, trade shows and consumer shows are not currently cited in any of the program descriptions, despite our businesses being undeniably among the hardest hit. Since commercial events, venues and suppliers to the industry have previously been excluded from tourism and cultural programs, the sector requires immediately clarification and confirmation that these newly announced programs include businesses in the commercial events sector. Recognizing the drastic impact that the pandemic has had on commercial events, and the positive downstream effects commercial events have across the economy, especially for local businesses and tourism industries, program eligibility must ensure it encompasses this industry. Given the degree of hardship suffered this last year, with many businesses facing a 100% reduction in revenue, establishing a forgivable portion of this announced funding and ensuring that businesses which may have also received some government funding through CEWS, CERS, CEBA, and others, will still be eligible for specific program funding, is essential. Additionally, businesses across the country must have equal access to federal support programs.

1. Ensure that the commercial events industry - including producers of trade and consumer shows, event venues, and suppliers of products and services to the exposition industry - has access to the following programs and funding streams:
 - a. The Canada Small Business Financing Program;
 - b. The Canada Recovery Hiring Program;
 - c. The Canada Emergency Business Account;
 - d. The Tourism Relief Fund;
 - e. The Community Festivals and Events Program;
 - f. The Regional Relief and Recovery Funds;
 - g. The Women Entrepreneurship Strategy.
2. Program funding should be forgivable, to provide businesses that have faced substantial hardship - due to the complete shutdown and cyclical nature of the industry - with appropriate supports.

Highly Affected Sectors Credit Program: This program is appreciated and needed; however, it must be available to the hardest-hit sectors - including commercial events - at no interest or partially forgivable. The prospect of businesses in the sector taking on additional debt is hugely problematic considering that event cancellations are now extending into 2022, and revenues are down by 90% to 100% for most of the sector.

1. A portion of the HASCAP loans should be forgivable or available at no interest.