



**Saskatchewan  
Arts Alliance**

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Hon. Scott Moe  
Premier of Saskatchewan  
Room 226, 2405 Legislative  
Drive Regina, SK S4S 0B3

Dear Hon. Moe,

On behalf of the undersigned below and the arts and cultural community of Saskatchewan, the Saskatchewan Arts Alliance (SAA) is writing to voice our concern about the recent addition of PST to admissions, entertainment and recreation effective October 1, 2022.

The timing of the introduction of this additional tax could not be worse. The continuing disruption of COVID-19 to the arts sector has been life-altering. Facing a continued loss of sponsorship dollars, the reluctance of audience members to return to live events and the pressure of accumulated deficits, the arts sector is struggling. The increased cost for the public to participate in the arts due to the addition of PST on expenses such as concert tickets, theatrical performances and art gallery attendance severely impacts the prospects of the arts, culture, tourism and hospitality sectors "building back" capacity and recovering from the devastating impact of the pandemic. Restaurants and bars feed off of arts, culture and sport and taxing the hardest-hit industries as they begin to rebuild is bad for the economy and bad for Saskatchewan.

Saskatchewan is the only province in Canada that has not provided dedicated provincial COVID-19 relief funding to the arts and culture sector. Instead, the provincial government relied on federal relief to help Saskatchewan arts and cultural organizations. Many were not eligible for those supports and have fallen through the cracks. The addition of PST on admissions, entertainment and recreation, coupled with a lack of any provincial pandemic relief for the arts, is damaging to an important economic sector of the province that has had little or no opportunity for earned revenue over the past two years, with many companies losing over 90% of normal revenues from tickets. Federal subsidies, while helpful to a degree, do not cover all aspects of the arts and culture sector, and were never intended as a 100% replacement in any case.

In addition, many cultural *and* sports organizations are carrying credits generally equal to 5-7% of annual operating budgets due to canceled shows and events, which will make it difficult to meet

revenue targets. Adding a 6% tax is only going to make meeting those revenue targets more difficult. It can also be noted that when Ontario introduced a provincial tax in 2010, a \$3 million one-time grant was made available through the Ontario Arts Council to help bridge the gap and recover.

In the 2022 – 23 budget, your government increased funding to the Creative Saskatchewan Production Grant Program for film and television by \$8 million, bringing the total funds available to \$10 million. In these times of fiscal restraint, it's encouraging to see the increased investment in the film sector - a sector that was deemed permanently lost - but the pandemic has hit all sectors hard and in order for the province to be "Saskatchewan Strong," significant investment in all the arts is required for economic recovery.

**Arts and culture add value to our province – economically and socially. Arts and culture contributed almost \$1 billion dollars to the province's GDP in 2019.** The sector builds stronger and healthier communities, provides a sense of belonging and civic pride, improves mental health, and increases innovative thinking in our students. As mentioned in the Government of Saskatchewan's 2010 report on culture prepared by the Honourable Dustin Duncan: "for every \$1.00 invested directly or indirectly in cultural activities, \$3.20 is generated in economic activity. Culture is an engine for the economy." Taxing this sector at this moment is taxing the growth of Saskatchewan's economy.

The arts sector is an essential part of the solution to building a stronger province and recovering from the pandemic, both economically and socially. The arts matter to all Saskatchewanians. According to the 2019 SAA Study, [\*The Value of the Arts for Social Cohesion in Saskatchewan Communities\*](#), 60% of the population sample regularly participated in the arts as audience members – with 42 % of those respondents based outside of the two major urban centres. This new tax will hit hardest on professional sports and entertainment in rural areas where incomes are lowest, inhibiting access to recreation and culture.

Arts and culture organizations have been working hard to find solutions to make our audiences inclusive and the result of an additional tax on a ticket sale price will limit accessibility for disabled people, LGBTQ2S+ people, newcomers, Indigenous people seniors, single parents and all members of the province who come from a lower socioeconomic background.

In the media, it was alluded to by Finance Minister Harpauer that it was "interesting" that the province's surgical wait-list initiative costs about \$20 million — in line with the anticipated annual revenue from the PST expansion. With the recent post-provincial budget announcement by the federal government that they will be providing \$62 million dollars to the provincial government specifically to reduce surgical wait times, we are hopeful the PST expansion on arts, entertainment and sports can be reassessed.

As a collective voice for the arts, we ask that your government work with us (and all other affected sectors) to find a way forward that will not negatively affect the recovery of arts and culture in our province. We urge you to reconsider the implementation of PST on admissions, entertainment and recreation, and to introduce expanded funding for the arts in recognition of the vital role this sector plays in the recovery of Saskatchewan's economy, social and cultural well-being. We have a number of creative and innovative ideas and we implore your government to consult with us.

The people of Saskatchewan are being negatively affected by the rising cost of living – we understand quality of life matters to your government. With an increase in costs to admissions and entertainment, there will not be as many family outings to the galleries, concerts, or Roughrider games that contribute to a good quality of life in our province. Please support the arts and culture sector in rebuilding audiences and patrons after what has been the most devastating and unprecedented disruption of our lifetime.

Sincerely,



Daniel Parr  
SAA President

CC Honourable Donna Harpauer, Deputy Premier and Minister of Finance

Honourable Laura Ross, Minister of Parks of Culture and Sport

Ms. Twyla MacDougall, Deputy Minister of Parks, Culture and Sport

Ms. Tracy Morey, Director, Policy and Engagement, Parks, Culture and Sport