



Written Submission for the Government of Canada's  
Pre-Budget Consultations in Advance of Budget 2025

By

The Independent Media Arts Alliance - L'alliance des  
arts médiatiques indépendants (IMAA - AAMI)

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## **List of Recommendations**

### **Recommendation 1:**

Increase funding to the Canada Council for the Arts and the Department of Canadian Heritage to assist arts organizations impacted by increasing inflation rates and rising operating costs, and respond to the record high number of applications submitted by independent artists.

### **Recommendation 2:**

Expand eligibility requirements so that arts council funded media arts organizations are eligible to apply to the Museums Assistance Program (MAP) through Canadian Heritage for the preservation of work in their collections.

### **Recommendation 3:**

Expand the existing Endowment Incentive to the Canada Cultural Investment Fund (CCIF) through Canadian Heritage to include arts service organizations and competitions as eligible recipients.

### **Recommendation 4:**

Provide a Federal Basic Income Guarantee for all Canadians, which will reduce poverty, stabilize incomes, and simplify the complex web of benefits and programs available to Canadians.

### **Recommendation 5:**

Update the Canadian *Copyright Act* to improve the financial situation of professional visual artists.

## Context for Recommendations:

### Recommendation 1:

The Independent Media Arts Alliance (IMAA) recommends that the Government of Canada fund arts organizations for increased operational costs and increase funding available to independent artists to ensure that the continued work being done to provide cultural opportunities for the Canadian public to connect is done effectively and reaches communities. This investment would ensure the preservation of the rich cultural Canadian heritage built up over the past several decades and ensure that Canadian culture continues to flourish against the increasing threat of American dominance. **IMAA supports the [Canadian Arts Coalition](#) in urging the government to 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:

- 1. An increase of \$140 million to the Canada Council for the Arts; and**
- 2. An increase of \$190 million to the Department of Canadian Heritage.**

This funding would offer practical financial support to arts organizations facing ongoing financial strains due to a general lack of support and funding. Additionally, these funds would help support the [review and implementation](#) of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) at all levels of art organization operations.

The cultural sector is facing challenges in recruiting and retaining staff due to insufficient support and funding, rising inflation, and increasing operational costs. This issue is also impacting the recruitment and retention of staff from diverse backgrounds, who are crucial for promoting representation across arts organizations including artist-run and media arts centres and independent festivals. Additionally, leadership burnout and concerns about the transfer of institutional knowledge exacerbate these challenges. These anecdotes mirror the results of a [survey](#) on affordability and working conditions of cultural workers in Canada in 2024, which revealed:

- 53% of cultural workers are financially stressed;
- 69% reported doing extra unpaid work;
- 50% feel burnt out in their organization; and
- 33% very seriously considered leaving the sector in 2023.

Despite this dire situation, 70% of respondents expressed satisfaction with their work and 87% believe it is meaningful. **Therefore, we urge the government to allocate additional funding through Canadian Heritage and the Canada Council for the Arts, specifically for salaries and operational expenses.**

**It is also critically important that Canada Council funding for individual artists increases to keep pace with record-high demands for project assistance, including research, development, creation, and production of work, as well as professional development.** Between 2017 and 2023,

the volume of applications for the Explore and Create programs increased by a factor of three. The increase in applications is a positive outcome of Canada's history of investment in arts and culture. Despite this, only [16.6%](#) of applications in 2023 were successful. Increased investment in artists is crucial to retaining Canada's vibrant and diverse arts sector.

**We urgently call for all program funding at the Canada Council and Canadian Heritage to be adjusted for inflation and cost increases, ensuring these programs can fulfill their purpose and effectively support the cultural sector.** Almost all cultural operating budgets have been flatlined since 2020, yet inflation has increased by nearly 20% over the last five years. Current funding levels do not account for increases in line with the Consumer Price Index (CPI) or Cost-of-Living Adjustment (COLA), leaving organizations struggling to manage escalating operational expenses, which in turn affect the livelihoods of artists.

### **Recommendation 2:**

**IMAA recommends that the additional \$190 million allocated to the Department of Canadian Heritage (PCH) (outlined above) and any other increases to the Department be contingent on PCH working towards disciplinary equity by ensuring that all programs are accessible to both traditional and emerging disciplines with a specific attention given to access for Indigenous and other equity-seeking groups.** For instance, the Museum Assistance Program (MAP) at the Department of Canadian Heritage is crucial in ensuring that groundbreaking art is preserved and continues to be championed. Currently, the program remains accessible only to museums and galleries, though those institutions are only a small part of the range of collecting organizations across the country. Indeed, arts council funded distributors, production centres and artist-run centers often hold large collections of media artwork that urgently needs attention and preservation. Time-based artwork needs to be maintained in order for the public to be able to continue accessing it effectively. This is a critical time to maintain a medium in which the government has invested in over the last five decades and which has yielded groundbreaking work that has been recognized worldwide. The independent media arts sector has been doing research on this for the last decade with our international and academic counterparts and is prepared to consult with and support PCH to ensure that the expansion of eligibility criteria to the program does not interfere with its adherence to ICOM's definition of a *museum* but rather that it sets international best practice standards. IMAA is cognisant of and sensitive to the current oversubscription to the fund. However, **IMAA recommends that any and all further investment in MAP be contingent on its restructuring so that all collecting institutions, including arts council funded film and video distributors and galleries are eligible and all art forms are preserved.**

### **Recommendation 3:**

The Canada Cultural Investment Fund (CCIF) Endowment Incentives component at the Department of Canadian Heritage encourages private donors to contribute to endowment funds for not-for-profit professional arts organizations so they can access new sources of funding in the future and have a greater capacity for realizing artistic expression by supporting their long-term stability. However, the fund criterion excludes Arts Service Organizations (ASO) and competitions (award funding). **IMAA recommends the expansion of the Endowment Incentive to include ASOs and ensure their long-term sustainability by providing a reliable funding stream, enabling them to plan and operate more effectively.**

ASOs face unique financial challenges due to their role in providing essential support services rather than generating direct revenue. They often struggle with limited funding, rising operational costs, and the need for stable financial resources to maintain programming. Including ASOs in the Endowment Incentive will encourage funding diversification. By fostering endowments, ASOs can attract additional private and public investments, reducing their reliance on single funding sources. **IMAA also recommends restoring the CCIF Endowment Initiatives envelope to pre-2024-2025 cut levels and expanding it within the \$190 million dollar increased investment for Canadian Heritage as a whole.**

#### **Recommendation 4:**

The need for a federal Basic Income Guarantee was raised by many panellists and delegates at the Minister of Canadian Heritage's [National Culture Summit](#) in Ottawa, May 2022. Little has moved since, and **now is the time to act**. Artists are at the forefront of building social cohesion across the nation, and as stated in a [Report on Basic Income](#) commissioned by the media arts sector in 2024: "precarity is a longstanding, unresolved structural feature of work in the cultural sector...Those most in need cannot be left behind. Marginalized individuals regularly fall through the cracks of existing social assistance and income security programs. Many marginalized artists are further burdened with responsibilities and challenges of personal and community care—they often contribute more while they receive less".

Most self-employed and contract-based workers in the arts sector cannot afford to pay into the current EI model. On average, the earnings of visual artists are [44% less](#) than half of those of the average Canadian worker. **A federal Basic Income Guarantee would serve as a safety net for Canadian arts workers by providing income support to unemployed, underemployed, and precariously employed individuals.**

Additionally, **IMAA recommends that the Canadian government amend the Income Tax Act to include a tax deduction for income from copyright, and to allow professional artists to average their income when they have a more prosperous year, as recommended by the [Standing Committee on Canadian Heritage](#) in 2023.**

**Tax reform measures should be implemented that take into account the unpredictable nature of visual artists' income.** In 1995, the government of Quebec made it possible for artists to have a tax exemption for their copyright royalties if the artist is the first owner of the copyright and their

income earned from copyright is less than \$ 60,000 for the year. A similar incentive should be extended to the rest of Canada, to allow artists to gain more financial benefit from their labour and stimulate innovation.

**Artists and other self-employed cultural workers are at a disadvantage by paying more tax in a higher earning year, even though that income could support them in following years that are less profitable.** In 2004, Quebec introduced an income averaging provision for artists, which allows them to spread the tax applicable on their income up to a certain amount over several years. Income averaging is also practiced in several European countries, and Canadians previously benefited from income averaging until 1988.

#### **Recommendation 5:**

**Copyright is a significant form of income for visual artists, and several proposals have been committed by the Federal Government that must be acted upon immediately.**

**First, the proposal to adopt the [Artist's Resale Right](#) must be adopted in the Fall 2025 Budget, so that visual artists will receive 5% of the value of their work when it is resold for at least \$1,000 through an intermediary (such as an auction house or commercial gallery) in the secondary market.** Resale rights would allow visual artists to be rewarded as their career progresses and their reputation grows. It is particularly beneficial for Indigenous and senior artists, and it is a critical step forward in improving the economic conditions of Canadian artists. The adoption of ARR legislation will align Canada with our international trade partners, as over 90 countries around the world have legislation and seek reciprocal agreements with Canada. We request that the Federal Government fulfill its [2024 Fall Economic Statement commitment](#) and introduce ARR as an amendment to the Copyright Act through 2025 Fall Budget.

The Independent Media Arts Alliance would be pleased to provide more information on our recommendations to the members of the Finance Committee at its request. **For more information, please contact National Director Barbora Racevičiūtė at [dir@imaa.ca](mailto:dir@imaa.ca).**

*The Independent Media Arts Alliance - Alliances des arts médiatiques (IMAA) is a national arts service organization that supports independent media arts organizations and artists. Representing over 100 independent film, video, audio, and new media production, distribution, and exhibition organizations in all parts of the country, the IMAA serves over 16,000 independent media artists and cultural workers. IMAA strengthens the media arts sector through research, advocacy, communication, community engagement, and capacity building.*