

# PACT-PGC PROPOSED CONTRACT CHANGES

## For Ratification in June 2025

### STANDARD CLAUSES

- A **Table of Contents** was added for ease of use.
- The entire document was updated with **gender neutral language**.

### Definitions Section:

- The definition of **Guarantee** was updated, and the **minimum guarantee was increased from \$2000 to \$2200** (a 10% rate hike), and that will increase over time as follows:
  - June 30, 2025 – June 29, 2026: **\$2288** (4% increase)
  - June 30, 2026 – June 29, 2027: **\$2356.65** (3% increase)
  - June 30, 2027 – June 29, 2028: **\$2427.35** (3% increase)
- The **Guarantee** for productions with **fewer than 7 shows** will increase from \$75:
  - June 30, 2025 – June 29, 2026: **\$128.75** (4% increase)
  - June 30, 2026 – June 29, 2027: **\$132.60** (3% increase)
  - June 30, 2027 – June 29, 2028: **\$136.60** (3% increase)
- **Minimum Commission Fees** will also increase by 4% in the first year, 3% in the next year, and 3% the year after that as of June 30th. The fees are based on the theatre's gross annual from the previous year:

| Previous Season Revenue            | Current Rates | 2025-26     | 2026-27     | 2027-28     |
|------------------------------------|---------------|-------------|-------------|-------------|
| Under \$1,000,000                  | \$3,060.00    | \$3,182.40  | \$3,277.90  | \$3,376.20  |
| From \$1,000,000 to \$3,3=4999,999 | \$5,100.00    | \$5,304.00  | \$5,463.10  | \$5,627.00  |
| From \$3,5000,000 to \$4,999,999   | \$6,120.00    | \$6,364.80  | \$6,555.75  | \$6,752.40  |
| From \$5,000,000 to \$9,999,999    | \$8,160.00    | \$8,486.40  | \$8,741.00  | \$9,003.20  |
| Over \$10,000,000                  | \$12,240.00   | \$12,729.60 | \$13,111.50 | \$13,504.85 |
|                                    |               |             |             |             |

- Revamped the definition of **Participation Rights** to make it clearer and introducing a new 4-tiered graduated threshold for when Participation Rights kick-in, based on the theatre's gross annual budget from the previous year:
  - Theatre Budget under \$1,000,000: \$10,000 in royalties.
  - Theatre Budget from \$1,000,001 to \$3,499,999: \$15,000 in royalties.
  - Theatre Budget from \$3,500,000 to \$4,999,999: \$18,000 in royalties.
  - Theatre Budget from \$5,000,000 or more: \$25,000 in royalties.

The other caveats remain the same (no more than 5 years; Participation Rights must be warranted and the reasons outlined in a rider).

### **TYA Definitions**

- Revamped **Theatre for Young Audiences (TYA) definitions**, so the definitions match up with the terms in the contracts proper.

### **Clauses**

- Clause 4: TYA Fees: Increased **flat rate minimum fees** for TYA school tours (the current flat rate is \$72.50 per show):

From June 30, 2025 – June 29, 2026 = not less than **\$75.40**

From June 30, 2026 – June 29, 2027 = not less than **\$77.70**

From June 30, 2027 – June 29, 2028 = not less than **\$80.00**

- Clause 5 – RRSP: Clarified the language and changed the **first RRSP installment** to be **only the playwright's portion** (and not the theatre's contribution).
  - This means that there won't be any changes with Stock, Premiere, and Commission Contracts with a \$5000 guarantee or less (\$150 will be deducted from your royalties, as before).
  - For Stock, Premiere, and Commission Contracts with a guarantee greater than \$5000, the entire portion of the playwright's RRSP (calculated at 3%) will be deducted for the first installment. The second installment will be the theatre's matching contribution and any extra RRSP deductions owed for the playwright. This change will allow PGC to recoup RRSP remittances from the theatre after the fact when mistakes have been made, even if the playwright has been paid out already (which is not currently the case).
- Inserted a sentence that there is a **penalty fee for theatres** for incorrect RRSP submissions.
- Clause 15: Billing: Added "**audio**" and "**all media**" to cover off all the bases in the playwright's Billing Clause.
- Clause 20: Credits: Added "Developing Theatres" to the **Credits** clause, so they, too, can be acknowledged along with commissioning and premiering theatres.

- Clause 21: Filing of Contracts: Updated PACT and PGC mailing addresses, and indicated the coming switching to **electronic contract filing**.
- Clause 29: Workshops and Readings: **Workshops and Readings fees** will increase to match directors' fees:
  - For a half day Workshop, the Playwright shall receive a fee of not less than \$83.00 (up from \$70);
  - For a full day Workshop, the Playwright shall receive a fee of not less than \$161.50 (up from \$137 a day).
- Also, **additional meal options** added to the Readings & Workshop LOU:
  - An agreed upon daily per diem [as before], and/or;
  - Mutually acceptable meal(s) provided in lieu of per diem, and/or;
  - Accommodation with a kitchen that includes a stove, fridge, and dishware in lieu of per diem.
- Clause 36: AI Declaration: A new, preliminary **Artificial Intelligence (AI) Declaration** that requires PACT and PGC members to be transparent when AI has been used in matters related to authorship, intellectual property, and the writing process.
  - A **PACT-PGC Working Group** will also be formed to explore the issues more fully and to draft language that can be included in the Standard Clauses during the next round of negotiations.
- Clause 38: Anti-Harassment and Discrimination: A new clause providing **principles that PACT, PGC, and its members can agree on** (e.g., not to engage in bullying, discrimination, or harassment of any kind), as well as definitions of what constitutes harassment, and how to report any such incidents.
- Two New Appendices:
  - a) Appendix 1 – The **RRSP Penalty Fee Notice** for incorrect submissions and procedures (this document is for PACT members).
  - b) Appendix 2 – A Memo of Understanding signed by PACT and PGC regarding the formation of the **AI Working Group** that will dig into the matter and offer feedback for the next round of negotiations.

## **Contract Changes (All Agreements)**

- Added a spot for both parties to include their **email addresses** along with their mailing addresses.
- A section has been added to the Royalty clause to write in **to whom payments should be made** (e.g., for playwrights with agents or those who use pen names).
- We inserted Standard Clause 20c from Billing Credits back into the contracts proper to ensure that **PGC membership acknowledgement** happens:  
“ When the Theatre prints a house program, the Theatre shall include the following credit: “ \_\_\_\_\_ ” (the Playwright) is a member of the Playwrights Guild of Canada.”
- Wording updated on all contracts to allow for **notices to be emailed** (in addition to being delivered personally or by registered mail).
- Wording updated on all contracts to indicate the switch to **e-filing contracts**.
- A box was added near the end of the contracts to check off **whether or not riders are attached** to and go along with the contract proper.

## **Premiere and Stock (TYA and Regular) Contracts**

- The **Extension of the Right to Produce** Clause was reworked in two ways:
  - The option now is for a one-year period (rather than filling in the number of months), but the fee is still TBN.
  - Any payments made for the Extension of Rights will now be considered a *non-refundable* advance (the theatre was able to recoup this previously out of the playwright's future guarantee payment).
- Inserted a line for **Developing Theatres to be credited** in the future for their contributions to the play (along with commissioning and premiering theatres).
- The **Co-Creators' Rider** was updated to include the word “or,” making it obvious that either option A or B must be chosen.
- An Appendix was added to these contracts that provides a **Summary of the Billing Credits** for the theatres' marketing departments, so that these things do not get lost along the way as they pass through different hands.

## **Commission (TYA and Regular) Contracts**

- One sentence was added to the **Commission Schedule**, noting that the Theatre must acknowledge receipt of a submitted draft, at which point the clock starts ticking (the theatres have 21 days to accept or reject a given draft).
- There is a **2% penalty fee for late royalty and guarantee payments** made to playwrights by the theatres, but this clause was missing from the Commission Contract. It has now been included.

## **TYA Contracts**

- A change to the **Payment Schedule** for TYA tours. Instead of royalties being paid out on a monthly basis, they will be paid out quarterly (at least every 90 days).
- Removed the flat fee rate(s) from the contracts proper and included a sentence instead that refers people to the **Standard Clauses for the appropriate fee**.
- The **Co-Creators' Rider** was updated to include a spot for TYA flat fees.

## **Workshops and Readings LOU**

- Updated with the **new workshops and readings rates** (now \$83.00 for a half-day and \$161.50 for a full day, mirroring the directors' rate).
- When travel is involved, there are now two new options to be negotiated for meals. In addition to the per diem, there is the option for mutually acceptable meals, or accommodations with a full, working kitchen.

## **Other**

- Theatres must now pay the playwright a minimum royalty of **10% for premieres of adaptations and translations** (anything less is not acceptable). However, Stock contracts do not have minimums and are still TBN.
- We also discussed the need for a **PACT-PGC TYA Working Group** to lobby funders for better support and wages.
- We discussed the playwright's lack of access to ADs (set up a PACTcon event).
- We are in conversation with the Writers Guild of Canada about digital jurisdiction.