

# Serving their communities, representing Canada to the world: Canadian Orchestras in 2016

# Pre-budget Recommendations to the Standing Committee on Finance

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#### Introduction

On behalf of our 190 member orchestras from across Canada, the musicians and staff they employ and the volunteers and audiences they engage, Orchestras Canada appreciates the opportunity to contribute to the pre-budget process leading to Budget 2016.

We would like to thank the Government of Canada and Members of Parliament for their continued support of the arts sector, and for the commitments made by the current Government to increase investment in arts and culture. Federal arts investment plays an important role in furthering the work of Canadian orchestras and the artists they engage, leveraging additional investment by individual Canadians (through ticket sales, charitable gifts, and contribution of volunteer time), businesses, foundations, and other levels of government.

In turn, our orchestras and musicians contribute to our country's place in the world, our economy, communities and quality of life. While every Canadian orchestra is pushing the boundaries in its own way, we'd like to cite five examples from the last year alone:

The **Vancouver Symphony** partnered with the city of Whistler to launch the inaugural VSO Orchestral Institute at Whistler, a training program for outstanding young musicians. The event not only leveraged the talents of the Grammy-award winning VSO and Music Director Bramwell Tovey, it furthered the resort town's efforts to develop summer cultural tourism;

The **Edmonton Symphony** launched Canada's first intensive side-by-side performing opportunity for adult amateur musicians. Called "The B-Sides", the event offered rusty and not-so-rusty adult performers on orchestral instruments the chance to rehearse and perform a work alongside their ESO mentors. Declared a major success in 2015, the program will expand in future years to include a week-long summer camp;

The **Kitchener-Waterloo Symphony** hosted the world's first orchestra hackathon, an event that provided the region's IT experts with access to the resources of the full orchestra and concert hall, with the goal of revolutionizing the concert experience. The winning projects were unveiled at the KWS's opening concerts in the fall of 2015, and second place winner "How Do I Symphony?" is a popular feature on the orchestra's website: http://howdoi.kwsymphony.ca/#questions/I;

Along with the IT experts at SAGA, the **Orchestre symphonique de Québec** was instrumental in the development of a place-based iPhone and iPad app called Les Jardins Symphoniques – an immersive symphonic experience that combines a walk through the park with an exploration of the instruments of the orchestra;

With a two-day intensive residency in Pictou County in April 2015, **Symphony Nova Scotia** launched the highly successful "Beyond the Hall" initiative, the first in a four-year cycle of provincial mini-tours, designed to bring main-stage and school concerts, full orchestra and small ensemble programming by the orchestra to audiences of all ages in communities outside the orchestra's home in Halifax. In the words of the De Coste Centre's artistic director, "the project in Pictou was absolutely brilliant and a thrill to be part of... It was wonderful to work with you all. The moment when the older students joined in with Dave Gunning and the orchestra on his last song was a memory we can all cherish."

Our recommendations acknowledge the overlap between the Government of Canada's goals, and those of Canadian orchestras:

- Orchestras are important to Canadians' quality of life: Through their public
  performances, education and community engagement programming, and extracurricular
  activities by their musicians, orchestras make cities and communities more desirable and
  attractive, leading to happier, more engaged and more productive citizens.
- Orchestras are an acknowledged part of Canada's civic infrastructure. If a community is not large enough to support an orchestra, its citizens still benefit from orchestras' activities, through touring performances or digital dissemination.
- Orchestras support jobs, directly in the employment of musicians and related personnel, and indirectly, in their partnership with concert venues, media, print and IT professionals, marketing firms, hospitality, and tourism industries.
- Orchestras currently benefit from Canada's tax system, through such measures as the charitable donation tax credit. We submit there is opportunity to enhance the contribution tax measures make to the sustainability of orchestras through small adjustments to existing tax measures.

#### Context

Canadian orchestras recognize that change is the new constant: rather than seeking to preserve the status quo, we are adapting and responding to the evolving needs and interests of concert audiences, and the broader community. Arts engagement is multi-faceted; to serve our communities most effectively, we are embracing digital technologies, testing new programming approaches and concert presentation norms. Our offerings are more inventive, innovative and far-reaching than ever before, providing new ways for individuals to connect with music.

While we embrace new technology as a way to engage with newer audiences, we know that Canadians continue to place a high value on the experience of live performance. In a 2011 study in Ontario, 60% of respondents reported attending professional music concerts. It is clear that the experience of live performance continues to be compelling and unique.

At the same time, we understand that public funding for the arts must also adapt and change. The Canada Council for the Arts is undertaking a major re-organization of its funding model, working to make it more flexible and responsive to the needs of artists, organizations and Canadians.

Accordingly, we offer the following recommendations:

1. Increase the Canada Council for the Arts' Parliamentary appropriation by \$90 million in 2016, and \$180 million in 2017, effectively doubling the Council's budget by 2017-18.

Orchestras Canada joins with others across the cultural sector, including the Canadian Arts Coalition, to urge the Government of Canada to increase support to the Canada Council for the Arts. The Canada Council for the Arts is the primary vehicle through which the government invests in not-for-profit charitable arts organizations, collectives and individual artists, including orchestras. The Council's support leverages investment from individuals

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<sup>&</sup>lt;sup>1</sup> Wolf Brown. *Ontario Arts Engagement Study*, September 2011. http://www.arts.on.ca/AssetFactory.aspx?did=7229 Orchestras Canada/Orchestres Canada Pre-budget brief for the Standing Committee on Finance February 2016

(through ticket sales, and charitable gifts), the private and foundation sector and other levels of government. Each level of investment contributes in part to a \$50 billion cultural sector and 647,000 jobs in culture in Canada.<sup>2</sup>

With increased investment, the arts sector can create more jobs with greater economic impact. Funding for the Canada Council for the Arts has not kept pace with our country's economy. As a result, organizations are inadequately resourced, and artists and cultural workers are inadequately compensated. In July 2015, federal and provincial ministers of culture acknowledged the socio-economic conditions of artists as an issue of growing concern<sup>3</sup>. The recommended increase to the Canada Council for the Arts will allow it to more fully respond to the potential of Canada's cultural sector, and help the sector make a greater contribution to the economy and create more jobs.

By investing in orchestras, governments invest in prosperous communities. Orchestras are key artistic and community organizations: they work with choirs, opera and dance companies; their education, youth, and community programs offer high-quality, low-cost programming to all citizens. They bring people together for shared experiences, contributing to vibrant, safe, and compassionate communities. These communities are the kind of places that attract businesses, again helping to expand the Canadian economy and create more jobs. Increased investment in the arts through the Canada Council for the Arts will help this happen.

### Recommendation 2: Enable international market access by increasing investment to provide \$25 million for strategic development of international arts markets.

Orchestras are among Canada's best ambassadors, strengthening trade and business opportunities and making new friends for Canada, while extending their markets, and demonstrating their artistry on the world stage. The National Arts Centre Orchestra's recent performance and education tour of the UK, commemorating the centenary of the beginning of the First World War demonstrates this; the tour was a superb opportunity to cement business and inter-governmental relationships, helping to create Canadian jobs and drive economic growth.

Other orchestras, including Tafelmusik Baroque Orchestra, Vancouver Symphony Orchestra, Toronto Symphony Orchestra and Orchestre symphonique de Montréal also tour internationally, generating similar excitement and results for Canada. These tours enhance Canada's position in all regions of the global market, one that is increasingly fluid and important to our nation's prosperity.

Targeted investment in international market development increases work opportunities for skilled Canadian artists and those that support the infrastructure around them, helping to keep high-skilled Canadians working for Canadian organizations. This expands and diversifies revenue streams, creating growth and sustainability for orchestras.

While the Canada Council, for the Arts has already allocated resources to assist with the costs of touring and market development, Council's funding alone is not adequate for major organizations like orchestras. As well, Council does not have the international infrastructure in key international markets to provide necessary guidance and in-market support. Additional

<sup>&</sup>lt;sup>2</sup> http://www.statcan.gc.ca/pub/13-604-m/13-604-m2014075-eng.htm

<sup>&</sup>lt;sup>3</sup> http://news.gc.ca/web/article-en.do?mthd=advSrch&crtr.page=5&crtr.dpt1D=6662&nid=998229 Orchestras Canada/Orchestres Canada Pre-budget brief for the Standing Committee on Finance February 2016

upfront resources, more strategic information and insight from on the ground in those markets are needed to optimize the opportunities at hand – and we believe this investment is best dealt with by the Department of Foreign Affairs and International Trade.

### Recommendation 3: Implement the proposed Stretch Tax Credit for Charitable Donations

Orchestras Canada joins with Imagine Canada to urge the Government of Canada to implement the proposed Stretch Tax Credit.

This proposal would add ten percentage points to the charitable tax credit for amounts exceeding an individual's highest previous annual claim. As Imagine Canada has noted, this would "build on the temporary First Time Donor's Super Credit and recognize the efforts of Canadians who are already donors", by offering an incentive for them to increase their giving year over year, however large or small their charitable giving may have been in the preceding year.

Orchestras Canada's member orchestras are registered charities. Private sector support (including tax-receiptable gifts) makes up an average of 38% of our member orchestras' annual revenue, funds they use to deliver the services and programs that Canadians count on.

The proposed Stretch Tax Credit will provide a modest incentive to Canadians to increase their charitable giving, year over year. At the same time, it will provide Canadian charities, including orchestras, with another tool for sustainability and growth. We believe that the Stretch Tax Credit is an effective way to increase the capacity of organizations to serve Canadians and contribute to prosperous and vibrant communities.

Recommendation 4: Ensure that arts and culture infrastructure projects (renovation/retro-fitting, equipment purchase, or new construction) be eligible for funding consideration through existing or future federal infrastructure investment programs.

Like many other performing arts organizations, Canadian orchestras' ability to engage with their communities is reliant on safe, accessible, comfortable, acoustically-appropriate, well-equipped, energy-efficient and attractive physical facilities. Yet access to federal funding programs varies from year to year, making it challenging for arts organizations, venues, and municipalities to plan needed arts and culture infrastructure projects. We recognize the important role played by the Department of Canadian Heritage's Canada Cultural Spaces Fund, and ask that its explicit recognition of arts and culture infrastructure needs be echoed in such programs as the New Building Canada Fund (Provincial-Territorial Infrastructure Component and National and Regional Projects), and the Enabling Accessibility Fund.

#### In conclusion

We wish the committee well in its deliberations. Thank you for your consideration.