



Submission to the Standing Committee on Finance  
Pre-budget consultation  
5 August 2016

*On behalf of 130 member and associate orchestras from across Canada, the audiences they engage and the communities they serve, Orchestras Canada/Orchestres Canada thanks the Government of Canada and Members of Parliament for the significant investment in the arts sector announced in Budget 2016.*

*This pre-budget brief builds on the new federal funding commitments to the arts, and our sector's potential to make an even more robust contribution. We appreciate the invitation from the Standing Committee on Finance and look forward to continued, constructive dialogue with parliamentarians over the next year.*

#### Introduction

This year is like no other: the Government of Canada has made a major multi-year commitment to Canada's cultural sector, including the Canada Council for the Arts. Through Orchestras Canada's participation in pre-budget consultations over the last eleven years, and our meetings with MPs and other decision-makers (often under the auspices of the Canadian Arts Coalition), Orchestras Canada has advocated for precisely these investments. With Budget 2016, the Government of Canada has opened up new possibilities for orchestras, and other artists and arts organizations, to fully realize their artistic, social, educational, and economic potential—and we are confident that Canadians will benefit.

Canadian orchestras contribute to our country's place in the world, our economy, our communities and our quality of life. We'd like to cite a very few, but powerful, examples of their current work.

Through its Canadian Mosaic project—chosen as a Signature Initiative by the Government of Canada as part of the Canada 150 celebrations—the Toronto Symphony Orchestra is not only working with orchestras and composers across Canada to bring new and existing Canadian music to life during 2017, it's ensuring a comprehensive digital legacy, with key works to be recorded and broadcast and on-line learning opportunities for music-lovers of all ages.

After a number of years of developmental work, in September 2016 the Orchestre symphonique de Montréal will launch a musical kindergarten, through which 4 and 5-year old children from an economically-challenged community in Montréal Nord will be immersed in a program of intensive musical studies within their kindergarten program, designed to teach lessons about discipline, teamwork, and self-esteem, and prevent absenteeism and dropping-out later in their time at school. As well, the program will extend the OSM's economic footprint by engaging outstanding graduate musicians in teaching and leadership roles.

In April 2016, the Kitchener-Waterloo Symphony worked in partnership with KW's Reception House to welcome 100 Syrian families to a family concert at Centre in the Square. The orchestra engaged a translator, not only to talk about the concert in advance to the families, but also to join Assistant Conductor Daniel Bartholomew Poyser on stage to teach a few words of Arabic to him (and, of course, the audience as well). At the end of the concert, Daniel accompanied the Syrian group to their buses. One of the older gentleman took him aside and, clasping his hand, said the only word of English that he had so far learned: "Syria."

The VSO (Vancouver Symphony Orchestra) School of Music, a unique initiative started by the Vancouver Symphony in 2011, has responded to the interests of its community by launching a new suite of programs, lessons and cultural exchange opportunities in Chinese traditional instruments beginning with a full range of classes and lessons in September 2016.

In the 2015-16 season, the Saskatoon Symphony built strong and lasting partnerships with area First Nations and Indigenous leaders to welcome throat singer Tanya Tagaq as an honoured guest performer with the orchestra. The SSO also organized a short residency for internationally celebrated 20-year old pianist Ian Lisecki in La Ronge, SK, during which he performed and talked with students during the day, and gave a free public performance for the community in the evening.

Orchestras Canada has reviewed the questions the Finance Committee has identified for this year's consultations. We submit that orchestras in Canada make a difference for individual Canadians, play a role in civic vitality, and contribute to the prosperity of communities.

- Orchestras are important to Canadians' quality of life. Through their public performances, education and community engagement programming, orchestras make cities and communities more desirable, understandable and attractive, leading to happier, more engaged and productive citizens. Many programs specifically address important facets of our lives, like health and wellness, social integration and newcomer welcomes.
- 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 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.

### Context

Canadian orchestras recognize that the nature of our country is continually evolving: they are always considering the interests of concert audiences, and the broader community. Arts engagement is multi-faceted; to serve communities most effectively, orchestras are embracing digital technologies and re-considering time-tested programming formats and concert presentation norms. Their offerings are more inventive, innovative and far-reaching than ever before, providing new ways for individuals to connect with music.

Yet while they embrace digital technology as an important way to engage with audiences, particularly youth, orchestras know that Canadians place a high value on the experience of live performance. In a 2011 study in Ontario, 60% of respondents reported attending professional

music concerts.<sup>1</sup> It is clear that the experience of live performance continues to be compelling and unique.

We also understand that public funding for the arts must 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. The Council must serve the breadth and diversity of all Canadians. Orchestras look forward to the outcomes and impact of these changes.

In considering our recommendations to the Standing Committee on Finance, Orchestras Canada reached out to members to fully understand their priorities and challenges. We had a robust response from our members. Accordingly, we offer the following recommendations to the Standing Committee on Finance:

**Recommendation 1:** *Ensure that the five-year \$180 million investment for the Canada Council for the Arts announced in Budget 2016 be fully realized, then sustained, in Canada's long-term fiscal plan.*

Orchestras Canada recognizes the historic importance of the federal government's investment in the Canada Council for the Arts announced in March 2016. Together with other planned commitments, it will have a profound and lasting impact on Canada's cultural sector.

With the enhanced investment, orchestras will be able to make a greater contribution to the lives of Canadians:

- Orchestras will strengthen their economic contribution. Orchestras are part of a cultural sector that already makes a \$53 billion contribution to GDP, and generates over 700,000 jobs. With increased public investment, orchestras will create additional economic activity.
- Orchestras will continue to be strong civic partners, working with individuals and artistic and community partners to build vibrant, safe, and compassionate communities: the kind of places that attract businesses, again helping to expand the Canadian economy and create more jobs.
- Through creative partnerships, thoughtful programming, dynamic education and community programs, and leveraging of musicians' talents, orchestras will expand their efforts to embrace and engage diverse communities.

To realize the potential the increased investment in the Canada Council for the Arts holds for Canada and its citizens, we urge MPs and the Government of Canada to ensure that the five-year commitment to increasing support be fully implemented.

Orchestras plan their seasons two to three years in advance, and make long-term commitments to their musicians, as well. Predictability of the Government of Canada's enhanced investment is critical. Contracts are signed and commitments are made that require stability. It follows that we respectfully submit that it is important to ensure the multi-year commitment to the Canada Council is fully implemented.

**Recommendation 2:** *Optimize the impact of Canada's tax code on charitable organizations doing good work in Canadian communities. Consider a national study to assess the impact of enhancements to charitable tax credits, including a 1% increase in the charitable donation tax credit.*

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<sup>1</sup> Wolf Brown. *Ontario Arts Engagement Study*, September 2011.  
<http://www.arts.on.ca/AssetFactory.aspx?did=7229>

Canada's tax code is a powerful tool in encouraging Canadians to invest in and engage with the organizations and causes that are important to them, individually, and their communities. Over the years, we have seen its impact and the benefits that it can provide.

- In 2014, the 67 Canadian orchestras that participated in our comparative statistical analysis reported they received \$58 million in donations from Canadians, or on average 39% of an orchestra's total revenue<sup>2</sup>. Many of these contributions qualified for a charitable tax receipt. As such, we submit that Canada's tax system played an important role in helping to realize these significant contributions.

Orchestras Canada recognizes the benefits of streamlining the tax system, ensuring that it efficiently meet public policy goals. We understand that 'boutique' tax credits create communications and other challenges, while delivering limited public impact. We urge the Government to recognize that the tax code is the framework that allows orchestras (and other registered charities) to raise the private resources that they need.

Measures such as a 1% increase to the charitable donation tax credit would have a meaningful impact for orchestras and other registered charities. To that end, we urge the Government of Canada to study the current state of charitable giving, and consider options such as a 1% increase in the charitable donation tax credit for charities.

**Recommendation 3** *Sustain current federal investment in important programs at Canadian Heritage to support cultural infrastructure, incent endowment giving, and build international markets, while also embracing and supporting the transformation to digital technologies in the cultural sector*

In considering its recommendations to the Standing Committee on Finance, the members of Orchestras Canada reinforced the importance of existing programs such as Cultural Spaces Canada and the Endowment Incentives through the Canada Cultural Investment Fund at the Department of Canadian Heritage, and saluted the Government of Canada's commitment to international cultural promotion.

- Investments in cultural infrastructure are important to Canadian orchestras. Renewal of existing buildings, access to contemporary technology, and purpose-built new buildings can all result in better experiences for audiences and artists, addressing accessibility, responsible environmental stewardship, and new options for artistic expression and dissemination. We thank the Government of Canada for the two-year increase to Cultural Spaces Canada announced in Budget 2016.
- The Endowment Incentives, a program that matches gifts to endowments, provides an effective tool for orchestras to encourage private-sector giving and long-term revenue diversification. Orchestras have been enthusiastic participants in this program, and its impact on their financial sustainability has been notable.

Orchestras also appreciate the leadership of the Department of Canadian Heritage and the Canada Council for the Arts to develop policies and programs that will help to foster domestic and international markets for Canadian artists and arts organizations, through live and digital means. We see an integral connection between digital strategies and broader market development for live performing arts, and we look forward to working with the government and

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<sup>2</sup> In contrast, these same orchestras received a total of \$11.7 million from the Canada Council for the Arts.

the Canada Council for the Arts on new policies and investment strategies that will anchor our contributions to Canada's economic prosperity.

### Conclusion

Orchestras Canada thanks the Standing Committee on Finance for the opportunity to contribute to the 2017 pre-budget consultations. We would be pleased to discuss our recommendations with you further.

### About Orchestras Canada/Orchestres Canada

Orchestras Canada/Orchestres Canada is the national association for Canadian orchestras, with a mandate to serve Canadian orchestras in both official languages through research, knowledge-sharing, convening, and advocacy. Orchestras Canada/Orchestres Canada has member and associate orchestras in every Canadian province, ranging from volunteer and youth orchestras to major professional ensembles.

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