



CANADIAN ARTS
COALITION
CANADIENNE DES ARTS

Brief to the Standing Committee on Finance
Pre-budget Consultations

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Submitted by the Canadian Arts Coalition

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Executive Summary

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The Canadian Arts Coalition is a collaborative non-partisan movement representing artists, arts organizations, volunteers and audience members from across Canada. We believe that a strong and vibrant arts sector is crucial to our country, and that investments made by the government in the arts help strengthen our communities and enhance Canada's reputation on the world stage.

Investments in arts and culture benefit our country as a whole. The sector is an important employer for over 600,000 Canadians and contributes significantly to this country's economy. According to a recent report by the Conference Board of Canada, the arts and culture sector directly contributes \$46 billion to Canada's gross domestic product, and generates approximately \$25 billion in taxes for all levels of government, more than 3 times higher than the \$7.9 billion that is invested at all levels.

That being said, the CAC recognizes the impact and significance of the current economic climate. With an economy that is not entirely stable, and the government undergoing a strategic and operating review, the CAC understands that the focus of Budget 2012 will be on economic recovery and sustainable jobs. We would argue that the arts sector is an effective partner in reaching these goals.

To help ensure Canada's success in these areas the CAC recommends:

1. That the Government of Canada maintain funding levels to the arts through the Canada Council for the Arts at \$181 million in fiscal year 2012-13;
2. That the Government of Canada seek means to further integrate arts and culture in its foreign policy initiatives, and in particular in its Global Commerce Strategy, by making an initial investment of \$10 million in certain targeted initiatives in 2012-13;
3. That the Government of Canada continue to foster access to the arts by Canadians, while ensuring sustainability, innovation and the availability of high quality professional arts training, by maintaining funding levels to key arts, culture and heritage programs delivered by the Department of Canadian Heritage.

Canadian Arts Coalition: Pre-Budget Brief, Budget 2012

About the Coalition

The Canadian Arts Coalition is a collaborative non-partisan movement established in 2005 and spearheaded by a group of national arts service and membership organizations representing artists, arts organizations, volunteers and audience members from across Canada. We are united in the belief that a lively arts and culture sector ensures economically vibrant, liveable, creative and future-oriented communities, and that strong federal cultural policy and investment frameworks leverage arts and culture's contribution to Canadian communities.

The Canadian Arts Coalition is pleased, on behalf of Canada's arts community, to prepare this brief for the Standing Committee on Finance. We would be happy to meet with the Committee during the consultation process, to provide concrete illustrations of our message and to take questions from members of the Committee.

Our Recommendations for Budget 2012

The Canadian Arts Coalition remains convinced that increased investment by the Government of Canada in the arts and culture sector is vital: the sector's capacity to leverage increased government investment for the benefit of all Canadians is significant, and the needs are real. That said, we are well aware that the global economic crisis and its aftermath have

changed the context within which the Government of Canada functions, and that the current Strategic and Operating Review exercise is a serious one. Historically, the CAC has asked for significant funding increases during pre-budget consultations, however in recognition of the current economic climate we present the following modified recommendations to the Committee for Budget 2012:

1. That the Government of Canada maintain funding levels to the arts through the Canada Council for the Arts at the 2011-12 level: \$181 million in fiscal year 2012-13.

The Canada Council is a highly respected, accountable and efficient arms-length agency of the Government of Canada, with a 54-year track record of fostering the arts across Canada. In 2009-10, the Council awarded grants to 2165 individual artists and 2256 arts organizations from 536 Canadian communities, through highly-competitive peer review processes. The Auditor General of Canada, in a Special Examination of the Council in 2008, reported that Council was doing a good job of managing its affairs, and that “the Canada Council’s systems and practices have contributed to its success in several areas.”¹

2. That the Government of Canada seek means to further integrate arts and culture in its foreign policy initiatives, and in particular in its Global Commerce Strategy, by making an initial investment of \$10 million in certain targeted initiatives in 2012-13.

Canada’s track record of participation in global commerce has already positioned us as one of the most successful and prosperous economies in the world. Expanding access to global markets and networks for Canadian cultural product is essential to furthering Canada’s creative advantage in a global society that values economic prosperity, social cohesion, creativity, innovation and excellence.

In 2006, the United States accounted for over 90 per cent of Canada’s culture goods exports and 78 per cent of culture service exports.² But international markets promise other opportunities for greater market access and diversification, thereby expanding the reach of Canadian culture. Expanding ties to the European Union and Asia would be notable avenues for gaining greater market access for Canadian cultural product.

Canadian artists, arts organizations and cultural products are important elements of Canada’s “brand” – and this was nowhere better demonstrated than during the opening and closing ceremonies at the 2010 Vancouver Olympics. Canadian artists, arts organizations, and cultural producers must be equipped to serve as cultural ambassadors if the Government of Canada is to leverage the brand and build trade opportunities internationally. In the current climate, we recommend a phased-in approach, starting in 2012 with an initial commitment of \$10 million by the Government of Canada to ensure that Canadian Trade Commissioners, diplomats and other key officials are trained and resourced to position Canadian arts and culture as a key asset in today’s integrated global economy; and that artists and arts organizations are enabled to take their work to foreign markets, to meet with potential presenters and consumers of cultural products, and to explore and establish innovative partnerships with foreign counterparts and collaborators.

3. That the Government of Canada continue to foster access to the arts by Canadians, while ensuring sustainability, innovation and the availability of high quality professional arts training, by maintaining funding levels to key arts, culture and heritage programs delivered by the Department of Canadian Heritage.

Along with the Canada Council, the Department of Canadian Heritage is one of the primary sources of government investment for arts and heritage organizations and culture enterprises across the country. Funds awarded through DCH directly sustain jobs within the creative sector. Moreover, many of the Department’s programs ensure that families across Canada have increased access to arts and culture, strengthen national identity and foster lasting cultural development.

¹ Auditor General of Canada : Special Examination Report—2008, p. 1.

² Conference Board of Canada : Valuing Culture : Measuring and Understanding Canada’s Creative Economy (2008), p. 48.

Sustained investment in these programs will mean that Canadians will have greater access to artists' work reflecting Canada's rich cultural diversity. Canadian communities of all backgrounds will have the opportunity to participate in and benefit from the broadest possible range of artistic experiences. The Canadian Arts Coalition supports the role played by the Department of Canadian Heritage in funding programs that extend public access to the arts, build and diversify a resource base to realize organizations' artistic visions, leverage private sector investment through matching contributions to endowment funds as well as building and maintaining cultural physical infrastructure.

These recommendations reflect the eco-system necessary to leverage a lively and vital arts and culture sector; when implemented, they will maximize arts and culture's current and potential contribution to a vibrant and growing economy through their impact on:

- The development, production, promotion and dissemination of Canadian cultural products by and for Canadians;
- International market development for Canadian arts and cultural products;
- The accessibility of the arts to the broadest possible number of Canadians;
- The resilience and sustainability of Canadian arts organizations and cultural enterprises;
- Adequate physical infrastructure;
- Provision of access to the specialized training necessary to hone creativity and sustain Canadian artistic innovation.

A picture of Canada's arts and culture sector

Jobs and the Economy

The arts and culture sector in Canada is a significant employer, with an estimated 616,000 workers in 2003, including 140,000 artists.³ The sector--which includes for-profit creative and cultural industries, not-for-profit arts organizations and independent arts entrepreneurs (with significant mobility of workers between the sub-sectors)--comprises 3.9% of the overall labour force.⁴ This is double the level of employment in the forestry sector in Canada (300,000) and more than double the level of employment in Canadian banks (257,000).⁵

Artists, arts organizations and creative and cultural businesses – arts jobs, in short – exist in villages, towns, and cities across Canada. Twenty-six percent of Canada's artists are based in communities with populations under 50,000; another twenty-five percent are based in either Toronto or Montreal.⁶

According to a recent report by the Conference Board of Canada, the arts and culture sector directly contributes \$46 billion to Canada's gross domestic product, and generates approximately \$25 billion in taxes for all levels of government, more than 3 times higher than the \$7.9 billion that is invested at all levels.⁷ For every \$1 of real value added GDP produced by Canada's culture industries, \$1.84 is added to overall real GDP.⁸ Performing arts organizations generate \$2.70 in revenues for every dollar they receive from governments.⁹

³ Statistics Canada : Economic Contribution of the Culture Sector to Canada's Provinces (2007), p. 20.

⁴ Ibid.

⁵ Hill Strategies Research : A Statistical Profile of Artists in Canada, Based on the 2006 Census.

⁶ Hill Strategies Research : Mapping Artists and Cultural Workers in Canada's Largest Cities, 2010.

⁷ Hill Strategies Research : Patterns in Performing Arts Spending in Canada in 2008

⁸ Valuing Culture, p. 29

⁹ Hill Strategies Researching : Consumer Spending on Culture, 2008.

In 2008, consumer spending on cultural products (including art supplies and musical instruments, art works and events, home entertainment, movie theatre admissions, photographic equipment and services, and reading material) in Canada was over \$27 billion, or \$841 for every Canadian resident. Canadians' spending on live performing arts (\$1.4 billion) was more than double their spending on live sports events (\$650 million).¹⁰

Even in difficult financial times, the Government of Canada has demonstrated a keen awareness of the economic, social and cultural benefits of arts and culture, and the importance of engaging with a continuum of arts and culture activity, from children's lessons in the arts to globally-celebrated professional artistic and cultural endeavours. We believe the cultural sector has played its part to leverage these investments, to the greater good of Canadians and Canadian communities.

Conclusion

Canada's creative economy is already a major source of jobs, and an important sector for future growth of Canada's workforce. The government's recent investments in arts and culture have achieved their targets; ongoing and future investments will help to sustain Canada's economic recovery and ensure our long-term prosperity.

We call upon Committee members and all parliamentarians to ensure that Canada remains one of the best places in the world in which to invest and innovate through sustained investment in the creative economy. Ongoing support for arts and culture will ensure that Canadians keep jobs within the sector and will help to support the creation of new, quality jobs in the future. Sustained investment in arts and culture is a means of maintaining Canada's competitive edge, securing Canada's continued recovery from the global economic recession and improving the well-being of Canadians over the long term.

¹⁰ Ibid.