



**CANADIAN MUSEUMS ASSOCIATION
BRIEF TO THE HOUSE OF COMMONS STANDING COMMITTEE ON FINANCE
PRE-BUDGET CONSULTATIONS
FALL 2011**

August 12, 2011

The Canadian Museums Association (CMA) welcomes the opportunity to appear before the House of Commons Standing Committee on Finance, as part of the pre-budget consultations. The CMA recognizes the challenging fiscal situation of the federal government; the financial uncertainties beyond our borders are causing real economic uncertainty for all of us. This leads us to the paramount question: what is the federal role in supporting Canadian culture while trying to eliminate the deficit by 2014-15?

The following brief reflects our recommendations on how to attain high levels of job growth and business investment in Canada's cultural sector for Budget 2012. Modest in nature, our input is strategic, sensible and practical.

The value of Canadian museums in Canadian Society and beyond

2011 marks the sixtieth anniversary of the release of the Massey-Lévesque Report. Appointed in 1949 by the federal government, the Commissioners were asked to explore the state of the arts, sciences and humanities in Canadian society. The resulting 1951 Report called upon the federal government to take a strong role in the fostering, promotion and funding of the arts and cultural sector, as well as providing support for the development of the humanities and sciences.

In the intervening sixty years, successive federal governments have developed an array of policies, programs and other measures to build a national awareness and enjoyment of the rich legacy of Canadian history, artistic expression and scientific achievements.

Canadian museums and art galleries have played a major role in providing access to various dimensions of this legacy. Canadians in turn have responded by making museums and art galleries popular destinations for all ages, in all parts of the country.

How popular?

- In an average year Canadian museums and art galleries welcome 59 million visitors;
- 7.5 million students from kindergarten to post graduate levels are educated through museum and art gallery visits every year;
- Canadian museums and art galleries contribute an estimated \$17 billion annually to the Canadian economy.

Canadian museums and art galleries retain their popularity through the development of a variety of programmes, exhibitions and services. As centres of lifelong learning, they are valuable resources in the research, preservation and interpretation of Canada's heritage. Museums and galleries foster a better understanding of Canadian life and its history with new Canadian citizens and promote Canadian identity beyond our borders.

Why should the federal government continue to invest in Canada's culture and heritage? Because they are central to the very being of this country. Through their commitment to accessibility and innovation, Canada's museums generate revenues, create jobs and represent a significant return on the federal government's investment in the cultural sector.

What happens if the federal government reduces its funding to museums?

Quite simply, we will see the closure of many small and vital museums which today are hanging on by a thread. Many depend on small grants from the Museums Assistance Program or temporary help via the Young Canada Works in Heritage Organizations

Program, two federal initiatives which we are focusing our recommendations on.

Jobs for Canada's Youth

Canadian museums and art galleries represent a source of employment for **over 24,000 individuals** and contribute **\$650 million in direct salaries and wages**. In addition tourist visits to museums contribute an estimated **\$17 billion** to the Canadian economy.

Since 1996, the CMA has administered a portion of the **Young Canada Works Program**, which is part of the Government of Canada's Youth Employment Strategy. One of the program's components – Young Canada Works at Building Careers in Heritage (YCW-BCH) – provides internships to recent post-secondary graduates, allowing interns hands-on career enhancing experience that leads to full-time employment. In 2010, **funding shortfall was 89% (92% shortfall in 2009)**.

The program's second component – Young Canada Works in Heritage Organizations (YCW-HO) – provides summer jobs to secondary and post-secondary students. In 2010 alone, YCW-HO created **1300 summer jobs in 794 museums and galleries** across Canada. Yet the requests for summer jobs exceeded the funds available by some \$5 million. These are high quality learning experiences for young Canadians and the program is delivered very efficiently with administration costs below 10%.

The success of the YCW program in achieving the objective of sustainable quality jobs is being compromised by the inadequate funding in this program. Creating the opportunity for new Young Canada Works jobs not only reduces youth unemployment but also creates additional tax revenue to assist in addressing the federal deficit.

RECOMMENDATION # 1: To achieve the goal of creating quality sustainable jobs and contributing to a balanced budget, the Canadian Museums Association recommends an increase in the Young Canada Works – Building Careers in Heritage (Internship) program of \$1 million per year and an additional \$2 million for the Young Canada Works in Heritage Organizations (Summer Jobs) program, both administered by the CMA.

Investments to ensure sustainability

Successive federal governments have recognized and affirmed a strong role in the funding and support of museums and galleries. The recent creation of the Canadian Museum of Human Rights is an example of this commitment. The model of the federal government working in partnership with the private sector is a successful one. But Canadians also need to be encouraged to become more active supporters of heritage. Private sector donations to museums and galleries (both corporate and individual) only represent **9 percent** of museum operating funds in Canada. We propose to increase this level of private giving to some 15-18% per annum with short term incentives.

The Canadian Museums Association has proposed the creation of a five-year program, the Canadians Supporting their Museums Fund, which calls upon the federal government to match individual and corporate contributions dollar for dollar to an annual ceiling. The program would require \$25 million per year for the life of the program, and would support museums in becoming more self-sustaining. Canadians would become more aware of their heritage and the economy would benefit from an increased contribution from museums (from increased tourism and employment).

The creation of this type of incentive program has been used to support emergency relief funds for Haiti, the tsunami, the famine in the Horn of Africa, and to support endowment funds for cultural organizations in the performing arts. It has proven to be an effective mechanism to inspire generosity of Canadians. It is the view of the CMA that it could have similar results in bolstering individual and corporate support of museums and galleries.

RECOMMENDATION # 2: The CMA recommends the creation of a matching donations program, the Canadians Supporting their Museums Fund, a five-year program with annual funding of \$ 25 million, to increase private sector investments in Canada’s museums and galleries.

Opportunities for Economies

The principal federal government program in support of the Canadian museum community is the Museums Assistance Program (MAP), created in 1972 to provide financial support to museums and galleries for traveling exhibitions, outreach programs, professional development opportunities, management development and aboriginal heritage projects. Through a series of spending cuts, the funding level of the Program was reduced from a target of \$18 million per year to today’s allocation of \$6 million.

MAP is now delivered through a variety of programs administered by the Department of Canadian Heritage. Additional funds to museums are delivered through other departments, programs or agencies including many regional development agencies. This uncoordinated approach makes it difficult to maintain a cohesive policy framework, administer the programs efficiently and measure results. The consolidation of these components into a single umbrella would result in improved efficiency and reduced administrative costs.

In the same vein, some CMA members have expressed an interest in reviewing the Canada Travelling Exhibitions Indemnification Program. This Canadian Heritage program contributes funds to underwrite the insurance costs of bringing international exhibitions to Canadian art galleries and museums. The program was created in 1999 and has not been significantly revised since its inception.

While there has never been a single claim under the program, the program’s ceiling of \$1.5 billion is no longer realistic given the size and scope of some of the “blockbuster” exhibitions mounted by Canada’s large galleries. The Department of Canadian Heritage (DCH) has recently completed a summative evaluation of this program. The CMA encourages DCH to undertake discussions with representatives of the museum community when the results of the evaluation are made public, in order to explore building further efficiencies into the program, such as reducing levels of risk and sharing additional financial risks.

RECOMMENDATION # 3: The CMA recommends that a review of the Canada Travelling Exhibitions Indemnification Program and the Museums Assistance Program be undertaken to improve the efficient and economical administration of these federal programs. The CMA and its members must be an essential part of this process.

Beyond 2014-15

All Canadians look forward to the elimination of the federal deficit in 2014-15.

Looking ahead, Canada will celebrate 150 years of Confederation in 2017. We expect the federal government will have plans in place to mark this occasion throughout the nation. Canada's museums and art galleries are eager to play a significant role in bringing to Canadians and international visitors a tribute to our shared history, our diversity and our historic and artistic achievements.

The legacy of our Centennial celebrations leads us to anticipate equally manifold commemorations to mark our 150th anniversary as a nation. It is hoped that the federal government will seek the input of organizations such as the CMA and its member institutions to ensure that the planned program will enrich Canadians with a sense of pride and achievement for 2017 and beyond.

About the Canadian Museums Association

The Canadian Museums Association (CMA) is a national not for profit organization representing the interests of over 2000 museums in every province and territory in Canada. The CMA is governed by an elected Board of Directors and is also active internationally in the International Council of Museums.

Museums are institutions created in the public interest. They engage their visitors, foster deeper understanding and promote the enjoyment and sharing of authentic cultural and natural heritage. Museums acquire, preserve, research, interpret and exhibit the tangible and intangible evidence of society and nature. As educational institutions, museums provide a physical forum for critical inquiry and investigation.

For more information, please contact

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EXECUTIVE SUMMARY

The Canadian Museums Association (CMA) represents over 2500 museums and art galleries across Canada. Dedicated to accessibility, accountability, education and reflecting the diversity of Canada's history, society and artistic expression, these institutions receive over 59 million visitors a year and educate over 7.5 million students of all ages annually.

Museums and art galleries employ over 24,000 Canadians and contribute \$650 million in salaries and wages.

The CMA has included three recommendations on how to attain high levels of job growth and business investment in Canada's cultural sector for Budget 2012 in this Brief. They are:

Recommendation 1

To achieve the goal of creating quality sustainable jobs and contributing to a balanced budget, the Canadian Museums Association recommends an increase in the Young Canada Works – Building Careers in Heritage (Internship) program of \$1 million per year and an additional \$2 million for the Young Canada Works in Heritage Organizations (Summer Jobs) program, both administered by the CMA.

Recommendation 2

The CMA recommends the creation of a matching donations program, the Canadians Supporting their Museums Fund, a five-year program with annual funding of \$ 25 million, to increase private sector investments in Canada's museums and galleries.

Recommendation 3

The CMA recommends that a review of the Canada Travelling Exhibitions Indemnification Program and the Museums Assistance Program be undertaken to improve the efficient and economical administration of these federal programs. The CMA and its members must be an essential part of this process.