

ProArt Alliance

The Professional Arts Alliance
of Greater Victoria

WRITTEN BRIEF to the: Legislative Assembly of British Columbia
Select Standing Committee on Finance and Government Services

Prepared by the ProArt Alliance of Greater Victoria
September 15, 2015, Victoria, BC

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Heather Lindsay, Director

*Working on behalf
of professional
arts organizations*

*Art Gallery of Greater Victoria
Ballet Victoria
Belfry Theatre
Cinevic
Dance Victoria
Farquhar Auditorium
Intrepid Theatre
Kaleidoscope
MediaNet
Open Space
The Other Guys Theatre
Pacific Opera Victoria
Puente Theatre
Story Theatre
Theatre Inconnu
Theatre SKAM
Victoria Conservatory of Music
Victoria Film Festival
Victoria Jazz Society
Victoria Symphony*

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*"If art is to nourish the roots of our culture,
society must set the artist free to follow his vision wherever it takes him."
John F. Kennedy*

ProArt Alliance of Greater Victoria

The ProArt Alliance of Greater Victoria represents 20 professional arts organisations in Victoria: the Art Gallery of Greater Victoria; Ballet Victoria; the Belfry Theatre; CineVic; Dance Victoria; Farquhar Auditorium; Intrepid Theatre; Kaleidoscope; MediaNet; Open Space; the Other Guys Theatre; Pacific Opera Victoria; Puente Theatre; Story Theatre; Theatre Inconnu; Theatre SKAM; Victoria Film Festival; the Victoria Conservatory of Music; the Victoria Jazz Society, and the Victoria Symphony.

The arts are essential to society

We believe strongly in the positive social and economic contributions that the arts make to our society and that funding for the arts is one of the best investments that the province of British Columbia can make. There are statistics that show the public overwhelmingly supports art and government funding for the arts; for example, the telephone poll of 1,001 Canadians, conducted by Phoenix Strategic Perspectives Inc., for Heritage Canada in 2012, found that 87% supported government funding of the arts, and that 83 % said they had attended a live performance or arts event during the past year.

ProArt Recommendations for 2016-17

1) Increase the budget of BC Arts Council to \$32 million, with a plan to increase the Council's legislated appropriated investment to \$40 million, over the following two-year period.

Fact: In 2012, non-profit performing arts organizations in British Columbia staged over 7000 performances, with our province's audiences accounting for nearly 16% of total attendance at performances in Canada.

We cannot ignore and strangle this growth. An immediate example is the 29th annual Victoria Fringe Festival this year saw record breaking audience numbers, including an increase of tourists and first-time audience members, totaling over 20,000 people. The Victoria Fringe returned over \$146,000 to the performing artists, yet struggles to find and maintain venues to accommodate this growth and cannot increase our professional technician fees quickly enough to support the growth of professional art entering into our makeshift gymnasiums and halls. The increase we are recommending is to support the current well-being of the arts in our community.

2) We propose increasing Community Gaming Grants to organizations from \$135 million in 2014-15 to \$156 million for 2016-17, with a goal of increasing Gaming grants steadily in the long term in accordance with the October 31, 2011 Skip Triplett report.

Fact: This ask of 16% increase to \$156 million would bring British Columbia back to what the funding pool was in 2008.

We sit in front of you today to express that in order to support a critical component of British Columbia's economy, and to maintain affordable access for activities in our communities across the province, the government's support is a cornerstone of stability and accessibility for arts and culture. We need to see this increase in this sector now.

3) To provide stable, predictable funding for the arts sector, we are asking if the government is considering reinstating the multi-year grant process that existed in the Community Access Grant:

- The current Community Gaming Grant and BC Arts Council streamlined process eases administrative burden and helps to provide stability and improved planning to organizations who receive this support.
- Using this current short form application process, we would like you to re-instate the multi-year funding pilot introduced for the Community Gaming Grant program as an option for organizations. Noting the option to use the short form for those that are doing the same work and the long form for organizations adjusting their programs and budgets.

4) The government should develop a capital program similar to the Department of Canadian Heritage's Canada Cultural Spaces Fund to help arts organizations purchase, improve, maintain or expand venues for art, culture and community.

From our own members we have heard challenges of the following:

- Leveraging funds for new seats in the Belfry Theatre will cost over \$250,000
- Open Space is looking at similar costs in replacing their gallery building's roof
- The Victoria Conservatory of Music's ongoing maintenance of their heritage building to maintain their music school's growth is challenging their ability to grow with their programs and meet the demands of the students.
- To date, Intrepid Theatre has raised over \$700,000 to upgrade, technically outfit and rezoned The Metro Studio into the only permanent independent mid-sized theatre in Victoria. The Metro Studio cannot keep up with the demand for community & artistic use.

The need for new venues while maintaining current venues is a crucial part in the growing fabric of British Columbia's arts and culture sector.

5) We request that the Ministry of Finance provide significant support to the non-profit sector (e.g. toolkits, legal resources) over the next two years to facilitate a smooth transition to the new Societies Act.

- We make this recommendation on behalf of the whole non-profit sector and not only arts and culture. Many organizations will have a hard time accessing the legal advice to educate themselves to comply with the new act. We flag this as a consideration to look at immediately as we begin this two year transition.

Art and culture provide economic benefits

We would like to thank the Finance committee, which has in the past supported our recommendations. We also believe that funding from government is not a handout, but a critical investment in an industry, much like government invests in industries across a multitude of sectors in the province. Support for the arts is an investment in a pivotal industry in the province, not some kind of special consideration. Whatever statistics one gives credence to, the consistent finding of any study of grants to the cultural sector are that the returns on public investment always exceed the initial investment. The B.C. Chamber of Commerce also concur that the arts play a critical role worthy of support stating in their 2013 report, *A Strategy for Arts and Business*: "The Chamber firmly believes the arts and cultural sector of B.C. benefits business and contributes to building strong and economically sound communities."

The arts and the creative industries

We want to point out that many artists cross over between the cultural industries and the arts. Musicians, writers, actors, dancers all can and do cross the line between commercial productions and the artistic non-profit sector. We do not see a borderline between the arts and the cultural industries, there is rather a spectrum of cultural productivity. This is key to consider when examining how the arts can stimulate economic activity in conjunction with the creative industries.

The arts act as an economic stimulus

The Greater Victoria Arts and Culture Sector Economic Activity Study released on September 30, 2013, was funded by the Victoria Foundation, CRD and supported by ProArt. Conducted by Dr. Brock Smith from the University of Victoria, the study shows that the "... *total economic activity* generated by the Greater Victoria arts and culture sector in 2012 was \$177 million in net income (GDP) activity, supporting the equivalent of more than 4,347 person years of employment, and almost \$17 million in property tax revenue."

Those figures represent a significant stimulus factor from government arts funding, largely because people who attend arts presentations spend in restaurants and cafés before and after the events and generate considerable spinoff economic activity. Victoria arts organisations receive about \$5.4 million in grants (from all four levels of government) and the resulting impact of \$177 million in Greater Victoria adds up to a leverage factor of \$1 of government funding resulting in \$33 of economic impact.

On top of this, creating a job in the arts sector is less costly than in other sectors. This has come out of a presentation from the Canadian Conference of the Arts to the federal pre-budget consultation in 2012. The average cost in the arts sector is between about \$20,000 and \$30,000 to create a job, compared to \$100,000 to \$300,000 for jobs in heavy and medium industry sectors. Moreover, when the government invests in creating jobs in the arts, it's a safe investment. Conservative studies show a return to the government through taxes — one example, a multiplier of 1.5, from the Kamloops Cultural Strategic Plan.

Government is the key investor for the arts

The Greater Victoria Arts and Culture Sector Economic Activity Study findings show that the effects of arts and culture presentations and events are diffused throughout adjacent businesses and services, who then, in turn, generate taxes, in the form of income, provincial and federal sales taxes, and also property taxes. Because of the diffused nature of the economic activity of arts and culture, ultimately it is government itself, on all levels, that is best placed to benefit from the taxes generated. In that sense, it is government that is best positioned to be the investor in arts and cultural organizations, as government will recoup its monetary investment in the form of taxes. It's much harder for a single investor in a single commercial venture to recover their investment in that way.

We appreciate the committee's endorsement of recommendations made in the past for increasing support for the arts. Improvements including, a three-year budgeting model for arts funding that includes the ability to carry over unspent earmarked funds that does not penalize successful fundraising, additional funding to the BC Arts Council and reinstatement of eligibility for Community Gaming Grants for arts organization have all assisted the community to sustain itself. The community continues to expand and to increase its net benefit to the province, and requires increased support for emerging artists without jeopardizing established artists or organizations.

This past year many Arts organizations have been implementing the support for youth arts programming, youth engagement and early career development funding initiatives. We feel that it is still important to reiterate that if we wish to give the youth of BC something to aim for, should they choose to participate in these programs and continue with a career in the arts, then we will have to improve the conditions for artists in BC.

Arts and culture need an increase in funding

Increased funding for the arts will increase employment in the province, and improve opportunities for youth seeking a future in the creative industries. Unfortunately the \$5 million increase in funding in 2013 has not lifted B.C. out of the bottom of the list when it comes to per-capita spending by provincial governments. The average earning for an artist in B.C. is around \$21,000, compared to the average for the overall labour force of \$35,000. So the arts sector is still underinvested, hence our recommendation for an increase of the BC Arts Council budget to \$32 million. We believe the sector deserves the government's support and investment as much as any other industry.

The arts need stable support

We feel that the BC Government has a key role to play in stabilizing support for the cultural sector in the province. In particular, the government can commit to stable funding for the arts, enabling the BC Arts Council to offer multi-year funding to arts organizations. Without stable funding arts organizations lose employees; with stable funding we see longer term employment, and retention of a skilled and experienced labour force in place to support, train and mentor the next generation of artists, craftspersons, administrators and support staff.

Facts & Stats

Arts and culture are key economic drivers that contribute to local economies, build strong and healthy communities and create civic engagement and provincial pride.

According to the *2010 Provincial and Territorial Culture Satellite Account* produced by Stats Canada:

- B.C. recorded the third highest (3.0%) Gross Domestic Product (GDP) of culture as a share of provincial/territorial economy – and tied for third in culture jobs as a share of provincial/territorial economy (3.8 %) from a product perspective in 2010.
- From a product perspective, culture GDP in B.C. was \$5.7 billion in 2010, representing three per cent of the economy. This accounted for 12 per cent of culture GDP in Canada.
- The number of culture jobs in the province was 87,996 or 3.8 per cent of total jobs in British Columbia.
- Nationally, culture GDP at basic prices equaled \$47.7 billion, contributing three per cent to Canada's GDP in 2010. Culture accounted for 642,486 jobs in 2010, contributing 3.7 per cent to total employment in Canada.

Other interesting notes:

- Approximately 88,000 volunteers and 126,000 donors support arts and culture in BC.
- In 2012, British Columbia was the Canadian province with the highest number of working artists.
- Performing arts organizations in British Columbia earned \$146.6 million in 2012.
- Non-profit performing arts organizations in British Columbia staged 7,162 performances in 2012.
- British Columbians are more likely than other Canadians to support the arts, with just over 13 % of Canada's population, British Columbia accounted for nearly 16 per cent of total attendance at performances in Canada during 2012.
- There was a 56% increase in the number of artists in Canada between 1989 and 2013. This is higher than the 38% increase in the overall labour force. The number of cultural workers in Canada increased by 47% between 1989 and 2013.

<http://www2.gov.bc.ca/gov/content/sports-culture/arts-culture/facts-and-stats>

END

Introductions -

Doug Jarvis, Administrator, ProArt Alliance of Greater Victoria

Heather Lindsay, Member of the Executive Committee

We work on behalf of 20 professional arts organizations that represent a spectrum of operating budgets. We also seek to be a voice for the broader arts community in the region.

(A list of these organizations is provided on the front of our Brief)

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We have been seeking the following recommendations for that past few years.

Not a lot has changed and we need you to understand that not enough has happened over the last few years, and we are falling behind. We are not asking for anything substantially different, but we are still asking for these things because they are critical.