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Ontario Arts Profiles

(Volume 9, No. 1, March 2005)

Ontario's Visual and Media Arts Sector

The first of a continuing series describing the arts sectors and regional arts activity funded by the Ontario Arts Council through its operating funding programs.

The Ontario Arts Council offers 17 programs that grant operating and annual funding to arts organizations throughout the province. These are the organizations that OAC is committed to funding on an ongoing basis. Currently, 443 organizations in the following artistic sectors are funded through these programs: arts education, arts presenting, arts service, community and multidisciplinary arts, dance, literary and storytelling arts, music, publishing (both Franco-Ontarian and anglophone), theatre (both Franco-Ontarian and anglophone), and visual and media arts.

In 2004/05, funding to these organizations totalled $25,329,105, or 71% of all OAC funding. These organizations, in communities in every corner of the province, are the backbone of the arts in Ontario. They provide the venues for individual artists to create, produce and present their work, and they have deep connections with audiences and other participants in their communities.

Organizations in the Visual and Media Arts Sector

In 2004, OAC funded 78 organizations in this artistic sector, including 4 craft organizations, 37 public art galleries and 37 artist-run centres and other visual and media arts organizations (including film festivals). Funding to these 78 organizations was $3.4 million, representing 7% of their total revenues of $49 million.

For the four years 2001-2004, there were 65 organizations from within this group that received funding consistently. The statistical and financial breakdowns that follow are based on this smaller group of 65 to ensure comparability among years.

The craft organizations in this group are membership organizations of craft artists that provide services to those artists, organize exhibitions of the work of craft artists, and undertake collective marketing projects on behalf of Ontario craft artists.

The public art galleries offer exhibitions within their communities, as well as educational activities for both children and adults. Many of them also originate exhibits that tour to other communities, both within and outside Ontario. The maintenance, exhibition and interpretation of permanent collections is a primary function and contribution.

A Snapshot of the Sector

Approximately 7,000 professional artisans and craftspeople live and work in Ontario, as do more than 5,000 painters sculptors and other visual artists. In 2001 the craftspeople earned, on average, $16,798 annually, or 48% of the average Ontario wage; the balance of visual artists earned $24,955 on average, or 71% of the average wage. Craftspeople as a group are far less likely to live in a metropolitan area than other artists.[1]

Two-thirds of the province's craftspeople are women, as are just more than half of visual artists. The number of craftspeople in the province declined 9% between the 1991 and 2001 census; the number of other visual artists increased by one-third, triple the increase in the overall labour force.[2]

Almost 26% of the Ontario population visited one or more public gallery in 1998 (the Canadian average was 24%), representing 2.4 million visits in 1998. Attendance at art galleries and museums tends to increase with education and household income, and decrease over the age of 60. Urban residents are more likely than rural ones to visit a gallery or museum. Visitors tend to be more active in other aspects of community life than the average Ontarian – activities such as attendance at performing arts events, cultural festivals, sports participants and community volunteers.[3]

The visual arts sector contributed an average of $535 million annually to Ontario's Gross Domestic Product between 1996 and 2001. During the same period, an average of 6,000 people were directly employed by the sector (paid employees, including full-time, part-time and freelancers).[4]

The 65 organizations described in the current study include 3 craft organizations, 31 public art galleries and 31 artist-run centres and other visual and media arts organizations.

They are based in communities throughout Ontario, with the majority in the south.

Organizations in the Visual & Media Arts Sector

Greater Toronto Area	32
Eastern Ontario	10
Northeastern Ontario	5
Northwestern Ontario	2
Southwestern Ontario	16

The fiscal years for which actual (as opposed to projected) data is available are 1999-2000, 2000-01, 2001-02 and 2002-03.

These organizations spent between $36 and $42 million in their local communities in each of the four years.

They had between 356 and 379 full-time equivalent staff, and as many as 7,500 volunteers.

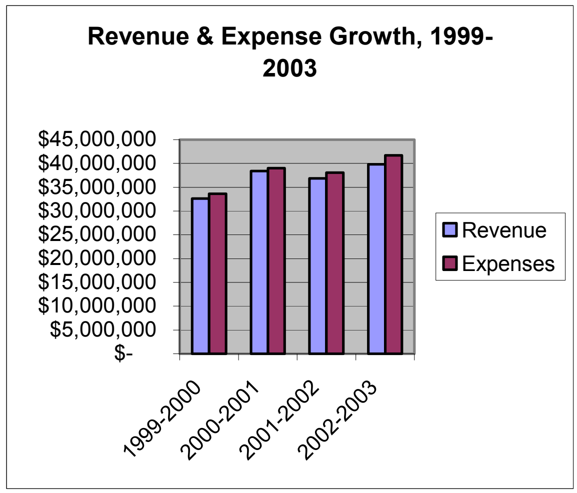
The craft organizations as a group are quite small. The public galleries are the largest, with substantial infrastructure and capital investment in both facilities and artwork.

Revenues, 2002-03 (thousands)

	Average	Median
Artist-Run Centres & other Visual and Media Arts Organizations	$247	$235
Craft Organizations	$134	$185
Public Art Galleries	$921	$589

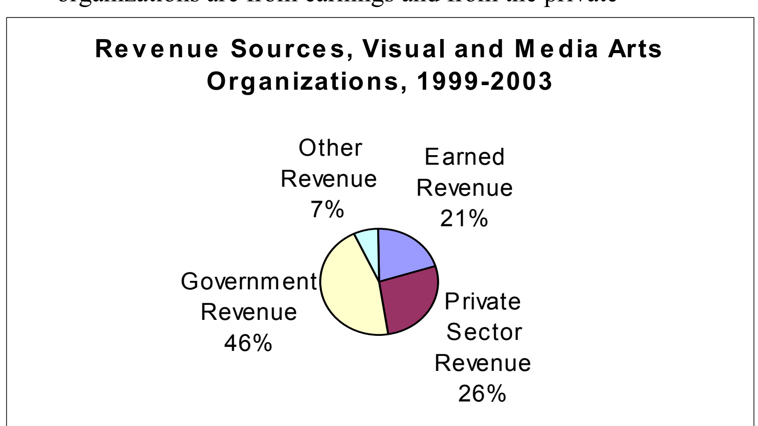
Sources of Revenue

Revenues and expenses for the 65 organizations grew over the four years of this survey. While expenses outpaced revenues each year, most organizations in the sector maintained modest surpluses during the period.



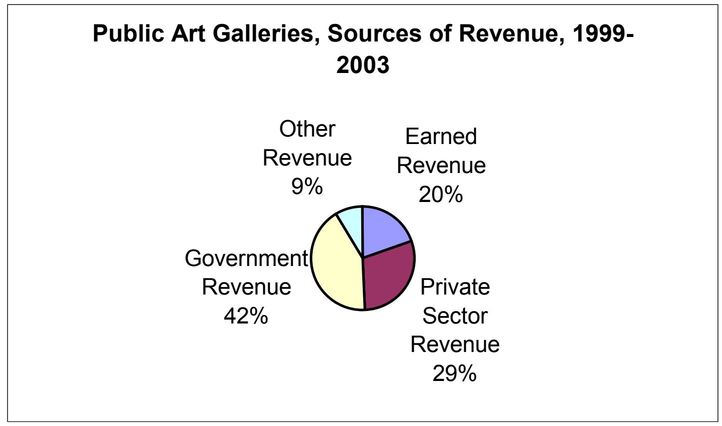
As with all not-for-profit organizations, there are three primary sources of revenue for the 65 organizations: earned revenue (admissions, sales, payment for other services such as workshops and classes); private sector revenue (including individual donations, foundation grants, corporate donations and sponsorships and revenues from special events); and government revenue from federal, provincial and municipal sources.

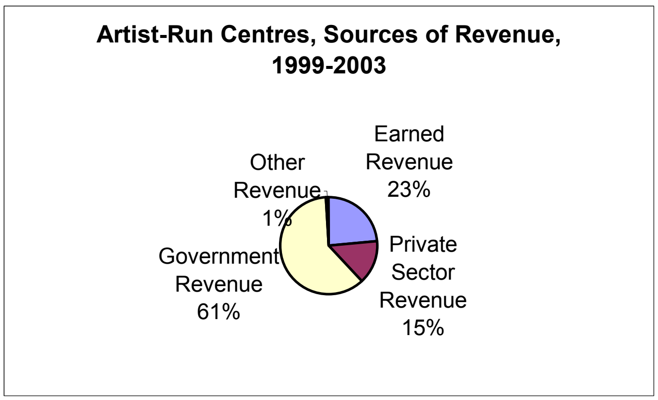
Just less than half of the revenues earned by these organizations are from earnings and from the private



sector – 21% earned and 26% private sector. These ratios are somewhat different for the various types of organizations represented in the sample.

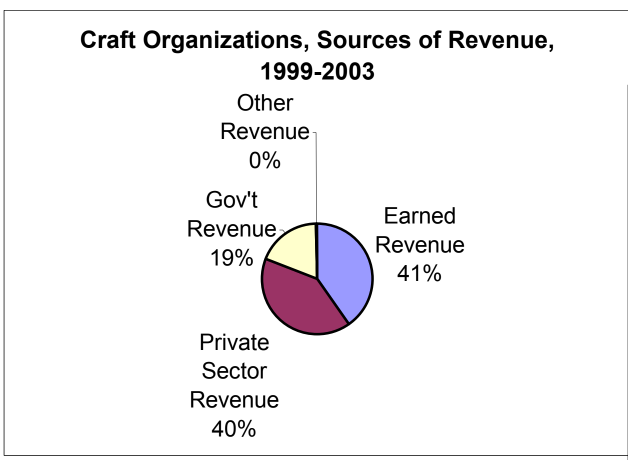
The public galleries, for instance, show a much higher proportion of private sector revenue compared to the artist-run centres. This reflects the fact that they tend to be larger organizations with more profile in their communities and greater potential for developing individual and corporate support. The craft organizations have the highest proportion of private sector revenues, but because there are only three organizations in the survey, these findings may not be typical.

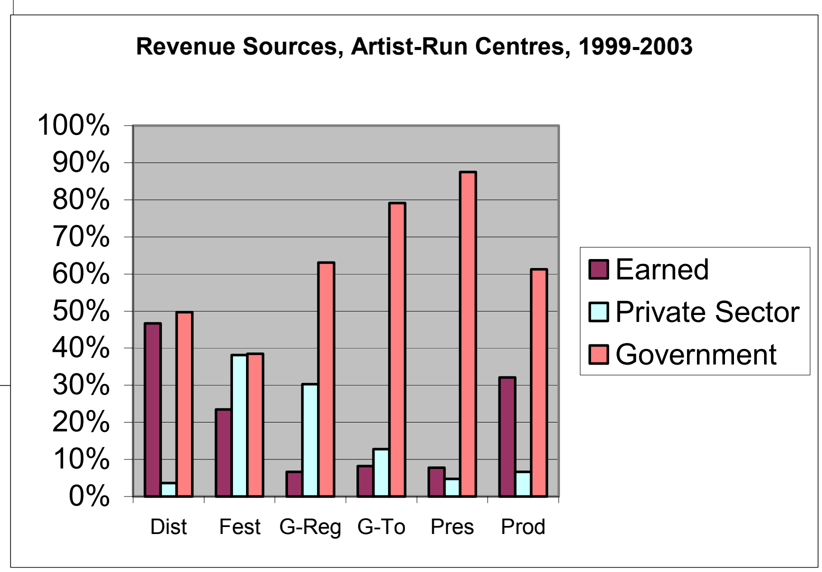




Within the grouping of artist-run centres, there is a wide variation of sources of revenue, depending on the activity of the organization. The group of 31 can be further classified as:

- Distributors (of film, video and other artistic products)
- Festivals (film and video)
- Galleries – regional (artist-run exhibition spaces outside Toronto)
- Galleries – Toronto
- Presenters (organizations without a facility that present series of films, for instance)
- Production Centres (offering facilities for the production and completion of work such as film, video, prints, etc.)

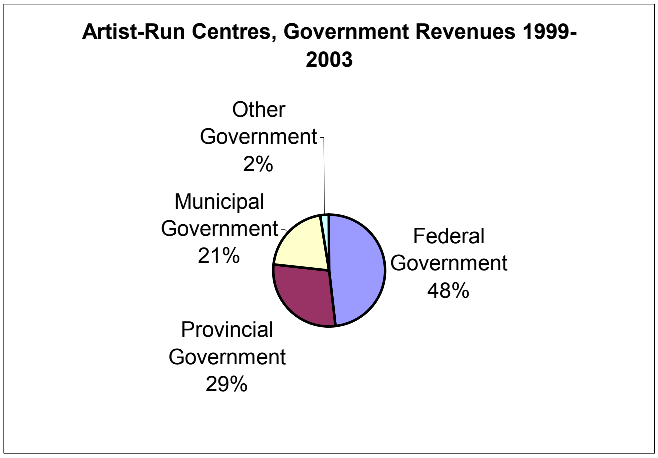


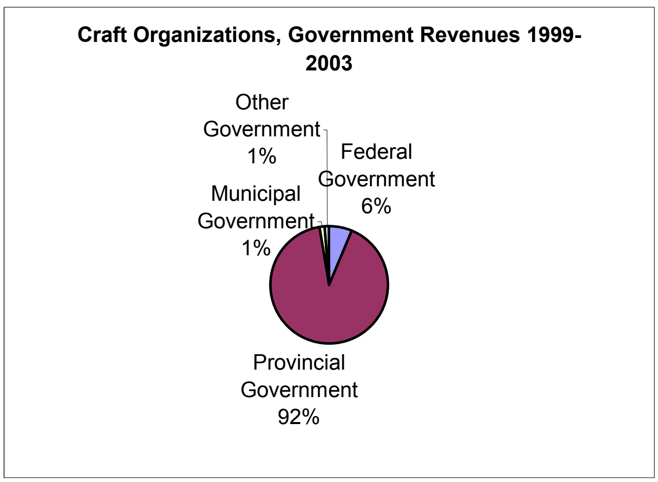


In dollar terms, the 65 organizations had revenues of almost $40 million in 2002-03; more than $8 million was earned, $10.5 million raised from the private sector and more than $19 million was contributed by government. An additional $2 million was from other sources.

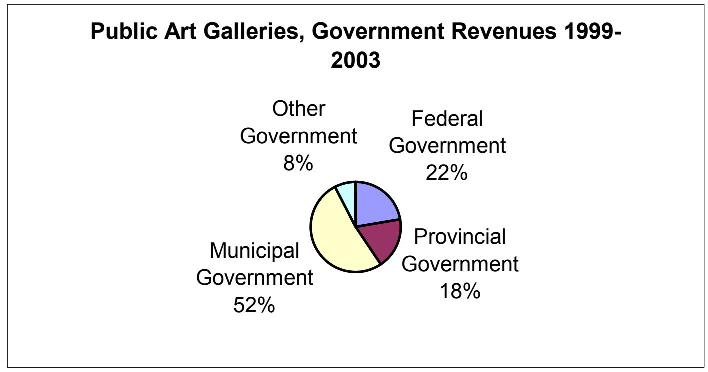
Distributors, festivals and production centres have most opportunity to earn revenue, whereas the regional

galleries and the festivals have the best shot at raising private sector revenues, given their profiles.
Sources of government revenues are not evenly distributed among the different types of organizations. For instance, public galleries are the best supported by the municipal level of government, craft organizations by the province and artist-run centres by the federal government.





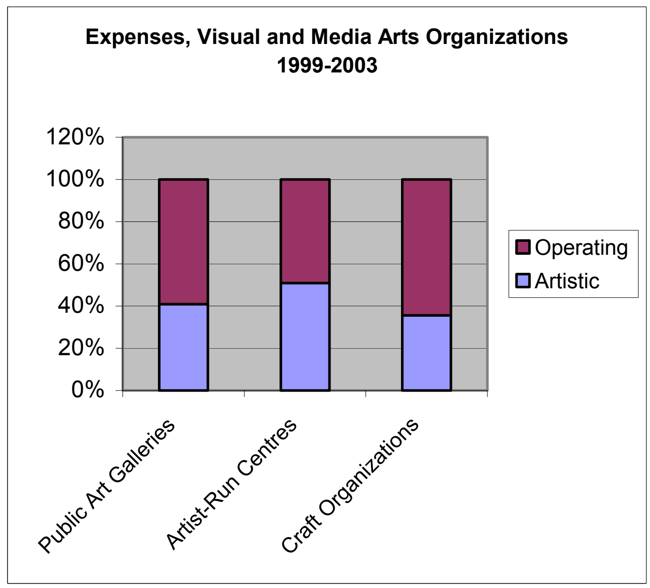
Sources of government revenues include the Canada Council, federal Department of Canadian Heritage, the Ontario Arts Council, the Ontario Trillium Foundation, and municipal arts councils and arts and culture departments across the province.



Expenditures

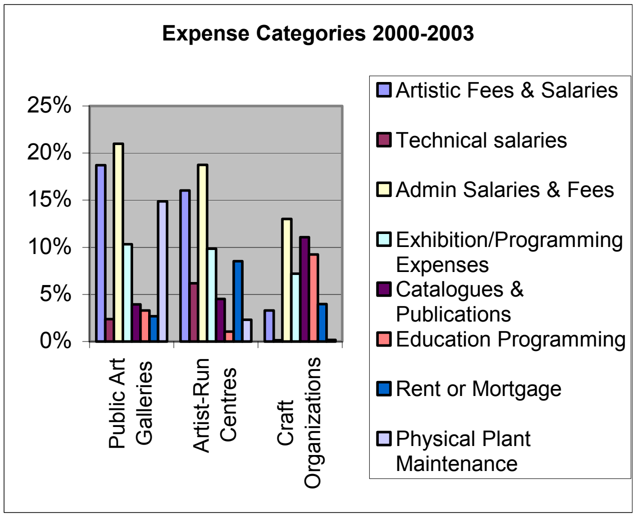
The 65 organizations spent almost $42 million in the 2002-03 fiscal year.

Over the four years of the survey, expenses were broken down between artistic and operating as follows:



As with revenues, expenses break down differently for the different types of organizations.

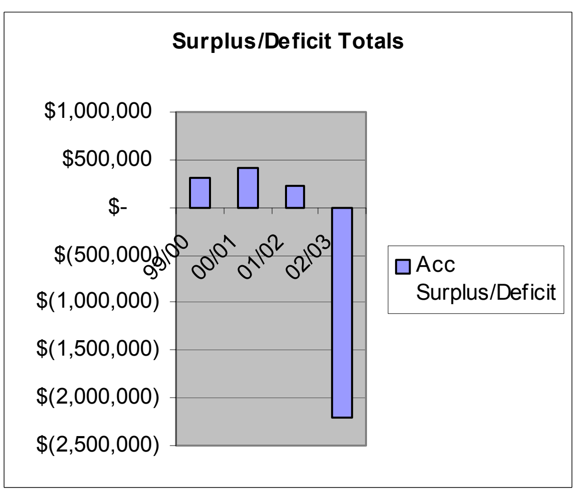
Over the three fiscal years 2000-01 to 2002-03, a large proportion of the expenditures for the galleries and artist-run centres went to pay personnel (artistic, technical and administrative) – 42% and 50% respectively. The craft organizations are structured differently, with few staff and a heavy reliance on volunteers.



The galleries, because of the nature of their infrastructure, spend a considerable portion of overall expenses on the maintenance of their physical plant and collections. The artist-run centres spend a higher proportion on rent or mortgage payments (generally rent), and the craft organizations spend proportionally more on catalogues and educational programming.

Financial Health

Collectively, the organizations funded by the OAC in this sector carried an accumulated surplus during the first three years, which turned into a deficit during 2002/03. For all four years, expenses exceeded revenues by a small amount, but modest surpluses covered the collective gap for the first three years.



This reversal was caused by significant in-year deficits of two large organizations, totalling more than $2.3 million. With those two organizations removed from the figures, the remaining organizations continued to show a modest collective surplus of almost $150,000.

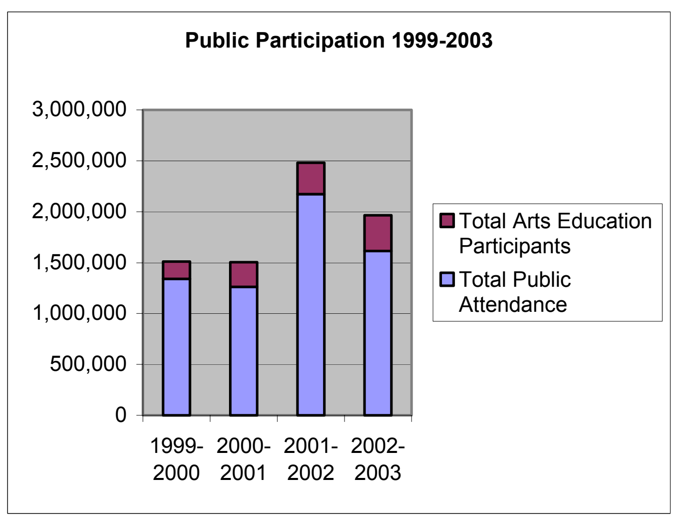
In 2002-03, 26 of the organizations operated with deficits, 12 with essentially no surplus or deficit (<$100) and 27 with surpluses. With the exception of the two organizations cited above, both surpluses and deficits in this sector are exceedingly modest. The average deficit was $112,966; with the two organizations removed from the calculation, the average is $24,200. The average surplus was $27,022. In common with many not-for-profit organizations, these organizations are clearly very carefully managed, with little leeway for unexpected events or external disaster.

Programming Impacts

The 65 organizations had a wide-ranging impact on gallery visitors and other participants in their activities across the province.

Over the four years, almost 6.4 million people attended the activities programmed by these organizations, including exhibitions and screenings.

More than one million more people, many of them children and youth, participated in arts education activities programmed by these visual and media arts organizations. The arts education activities included artists' talks, classes and special programming developed for children.



Staffing and Volunteers

As well as a public impact, the organizations in this sector had considerable impact on the livelihood of artists. Over the four years, more than 11,300 artists had been paid by the galleries, artist-run centres and crafts organizations in this sample. Most of these artists, as is common in the cultural sector, were paid fees as freelance contractors; a smaller group were staff at the organizations.

The organizations collectively accounted for 1,359 full-time-equivalents (FTEs) of staff over the four years. For instance, in 2002-03, there were 371 FTEs at all 65 organizations – for an average of not quite six staff members per organization. Clearly, these organizations are not blessed with an overabundance of staff to achieve their significant reach to participants in their activities. There seems a mismatch between that modest staffing level and the more than 2,100 public activities (not including arts education programming) the organizations present on average every year.

Staffing levels, again in common with other not-for-profit organizations, are greatly enhanced with the contribution of volunteers. Each year of the four, more than 6,500 volunteers gave of their time to the 65 organizations, or an average of about 100 volunteers per organization.

Volunteers perform a variety of functions, including organizing special events and other fundraising ventures and acting as volunteer guides. One of the most valuable contributions by volunteers in all not-for-profit organizations is the governance role played by the volunteer boards of directors. These boards are responsible for guiding the organizations, assisting management in planning and implementing programming, hiring senior staff and undertaking fundraising activities

According to estimates of volunteer time contributed and the value of that time, these additional human resources contributed an average $15 million annually to the organizations, or more than a third as much again as current budget levels.[5] In terms of FTEs, if the volunteers were staff members, the average increase in staffing to the group of organizations would be 61%. Obviously, there is a huge contribution by volunteers, and a huge reliance on their efforts in the financial and programming health of the sector.

Conclusions

OAC-funded organizations in Ontario's visual and media arts sector accomplish a lot, in terms of reach to artists and reach to the public, with relatively modest spending. The organizations are carefully managed, with expenses carefully matched to revenues, but with little safety margin. The "bang for the buck" donors, attendees and governments receive is magnified by the major contributions of volunteers.

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[1] Hill Strategies Inc.; October 2004 Vol. 3 No. 2 Statistical Insights on the Arts; *Artists in Canada's Provinces, Territories and Metropolitan Areas*
[2] Hill Strategies Inc., March 2005; Ontario Arts Council report *A Statistical Profile of Artists in Ontario*
[3] Hill Strategies Inc.; March 2003 Vol. 1 No. 3 Research Series on the Arts; *Museums and Art Gallery Attendance in Canada and the Provinces*
[4] Vik Singh, Culture, Tourism and the centre for Education Statistics Division of Statistics Canada, 2004; *Economic Contribution of the Culture Sector in Ontario*
[5] Hill Strategies Inc. November 2003 Vol. 2 No. 1 Research Series on the Arts; *Volunteers in Arts and Culture Organizations in Canada*; average rate of salaried employees in the arts, 2002 Canadian Socio-Economic Information and Management Database (CANSIM II).

The specific financial and statistical information contained in this report comes from grant applications filed by the 65 visual and media arts organizations in the sample. It comprises four years of reporting on results achieved by the funded organizations. Financial information is verified by the inclusion of audited (or, in some cases, unaudited) financial statements.