



February 9, 2023

FEDERAL PRE-BUDGET CONSULTATION RECOMMENDATIONS

1.0. ABOUT LONDON ARTS COUNCIL

London Arts Council (LAC) is an incorporated non-profit, charitable umbrella Arts Council/Service Organization dedicated to enhancing quality of life and creative vitality in London. **LAC** works with public, private, and community partners to build and sustain Londoners' awareness of, involvement in, and support for all artistic disciplines across the city.

LAC is a leader in program development, implementation, and subsequent delivery of services. **LAC's** programs in education, health & well-being, and community development, provide paid contract opportunities for professional artists to create and deliver artist lead programming in the community.

On behalf of City of London Culture Services, **LAC** manages and administers the City of London's Community Arts Investment Program (**CAIP**) which provides investments in artist's creation and presentation projects and provides annual investment support to arts organizations in London. **LAC** also administers City of London's Public Art and Monument Program through a public process that is professional, fair, and equitable.

LAC promotes the importance of the arts and the arts sector by working collaboratively with other sectors, arts councils, organizations, coalitions, and institutes to maximize our advocacy efforts and impact.

LAC educates and informs governments, elected officials, the public, and the media about the critical roles that arts organizations, artists, and arts professionals play in fostering a vibrant, prosperous, creative, innovative, healthy, diverse, inclusive, and equitable society.

2.0. INTRODUCTION

In this document, we recommend policy and investment options to ensure the ongoing rebuilding, sustenance, and resiliency of Ontario's arts and culture sector, while also leveraging its benefits for health, tourism, and economic growth.

Our goal is to continue investing in the works of local artists and the broader arts sector:



London **Arts** Council

- to maintain access to the artists and arts workers who power our work and breathe life into the communities we live in;
- to inform and educate key stakeholders and community members about the various ways the arts intersect with other aspects of daily living in a critical and crucial manner; and
- to build on the successful digital experimentation and new domestic and international collaborations undertaken by our members and the arts sector in general during the pandemic.

We are deeply grateful for the ongoing support the sector has received from the Government of Canada as we continued to work tirelessly to support local artists generating paid, meaningful work, while ensuring that the broader communities and individual sectors were able to lean on the arts for their respective recoveries.

While the sector has stepped up, time and time again, to continue to deliver vital arts programming to our communities and meet its commitments despite the lockdown measures, we do require additional ongoing support. Prior to the COVID-19 pandemic, culture's share of Canada's GDP was more than \$57.5 billion and the sector accounted for 670,000 jobs.ⁱ

These vital contributions are jeopardized, particularly because arts businesses and organizations were among the last to fully reopen. More than any other sector, 41.4% of businesses in the arts, entertainment, and recreation fields have encountered challenges in attracting new or returning customers in the fourth quarter of 2022 (as detailed in our previous briefs). This is the most anticipated obstacle for 2023, with 38.5% of businesses expecting rising input costs to be their most significant challenge.ⁱⁱ

Our recommendations address both short-term needs while also continuing to strengthen the foundation for the sector to rebuild, improve its resiliency, and contribute to the Canadian economy.

3.0. RECOMMENDATIONS

The London Arts Council (LAC) is proposing the following five recommendations:

3.1. Accelerate economic recovery by incentivizing charitable giving and encouraging individuals, philanthropic foundations, and businesses to participate.



Investment in artists and arts organizations is critical to the sector's viability. Donations, sponsorships, and special fundraising events have grown in importance to the Canadian arts and culture sector in recent years, accounting for 40.2% of total revenue in 2018-19. With the economic turmoil and cessation of public events due to the pandemic declaration, this revenue is becoming increasingly uncertain: donors (whose generosity is typically inspired by their experiences at live events) are affected by market and economic conditions; sponsors typically contribute to arts events (which cannot take place as usual); and special event fundraising is constrained. We recommend that the Canadian government:

- Over the next two years, implement a \$150 million donation-matching program for gifts to the operations of Canadian registered charities made by individuals, philanthropic foundations, or corporations. We strongly suggest that this program be designed to meet the needs of arts organizations of all sizes and stages of philanthropic success, so that equity-seeking organizations can benefit fully.
- Examine existing tax incentives available to both individual and corporate donors and make necessary changes to encourage giving to, and support the recovery of, the charitable sector.

3.2. Establish a national, independent commission to explore arts and cultural policy for Canada in the 21st Century.

Owais Lightwala, writing in the *Canadian Theatre Review*, suggested, "A commission on arts and culture would have to tackle a major overhaul of our understanding of copyright, business models, and property ownership in a digital world. It would need to be in collaboration with, rather than defending against, other countries in a globalized and interconnected world. It would centre Indigenous reconciliation and sovereignty.

It would move toward a deeper integration with overlapping parts of culture like education and urban planning. Perhaps most radically, it would propose the development of a new form of agile institution, one that does not require seventy years of criticism to change."ⁱⁱⁱ

3.3. To replace the outdated Employment Insurance system, create a new Income Insurance and Benefits program that is open and accessible to all workers.

The reality is that many sectors of employment no longer resemble the traditional 9-to-5 permanent job that the Employment Insurance system was designed around. Self-employed, gig, and freelance workers make up a growing percentage of the workforce, but they are especially prevalent in the arts and culture sector. Only 12% of all Canadian workers are self-employed, compared to 52% of professional artists and 26% of culture workers. According to Hill Strategies, there are 158,100 artists in Canada, accounting for nearly 1% of the total labour force and outnumbering workers in automotive manufacturing (146,000) and utilities (146,000).



(136,400). Furthermore, cultural workers account for 4% of the total labour force, which is double that of real estate and slightly higher than that of wholesale trade industry.^{iv}

We urge the federal government to create a new Income Insurance and Benefits Program that is open and accessible to all workers, whether they work full-time, part-time, or are self-employed as freelance or gig workers. It is past time to end a system that recognizes some workers as eligible for assistance while leaving others out. All employees have the right to receive assistance when they are in need, whether it is due to job loss, parental leave, being a caregiver, illness, or other circumstances. A fair and accessible Income Insurance program would make a significant difference in the lives of our society's most precarious and vulnerable workers, including artists and cultural workers.

3.4. Develop and invest in programs for all types of arts organizations, including large, small, mid-size, commercial, and not-for-profit organizations, as well as those with professional staff and those run by a combination of staff and volunteers. Professional, semi-professional, or community oriented.

Currently, there is a significant emphasis on building resilient communities within funding programs. The sector is under pressure due to the Human Resources Crisis, the shift to digital platforms, and the need to address archaic and colonial working models. We recommend that the federal government invest in programs that will help organizations navigate new types of operational pressures in Human Resources, EDI training, governance, and crisis communications.

3.5. Invest in increasing the adaptability of new technologies, such as virtual reality, capacity building, knowledge, and skills, for artists and arts organizations.

The Canada Council for the Arts made a digital investment that increased the quality, scale, and sharing of art in Canada and abroad, changing the way audiences related to the arts and culture and connected with one another and the larger world. Artists and organizations had to be adaptable in a rapidly changing environment. This commitment was especially important in the arts during the COVID-19 pandemic and the implementation of physical distancing measures.^v

The Council surpassed its commitment to invest \$96.5 million by 2020–21 to advance the arts sector's digital capacity.^{vi} Now that the Arts Council has surpassed their commitment it is more imperative than ever to make these new technologies and educational resources available to all artist and arts organizations, this investment includes training and mentorship initiatives.

During the pandemic, many organizations have used digital technologies and other creative ways to connect with Canadians, advance their artistic practices, alleviate their financial pressures, and limit staff layoffs and reductions in hours. For example, among arts organizations responding to the National Arts and Culture Impact Survey, 82% indicated that they are interested in or already exploring digital opportunities.^{vii}



Given that an overwhelming percentage of artists and arts organizations that are adopting new digital strategies, a significant investment is what we recommend.

4.0. SUMMARY

During the pandemic, the importance of the arts became more relevant than ever as people relied on arts and culture to cope with the difficulties and challenges such as isolation, poverty, mental health, etc. that arose due to the pandemic. The arts help drive tourism efforts, boost mental health, and help create the conditions that communities need to thrive. COVID-19 continues to devastate arts communities around the world, amplifying the incredible vulnerability of the arts sector due to its precarious nature. The risks and impact are equally devastating regardless of the size of institutions and situations of individual artists. We need continued government support in the short-term, as well as investments into the long-term recovery and rebuilding of the sector. The arts must recover to restore and grow Canada's cultural ecosystem, and thus the country's vibrancy.

This is an opportunity for the arts sector to work together with the federal government to restore the sector, its infrastructure, and supports, so it can thrive and contribute to incubate new ideas, and to continue to enhance Canada's reputation as a leading country for cultural workers to live and create in, while providing opportunities for residents and visitors to increase the quality of their lives and experiences in Canada.

5.0. CONTACT INFORMATION

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Sources

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- vi. *Hill Strategies: ORGANIZATIONAL STRESS AND RESILIENCE IN THE ARTS IN CANADA. November 9, 2021.* <https://hillstrategies.com/resource/organizational-stress-and-resilience-in-the-arts-in-canada/>
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