



Written submission prepared by the Canadian Arts Coalition, as part of the government of Canada's consultation on Phase 2 of the Infrastructure Plan.

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A SUSTAINABLE DEVELOPMENT APPROACH

The Canadian Arts Coalition advises that a sustainable development approach is very much needed in order to make the most of the \$120 billion Infrastructure Plan. Culture is now acknowledged as the fourth pillar of sustainable development – along with economic, environmental, and social sustainability.ⁱ The full integration of arts and culture into the Infrastructure Plan is thus a unique opportunity to increase the sustainability of this plan.

Many Canadian municipalities are acutely aware of the importance of culture in sustainable development and have designed complex municipal cultural plans and policies as a result. For example, many municipalities allocate 1% to public art commissions from each dollar spent on public infrastructure in order to enhance their built environment, make their cities more attractive for tourists, and improve citizens' quality of life.

Studies in the United Kingdom found that smaller-scale cultural assets – including design studios and small music venues – have sustainable positive results and may constitute an organic path to urban regeneration.ⁱⁱ A balanced approach to infrastructure development is also heeded in Canada: a continuum of venues – small, large, and everything in between – provides artists with a place to play at every stage of their careers.ⁱⁱⁱ

The Canadian Arts Coalition's recommendations were devised with these sustainable principles in mind.

THE EVOLVING NEEDS

Many arts facilities in Canada were built as Centennial projects or during the boom of the 1970s and are showing their age. In order to continue serving Canadians, some centres are in dire need of renovations; some need accessibility adaptations; some need to be retrofitted to enhance their energy efficiency; and some need specialized equipment upgrades just to keep up with Canada's innovative artists.

Moreover, the kind of programming expected of cultural organizations today is different than when older infrastructures were built. Canadians now expect cultural facilities that can deliver a wide array of programming beyond presentation/exhibition, including a range of community engagement initiatives such as cafés, education programming, and public rental space. Today's

arts and culture spaces must transform into community hubs in order to thrive. This shift in need calls for new and different kind of infrastructure investments by the federal government.

A survey conducted with performing arts presenting organizations in 2012 indicated that 58% had identified needs for renovations or new capital expenditures.^{iv} Out of 242 respondents (in a sector counting 1,400 presenting organizations), the survey identified capital needs totalling \$64 million (nearly as much as the \$83 million invested in the Canada Cultural Spaces Fund by Budget 2016 for the current fiscal year) – and yet, the performing arts presenting sector represents only one portion of the broader arts and culture sector.

Similarly, an inventory of 429 Ontario arts and heritage organizations identified capital needs estimated at more than \$300 million for this sample alone.^v Again, this segment represents only a fraction of the Ontario culture sector.

The need for investment in arts infrastructures is felt by Canadians. In 2012, a survey commissioned by Canadian Heritage found a significant gap between Canadians' appreciation of arts infrastructure and their perception of the quality of these centres. 86% of Canadians reported that live performance spaces in their community contribute to their quality of life. However, only half (53%) rated the quality of arts and culture facilities as positive and only 43% said the number of facilities in their community is good or very good.^{vi} Yet, benefits of cultural spaces directly depend on their availability and quality: people who rate arts, culture and leisure in their city or town as excellent are 2.5 times more likely than those with poor arts, culture and leisure to report a very strong sense of belonging to their city or town.^{vii}

OUR RECOMMENDATIONS

State-of-the-Art Cultural Spaces

The Canada Cultural Spaces Fund, created in 2001 with an envelope of \$30 million, has a proven track record in supporting small and mid-size arts infrastructure projects such as lighting upgrades, environmental control systems upgrades, accessibility improvements, and other capital improvements needed by arts organizations to remain relevant. Budget 2016 reasserted the essential role of the Canada Cultural Spaces Fund and allocated \$168.2 million in additional funding to the program over two years. This will enable the program to support larger scale projects. However, considering the preparations necessary for mid to large-scale capital projects, the timeline of just two years will significantly limit the eligibility to only shovel-ready projects in 2016. This would leave out many valuable and innovative in-development projects.

Sustained investment in the Cultural Spaces Fund will help ensure arts facilities meet the needs of today's communities and act as focal points for neighbourhoods. Today's cultural spaces are poised to become community hubs. Successful centres reach out to new audiences, accommodate diverse communities such as refugees, and offer community engaged arts



programs. These types of complex community cultural spaces truly represent an investment in inclusive, sustainable development.

Consequently, **the Canadian Arts Coalition recommends that the additional funding to the Canada Cultural Spaces Fund be extended for the entire duration of the Government of Canada Infrastructure Plan with an additional investment of \$490 million over eight years.** The proposed breakdown by fiscal year is provided in the appendix.

By extending the Cultural Spaces Fund into Phase Two of the Infrastructure plan, the potential growth for the arts sector is significant. Notably, with the increases to the Canada Council for the Arts beginning in 2016, the federal government has taken the first step by investing in the artists and organizations. Those artists need more and better functioning arts facilities in order to create their works and to reach Canadians. Commensurate investments in arts infrastructure will create synergies with the investments at the Canada Council, and deliver added value to Canadians and their communities.

Invest Underserved Communities

In preparation for this submission, the Canadian Arts Coalition consulted its membership and key partners about opportunities and challenges in the area of cultural spaces. We've heard that there's a need for more arts spaces in rural and remote communities, among Francophone minorities, and in Indigenous communities. However, capital projects in these smaller communities present several challenges. Among many things, raising funds can be very difficult: the number of potential corporate and individual donors is limited in a small centre and their financial capacity follows that of the local economy. The Canada Cultural Spaces Fund guidelines acknowledge this reality: the program may finance more than 50% of eligible expenses in rural or remote areas or in underserved communities. However, the current demand for the program significantly exceeds the available resources, and the average approved contribution is 37% of total project cost – making it difficult for the program to adequately support underserved communities.

The Canadian Arts Coalition suggests that a sustained investment in the Canada Cultural Spaces Fund, as recommended above, would alleviate these challenges and would enable the program to more adequately support projects in rural and underserved communities.

Synergies with Provincial-Territorial Agreements for Large-Scale Projects

With the government investing \$120 billion over ten years in its Infrastructure Plan, there are opportunities for synergies between the Canada Cultural Spaces Fund and the provincial-territorial bilateral agreements.

The Canada Cultural Spaces Fund has been successful in supporting small and mid-size capital projects, but it doesn't have the capacity – even with an additional \$84 million investment – to support large-scale capital projects. These major cultural projects are the realm of bilateral agreements. The Canada Cultural Spaces Fund can however assist with the development of



major capital projects, helping with their feasibility study and bringing them to shovel readiness. Then the bilateral agreements have the resources to take these major projects through completion.

Earlier this year, the federal government expanded the list of eligible categories under the Provincial Territorial Infrastructure Component of the 2014 New Building Canada Fund to include tourism, culture, and recreation among eligible categories. The Canadian Arts Coalition salutes this significant policy change. It is bound to make a significant difference, but guidelines have to be flexible enough to allow for several cultural projects to emerge and be funded. Municipalities have many different infrastructure needs and limited funds to respond to them. In the culture domain alone, several arts and culture projects can be unfolding at the same time. If funding is contingent on establishing priority lists, many mid-scale arts and culture project may fall off the table. This challenge should be addressed in Phase 2 of the Infrastructure Plan, either by allowing municipalities to submit more than one project per category and/or by creating mechanisms to ensure that a certain number of culture projects can be funded in each provincial or territorial jurisdiction.

In order to facilitate the realization of major cultural infrastructure projects, **the Canadian Arts Coalition recommends that tourism, culture and recreation be maintained as eligible categories in future provincial-territorial agreements during Phase 2 of the Infrastructure Plan.**

Moreover, **the Canadian Arts Coalition recommends that guidelines for future provincial-agreements during Phase 2 of the Infrastructure Plan be designed so as to allow culture projects of diverse scope to emerge amid competing priorities and to receive adequate funding.**

Affordable Housing Supporting Artistic Vibrancy

Artists are catalysts of revitalization and of place making. When artists establish in a neighbourhood, they contribute to its vibrancy and attractiveness. Then local business start to flourish, new businesses come in, land value increases, and artists are then driven out of the area because of sky-rocketing property value, municipal taxes, and/or rent. This gentrification story is all too common in large urban centres such as Vancouver, Toronto, and Montreal.

Artists work in precarious conditions and are poorly remunerated – even at the peak of their career. Canada’s artists and cultural workers have much higher levels of formal education than the overall labour force. Yet, their average income is 32% lower than other workers. Artists are also much more likely to be self-employed and to hold multiple jobs.^{viii} Economic challenges are particularly significant for retiring artists, most of which have been unable to save any money for retirement.

In response to these issues a few affordable housing projects for active or for retired artists have been built in the last decade: Performing Arts Lounge in Vancouver, Performing Arts Lodge and Artscape Triangle Lofts in Toronto, Coopérative Lézarts and Coopérative d’habitation Cercle



carré in Montréal, as well as projet Sherpa in Québec are among them. Affordable housing for artists however still only exist in large urban centres and the number of available units remains insufficient compared to the demand. Certain projects combine housing as well as studio/rehearsal/performance spaces, providing artists with affordable live/work conditions.

The Canadian Arts Coalition recommends the construction of more affordable housing, including mixed live/work infrastructure for Canadian artists.

THE BENEFITS

Arts facilities deliver several benefits to Canadians and the communities they live in. As mentioned above, they contribute to quality of life. They also have a symbolic value, enhancing people’s sense of pride in their community, regardless whether they attend or not.^{ix} They are community hubs that enable people of various languages and cultural traditions to meet, share meaningful experiences, and bond as a community.^x As a matter of fact, U.S. and Canadian studies found that social offerings – including vibrant nightlife, places to meet people, and arts and cultural opportunities – were one of the strongest predictor of sense of belonging in the local community.^{xi} This correlation was deemed strong enough for Canadian researchers to recommend that “local governments should continue to invest in cultural activities and recreational facilities that meet the needs of the entire population, including recent and longer-term immigrants.”^{xii} This matters a great deal, for sense of belonging in the local community is the strongest predictor of high satisfaction with life^{xiii} and is an important social determinant of health.^{xiv}

Investments from the federal government in arts and culture infrastructure thus bear the potential to yield significant societal benefits, in addition to economic impact.

It has been well established that cultural spaces contribute to a sense of pride in communities by acting as a location for various cultural activities. A physical space creates a symbolic sense of place—a “home” for one’s culture and traditions, where collective dreams and aspirations play out. Such spaces reinforce identity because they bring people together to participate in living culture, a manifestation of their survival and growth as a community.^{xv}



ABOUT THE CANADIAN ARTS COALITION

The Canadian Arts Coalition is a collaborative non-partisan movement spearheaded by a group of national arts service and membership organizations. We are united in the belief that a strong arts and culture sector contributes to economically vibrant, liveable, and innovative communities, and that strong federal cultural policy and investment frameworks leverage arts and culture's contribution to the Canadian economy, Canadian communities, and Canada's standing internationally.

This written submission was prepared following consultations with Canadian Arts Coalition members and with key stakeholders. The Canadian Arts Coalition would like to thank the following individuals for their input in this written submission:

- All members of the Steering Committee
- Loretto Beninger, Centre on Governance, University of Ottawa
- Lindsay Golds, ArtsBuild Ontario
- Lynn Ross, Creative City Network of Canada
- Lynda Roy, Les Arts et la ville



Appendix: Current and proposed funding levels for the Canada Cultural Spaces Fund (in million dollars)

| Fiscal year | Base Funding | Infrastructure Plan | Total | CPI (historic or projected) ¹ | Constant (2015) \$ |
|-------------|--------------|---------------------|-------|--|--------------------|
| 2003-2004 | 30 | | 30 | 102.8 | 36.9 |
| 2015-2016 | 30 | | 30 | 126.6 | 30.0 |
| 2016-2017 | 30 | 83.8 | 113.8 | 128.5 | 112.1 |
| 2017-2018 | 30 | 84.4 | 114.4 | 130.4 | 111.0 |
| 2018-2019 | 30 | 80 | 110 | 132.4 | 105.2 |
| 2019-2020 | 30 | 80 | 110 | 134.4 | 103.6 |
| 2020-2021 | 30 | 80 | 110 | 136.4 | 102.1 |
| 2021-2022 | 30 | 70 | 100 | 138.4 | 91.5 |
| 2022-2023 | 30 | 60 | 90 | 140.5 | 81.1 |
| 2023-2024 | 30 | 50 | 80 | 142.6 | 71.0 |
| 2024-2025 | 30 | 40 | 70 | 144.8 | 61.2 |
| 2025-2026 | 30 | 30 | 60 | 146.9 | 51.7 |

Total recommended amount for Phase 2: \$490 million

¹The historic Consumer Price Index is as per Statistics Canada's annual average CPI. The projected CPI is based on the average changes in the last five calendar years (1.5% annual increase).



Endnotes

ⁱ Agenda 21 for Culture was adopted in 2004 by the world association of United Cities and Local Governments. It promotes policies and actions by cities and local governments for cultural development, and it posits culture as the fourth pillar of sustainable development.

In Canada, the federal External Advisory Committee on Cities and Communities, led by former B.C. Premier Mike Harcourt came to similar conclusions. In 2006, the report From Restless Communities to Resilient Places: Building a Stronger Future for All Canadians states that "cultural sustainability ties together the other three dimensions, and is essential to community success

ⁱⁱ Arts and Humanities Research Council, Understanding the Value of Arts and Culture: The AHRC Cultural Value Project, 2016.

ⁱⁱⁱ Music Canada, The Mastering of a Music City, 2015

^{iv} EKOS Research Associates, Survey of Presenters, *The Value of Presenting*, 2012.

^v ArtsBuild Ontario, *Bricks & Mortar*, 2016.

^{vi} Phoenix Strategic Perspectives, The Arts and Heritage in Canada – Access and Availability 2012.

^{vii} Raw data from Canadians and their Communities: A National Survey on Citizen Engagement and Attitudes, Angus Reid Institute, 2015

^{viii} The percentage of artists with a bachelor's degree or higher (44%) is nearly double the rate among the overall labour force (25%). The total individual income of Canada's artists averages \$32,800, a figure that is 32% less than the overall labour force in Canada (\$48,100).

Hill Strategies Research, A Statistical Profile of Artists and Cultural Workers in Canada, based on the 2011 National Household Survey and the Labour Force Survey, 2014.

^{ix} 87% of Canadians believe that performing arts venues foster a sense of community pride.

EKOS Research Associates, Survey of the General Public, *The Value of Presenting*, 2012.

^x 92% of Canadians believe arts experiences are a valuable way of bringing together people from different languages and cultural traditions.

Phoenix Strategic Perspectives, The Arts and Heritage in Canada – Access and Availability 2012.

^{xi} Knight Foundation and Gallup, Soul of the Community, 2010.

^{xii} Peter Kitchen, Allison M. Williams, and Melissa Gallina, "Sense of belonging to local community in small-to-medium sized Canadian urban areas: a comparison of immigrant and Canadian-born residents", *BMC Psychology*, 2015.

^{xiii} Andrew Sharpe et al., Does Money Matter? Determining the Happiness of Canadians, Canadian Centre of study of living standards, 2010.

^{xiv} Sense of belonging is one of 80 health indicators in Statistics Canada's Canadian Community Health Survey. In the 2014 CCHS, 63.6% of people who reported a very strong or somewhat strong sense of belonging to their local community also reported very good or excellent health, compared with 52.6% of those who felt weaker ties to their local community. Several other studies in Canada and abroad have found a similar correlation.

^{xv} Office of the Commissioner of Official Languages, Federal Government Support for the Arts and Culture in Official Language Minority Communities, 2008.

