**Recommendations from the Alliance of Arts Councils of Ontario to the Federal Government**

**2024 Pre-Budget Consultations**

February 8, 2024

**Who We Are**

We write to you as the members of the Alliance of Arts Councils of Ontario (AACO), a provincially registered not for profit organization with more than 30 municipal and regional arts councils, community arts councils and artists’ networks from across Ontario. We collectively represent tens of thousands of artists, hundreds of local arts organizations of every size and discipline delivering arts and culture programming and services in their communities, cultural workers and arts groups in every discipline, their volunteers and audiences.

We are dedicated to the ongoing advancement of the sector, and particularly at the moment, to providing projects and initiatives that will ensure a robust post COVID - 19 pandemic recovery and provide the foundation for the sustainable future of the arts and culture sector in the Province of Ontario.

Our immediate priority is to continue to sustain and rebuild our arts communities, our regions, and our province, ensuring ongoing resiliency.

**What We Do**

AACO is an association of the leaders of the groups outlined above. We meet monthly to share knowledge and information, provide peer support, explore new ideas, organize professional development opportunities, and undertake research and advocacy initiatives that support the health and wellbeing of the arts sector locally and across the province.

**Introduction**

In this brief, we recommend policy and investment options that will ensure the continued and ongoing rebuilding, sustenance and resiliency of Ontario’s arts and culture sector leveraging its benefits for health, tourism and continued economic growth.

 Our aim is to continue to invest the works of local artists and the broader arts sector:

* To maintain access to the artists and arts workers who power our work, to breathe life into the communities we live in.
* To inform and educate key stakeholders and community members of the various ways the arts intersect with other aspects of daily living in a critical and crucial manner.
* To build on the successful digital experimentation and new collaborations – domestic and international – that our members and the arts sector in general have undertaken 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 important contributions are at risk, especially as arts businesses and organizations were among the last to fully reopen. More so than other sectors, 41.4% of businesses in the arts, entertainment, and recreation fields have seen obstacles (outlined in our previous briefs) with attracting new or returning customers over the last quarter of 2022. This is the largest expected obstacle for 2023, closely followed by 38.5% of businesses expecting rising costs of inputs to be their largest obstacle, in Ontario alone.ii

Our recommendations are focused on addressing both the short-term needs, as well as continuing to strengthen the foundation for the sector to rebuild, enhance its resiliency, and continue to contribute to the Canadian economy.

**Recommendations**

1. **We support the recommendations made by the Canadian Arts Coalition for $350M permanent investment into the Canada Council for the Arts and Canadian Heritage Arts Branch programs, addressing the future resilience of the broadest arts & culture eco-system.**
2. **To incentivize and leverage charitable giving, we recommend an increase and expansion of the Endowment lncentives component of the Canada Cultural lnvestment Fund (CCIF) to $59M to provide matching funds for every dollar raised privately for Endowment *and* Working Capital to build financial resilience in the opera sector.**
3. **Recognizing the unique challenges experienced by the sector’s most precarious workers, Artists, we recommend a renewal of the $60M funding to the Canadian Arts Workers Resilience Fund**

The Alliance of Arts Councils of Ontario is proposing the following five recommendations:

**1. Jumpstart economic recovery through incentives for charitable giving by incentivizing philanthropy, encouraging individuals, philanthropic foundations, and businesses to play their part.**

Investment in artists and arts organizations is crucial to ensure the vitality of the sector. Donations, sponsorships, and special fundraising events have become increasingly important to the Canadian arts and culture sector in recent years, providing an average of 40.2% of their revenues in 2018-19. With the economic turmoil and cessation of public events following the pandemic declaration, this revenue is 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 (that cannot take place in the usual way); and special event fundraising is constrained. We recommend that the Government of Canada:

* Implement a $150 million donation-matching program over two years for gifts to operations of Canadian registered charities by individuals, philanthropic foundations, or corporations. We strongly recommend that this program be designed to address the needs of arts groups of all sizes and stages of philanthropic success, to ensure that equity-seeking groups are able to benefit fully.
* Review existing tax measures available to both individual and corporate donors and make appropriate amendments to encourage giving to, and supporting the recovery of, the charitable sector as a whole.

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

A new commission established to look at issues from taxation policies and regulations for charitable and not-for-profit organizations, to the big questions of what purpose does art serve in our communities and Canadian society at large.

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. Build a new Income Insurance and Benefits program that is open and accessible to all workers to replace the out-dated Employment Insurance system.**

The reality is that employment in many sectors no longer resembles the traditional 9-to-5 permanent job that the Employment Insurance system was designed around. Self-employed, gig and freelance workers represent a growing portion of the workforce, but are especially high in the arts and culture sector. 52% of professional artists and 26% of culture workers are self-employed compared to only 12% of all Canadian workers. In 2016, Hill Strategies reported there are 158,100 artists, representing almost 1% of the overall Canadian labour force and making up more than the total of workers in automotive manufacturing (146,000) and utilities (136,400). Additionally, cultural workers account for 4% of the overall labour force, double those working in real estate and slightly higher than the labour force in the wholesale trade industry. iv

We call on the Federal government to design a new Income Insurance and Benefits Program that is open and accessible to all workers, regardless of whether they have full-time or part-time employment or are self-employed as freelance and gig workers. It is time to end a system that recognizes some workers as eligible for support while others are left out. All workers deserve to be able to access support when they need it most due to job loss, parental leave, being a caregiver, sickness or other related reasons. A fair and accessible Income Insurance program would make a life-changing difference to the most precarious and vulnerable workers in our society, artists and cultural workers among them.

**4. Develop and invest in programs for all types of arts organizations ie. large, small, mid-size, commercial, and not-for-profit, those with professional staff and those operated by a mix of staff and volunteers. Either professional, semi-professional or community driven.**

Currently, there is a significant amount of focus within funding programs on building resilient communities. The Human Resources Crisis, pivoting to digital platforms, and addressing archaic and colonial working models are all pressures felt by the sector. We recommend the Federal government invest in programs for organizations to better navigate new forms of operational pressures related to Human Resources, EDI training, governance and crisis communications.

**5. Invest in upscaling artists and arts organizations education around adaptability of new technologies i.e., virtual reality, capacity building, knowledge, and skills.**

The Canada Council for the Arts had a digital investment that amplified the quality, scale and sharing of art through digital technology in Canada and abroad, which was changing the way audiences related to the arts and culture and how they connected with each other and the wider world. Artists and organizations needed to be able to thrive in a radically changing environment. During the COVID-19 pandemic—and the implementation of physical distancing measures—this commitment played an important role in the arts.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.

**Canadians Value the Arts, and the Arts are Valuable for Canada**

We know that the people of Canada care for and value the arts in their communities. In survey after survey, Canadians demonstrate that they favour support for the arts, believe the arts are important for their quality of life, and see that arts and cultural activities are critical for economic well-being. The arts help drive tourism efforts, boost mental health, and help create the conditions that communities need to thrive.

As the rising costs of goods and inflation continues to impact the lives of people in Canada, the arts sector remains in an incredibly precarious position. We need continued government support in the short-term, as well as investments into the long-term sustenance of the sector.

But we don’t expect the government to do all of the heavy lifting – we will be there, at your side, working to implement these recommendations and deliver the programs and services that Canadians need to lift them up in these challenging times. The Alliance of Arts Councils of Ontario remains committed to this work, and we strongly believe these recommendations will not only benefit artists and communities, but also Canada as a whole.

We thank you for your consideration.

*Sources*

*i. Culture Satellite Account, National Culture Indicators, 2019*

*ii. Canadian Survey on Business Conditions, fourth quarter 2021, Statistics Canada, 26 November 2021.*

*iii. Owais Lightwala, “All I want for Christmas is a New Massey Commission”, Canadian Theatre Review, July 20, 2021 (https://ctr.utpjournals.press/eprint/9TS7XRDKSZEUJBJTWVVQ/full)*

*iv. Hill Strategies: A Statistical profile of Artists in Canada in 2016. November 27, 2019*

[*https://hillstrategies.com/resource/statistical-profile-of-artists-in-canada-in-2016/*](https://hillstrategies.com/resource/statistical-profile-of-artists-in-canada-in-2016/)

*v. Canada Council for the Arts* [*https://canadacouncil.ca/commitments/digital*](https://canadacouncil.ca/commitments/digital)

*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/*

*vii. Ontario Arts Council* [*https://www.arts.on.ca/research-impact/impact-of-the-arts-in-ontario*](https://www.arts.on.ca/research-impact/impact-of-the-arts-in-ontario)

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Algonquin Arts Council

Arts Council - Haliburton Highlands

Arts Council - Windsor & Region

Arts Council of Northumberland

Arts Etobicoke

Arts Network Ottawa / Réseau des arts d'Ottawa

Arts, Culture & Creative Industry Development Agency

Chatham-Kent Arts & Culture Network

Conseil des arts Prescott Russell Arts Council

Electric City Culture Council

Guelph Arts Council

Hamilton Arts Council

Headwaters Arts

Haliburton Highlands Museum

Le Conseil des arts de Hearst

Kingston Arts Council

London Arts Council

Markham Arts Council

Mississauga Arts Council

Arts Council of Northumberland

North Perth Arts and Culture Council

North York Arts

Ottawa Arts Council

Prince Edward County Arts Council

Quinte Arts Council

Scarborough Arts

Scugog Council for the Arts

Smiths Falls and District Arts and Culture Council

Sudbury Arts Council

Toronto Arts Council

Town of Shelburne

Tweed and Area Arts Council

UrbanArts

Wallaceburg and District Council for the Arts

Westport Arts Council

York Region Arts Council

Your Arts Council Cornwall