



## *Canadian consumers spent \$22.8 billion on cultural items in 2003*

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Hamilton, ON – Consumer Spending on Culture in Canada, the Provinces and 15 Metropolitan Areas in 2003, a new report in the *Statistical Insights on the Arts* series by Hill Strategies Research, shows that Canadian consumers spent \$22.8 billion on cultural goods and services in 2003, an amount that is greater than consumer spending on tobacco, alcohol and games of chance *combined*. The \$22.8 billion in consumer spending is over three times larger than the \$7.4 billion spent on culture in Canada by all levels of government in 2002/03. The report also shows that consumer spending on live performing arts events (\$980 million) is nearly double the spending on live sporting events (\$530 million).

The report examines spending on cultural items, not all those who attend cultural activities. Free cultural activities, by definition, are excluded from the survey on which this report is based (Statistics Canada's Survey of Household Spending).

The \$22.8 billion in consumer spending on culture in Canada represents \$758 for every Canadian resident and about \$1 out of every \$30 spent by Canadian consumers. Home-based activities, including home entertainment (\$11.8 billion) and reading material (\$4.6 billion), dominate cultural spending. However, significant amounts are also spent on other cultural goods and services, including photographic equipment and services (\$2.1 billion), art works and events (\$2.1 billion), movie theatre admissions (\$1.3 billion), and art supplies and musical instruments (\$1.0 billion).

Spending on cultural goods and services grew by 36% between 1997 and 2003, much higher than the 14% rise in the Consumer Price Index during the same period. After adjusting for inflation, cultural spending increased by 19% between 1997 and 2003, over three times the 6% growth in the Canadian population. The 36% increase in cultural spending is slightly higher than the 33% increase in consumer spending on all goods and services between 1997 and 2003.

Consumer spending on all of the broad cultural categories increased more than the rate of inflation between 1997 and 2003. The largest increase was on movie theatre admissions, which rose by 59% (not adjusted for the 14% inflation). The second-largest increase was on photographic equipment and services (49%), followed by home entertainment (40%) and art works and events (35%). The two other cultural categories increased by less than the 33% rise in consumer spending on all goods and services but more than the 14% rate of inflation: reading material (20%) and art supplies and musical instruments (18%).

There was also significant growth in consumer spending on specific items within these categories, such as:

- works of art, carvings and vases: 48% growth to reach \$530 million in 2003;
- post-secondary textbooks: 47% growth to reach \$1.1 billion in 2003;
- books (excluding school books): 34% growth to reach \$1.2 billion in 2003;
- live performing arts events: 31% growth to reach \$980 million in 2003;
- kindergarten, nursery, elementary and secondary school textbooks: 31% growth to reach \$140 million in 2003; and
- admissions to museums and heritage activities: 23% growth to reach \$410 million in 2003.

The report finds that per capita consumer spending on culture varies significantly between the provinces, from a high of \$838 in Alberta to a low of \$607 in Newfoundland and Labrador. Cultural spending levels in Alberta, Ontario and BC are above the Canadian average, while all other provinces have levels of cultural spending that are below the Canadian average.

Of the 15 metropolitan areas examined, the report finds that consumers' cultural spending varies from a high of \$957 per person in Ottawa to a low of \$654 in Saint John. The report provides a profile of cultural spending in each province and in 15 municipal areas.

Recent studies using Richard Florida's "bohemian index" have examined the impact of creativity on Canadian metropolitan areas' economic development. The bohemian index emphasizes the concentration of cultural occupations in metropolitan areas. The cultural spending report compares the bohemian index ranking with two indicators of cultural spending in 15 Canadian metropolitan areas: per capita cultural spending and per capita spending on art works and events.

Overall, it appears that the bohemian index and the two spending indicators do not follow a consistent pattern. Victoria, Calgary and Ottawa rank fairly highly on all three indicators, but the largest metropolitan areas – Vancouver, Toronto and Montreal – rank higher on the bohemian index than on the spending indicators. The reverse is true for Edmonton and Regina, areas that rank higher on the cultural spending indicators than on the bohemian index.

The full report, funded by the Canada Council for the Arts, the Department of Canadian Heritage (Canadian Cultural Observatory and Arts Policy Branch), and the Ontario Arts Council, is available free of charge on the website of Hill Strategies Research (<http://www.hillstrategies.com>) as well as the websites of the funding organizations.

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