



Municipal Cultural Investment in Five Large Canadian Cities: Executive Summary

*A study prepared for the City of Vancouver, the City of
Calgary, the City of Toronto, the City of Ottawa and the
Ville de Montréal*

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Executive Summary

This report compares the cultural investment in five of Canada's largest cities: Vancouver, Calgary, Toronto, Ottawa and Montréal. This report is the product of a collaborative effort between cultural staff members in the five large cities, a collaboration that was made possible thanks to the work of the Creative City Network of Canada.

Why conduct a study of municipal cultural investment? Municipalities are competing for talented individuals and leading-edge businesses, and a strong local cultural scene is an important element of attraction for residents and investors. Beyond economic factors, the cultural sector is also associated with citizens' social engagement, including connections to volunteering, donating, helping neighbours, and better health.

In September 2010, the cultural staff in each city came together to discuss how to examine their city's cultural spending in comparison with other very large cities in Canada. Per capita measurement of municipal cultural investments is a practical benchmarking tool that allows staff to:

- Quantify each city's current level of investment and track whether the investments are increasing or decreasing.
- Compare municipal cultural investment with peer cities in order to understand where each city ranks in a highly competitive field.
- Set targets of municipal cultural investment based on Council directives, culture plans or cultural resource development initiatives.
- In the future, municipal cultural investment, or "input" factors, could be compared to output, outcome, and impact measures in the cities.

No data currently covers this territory, as Statistics Canada's *Government Expenditures on Culture* dataset provides an estimate of cultural spending in *all* Canadian municipalities, with no breakdowns by municipality and only limited breakdowns by type of spending. The municipal staff approached Hill Strategies Research to explore the feasibility of conducting a custom study for four fiscal years (2006, 2007, 2008 and 2009).

The cities based their internal data collection on a common definition of cultural services, which was agreed upon by the five cities' staff members and Hill Strategies Research. Hill Strategies closely examined each city's data to ensure comparability across the cities.

Included in this study: operating, grant and capital expenditures related to ...

- *performing arts*
- *visual and media arts*
 - *crafts*
 - *design*
 - *museums*
 - *heritage*
 - *special events*
- *multidisciplinary activities*
- *creative and cultural industries*
- *city-owned cultural facilities*
 - *cultural districts*
 - *public art*
- *other art purchases*

The municipal cultural investments included in this study are operating, grant and capital expenditures related to the performing arts, visual and media arts, crafts, design, museums, heritage, special events, multidisciplinary activities, creative and cultural industries, city-owned cultural facilities, cultural districts, public art, and other art purchases.

The net investment figures reported in this summary exclude funds transferred from other levels of government as well as other sources of revenue. The net investment figures therefore provide estimates of what was spent from the municipal tax base. The full report contains more information about gross investment figures.

Municipal cultural investment per capita in 2009

Overall, in the five cities combined, the average total net cultural investment amounted to \$35 per resident in 2009. In each of the five cities:

- Montréal's cultural investment of \$55 per capita ranked first in 2009.
- Vancouver ranked second, with a net amount of \$47 per person invested in the cultural sector in 2009.
- Calgary's net cultural investment was \$42 per capita in 2009, ranking the city third among the five cities.
- The City of Ottawa's net cultural investment of \$28 per capita in 2009 ranked fourth.
- Toronto's net cultural investment of \$19 per person in 2009 ranked last among the five cities.

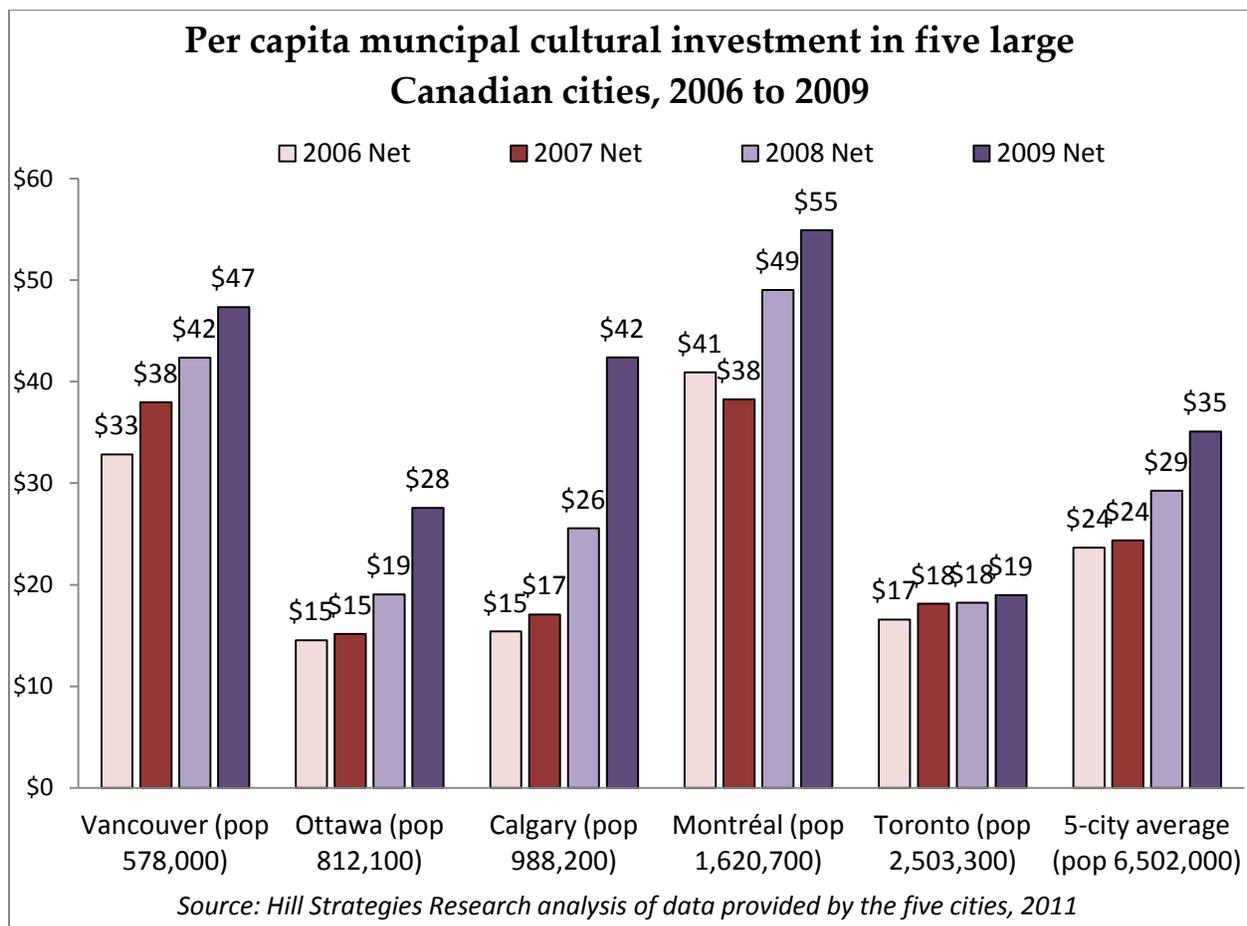
The Ville de Montréal has some unique cultural elements that have led to this high ranking: 1) its more than 30-year history of cultural development agreements with the Quebec government, which have led to significant new investments by both parties; 2) its Municipal Cultural Presenting Network ("Réseau Accès culture"), which includes facilities and staff dedicated to cultural dissemination in Montréal's different geographic areas; 3) its four nature museums (Botanical Garden, Insectarium, Biodôme and Planetarium); and 4) an active cultural policy and plan, which is led by a high-level steering committee including the mayor, Quebec and federal government ministers, as well as local cultural workers.

Changes in per capita cultural investment, 2006 to 2009

The statistics in the chart below show that the average net cultural investment of \$35 per resident in 2009 represents an increase from the levels in prior years (\$24 in 2006 and 2007, and \$29 in 2008).

In the City of Vancouver, the level of investment increased steadily between 2006 and 2009 (\$33 in 2006, \$38 in 2007, \$42 in 2008 and \$47 in 2009). While this increase is in part due to Olympic-related cultural spending, the City of Vancouver's investment increased in all areas between 2006 and 2009 (i.e., operating, grants and capital). Compared with the other cities in this study, Vancouver ranked second in each year from 2006 to 2009, behind only Montréal.

The City of Ottawa's net cultural investment of \$28 per capita in 2009 is the highest level of investment in Ottawa in the four years included in this study. Ottawa had invested \$15 per capita in both 2006 and 2007, and \$19 in 2008. The City of Ottawa's investment increased in all three areas (operating, grants and capital) between 2006 and 2009. Among the five cities' cultural investments, Ottawa ranked fourth in 2008 and 2009, ahead of Toronto. Ottawa ranked last in 2006 and 2007.



The City of Calgary's net cultural investment of \$42 per capita in 2009 is a substantial increase from the levels in prior years (\$15 in 2006, \$17 in 2007 and \$26 in 2008). A key reason for the increase in Calgary in 2009 was the substantial capital investment in culture-related infrastructure through the Municipal Sustainability Initiative. Calgary's cultural granting also increased between 2006 and 2009. Calgary's net cultural investment per capita ranked third among the five cities in 2008 and 2009, behind Montréal and Vancouver but ahead of Ottawa and Toronto. Calgary ranked fourth among the five cities in 2006 and 2007.

In the Ville de Montréal, the per capita cultural investment level was \$41 in 2006 and \$38 in 2007, before increasing substantially to \$49 in 2008 and \$55 in 2009. This increase was due in part to the new cultural development agreement between the city and the Quebec government, which led to an increase in the contributions of both parties. The provincial funding is excluded from the net investment figures, but the enhanced municipal funding is the key reason for the increases in net spending in 2008 and 2009. Among the five cities, Montréal's cultural investment ranked first in each year from 2006 to 2009, including a tie with Vancouver in 2007 (\$38).

In the City of Toronto, the level of investment in the cultural sector increased slightly during the study period (\$17 in 2006, \$18 in 2007 and 2008, and \$19 in 2009). These levels of net cultural investment ranked Toronto last among the five cities in 2008 and 2009. Toronto ranked third in 2006 and 2007.

Breakdown of municipal cultural investment

In each city, the net cultural investment in 2009 was:

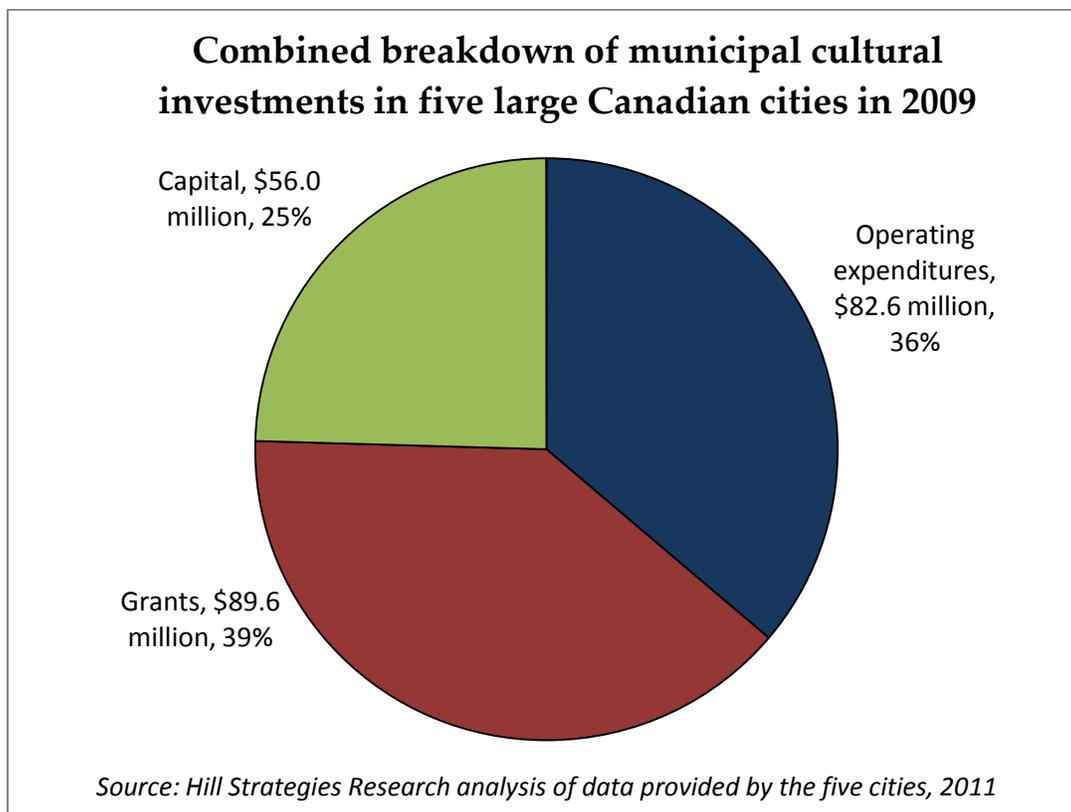
- \$27.4 million in Vancouver (population 578,000)
- \$22.4 million in Ottawa (population 812,100)
- \$41.9 million in Calgary (population 988,200)
- \$89.0 million in Montréal (population 1,620,700)
- \$47.5 million in Toronto (population 2,503,300)

These “net” figures represent the amount invested from the cities' tax bases for that year.

In the five cities combined, a net amount of \$228.2 million was invested in culture in 2009. Combined, the five cities have a population of 6.5 million.

As shown in the chart below, grants and operating expenditures comprise the largest portions of the overall cultural investment of the five cities:

- \$82.6 million in operating expenditures (36% of the total)
- \$89.6 million in grants (39%)
- \$56.0 million in capital expenditures (25%)



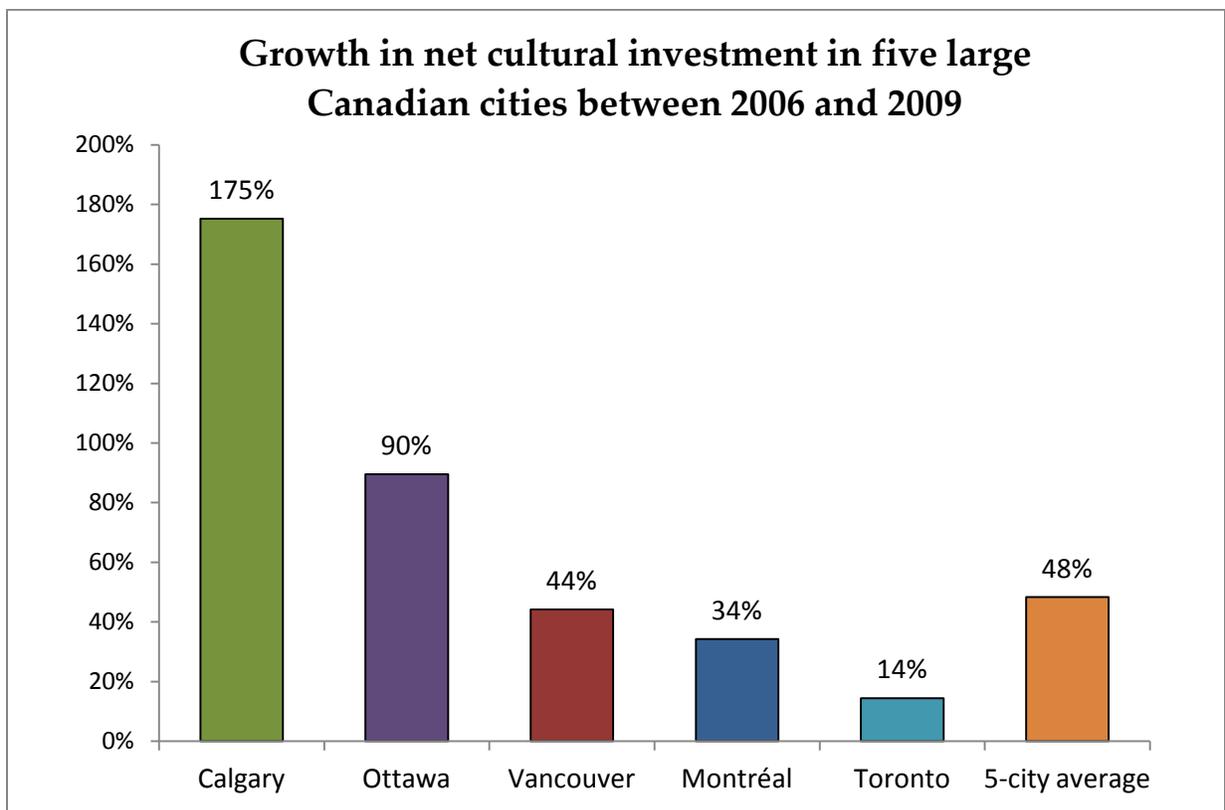
Changes in municipal investment between 2006 and 2009

In the five cities combined, net cultural investment increased from \$153.9 million in 2006 to \$228.2 million in 2009, a 48% increase (not adjusted for inflation or population growth). The increase in each component of cultural investment between 2006 and 2009 was:

- 26% for operating expenditures
- 29% for grants
- 197% for capital expenditures

The large increase in capital expenditures reflects the growing need for capital refurbishment in the cultural sector. The growing need has been identified in reports such as *Under Construction: The State of Cultural Infrastructure in Canada* (Centre of Expertise on Culture and Communities, Simon Fraser University, 2008).

The chart below shows that Calgary's growth in net cultural investment (175%) was much larger than any other city. Ottawa's growth (90%) was also well above the five-city average (48%). The growth rates in Vancouver (44%) and Montréal (34%) fell somewhat below the five-city average. The growth in net cultural investment in Toronto (14%) was much lower than in the other cities.



Municipal investment in libraries

In four of the five cities (the exception being Montréal), public libraries are managed by a separate library board. In addition, library expenditures are much higher than all other cultural expenditures. For these reasons, library expenditures are included in the study but are reported separately from other cultural investments. The public library data was collected and compiled through the Canadian Urban Libraries Council. Because of data availability and comparability during the study years, only the municipal operating expenditures on libraries are included in the study.

In the five cities, \$346.3 million was invested in library operating support in 2009. This is the “net” figure from the municipal tax base for that year. In each city, the net investment in library operating support in 2009 was:

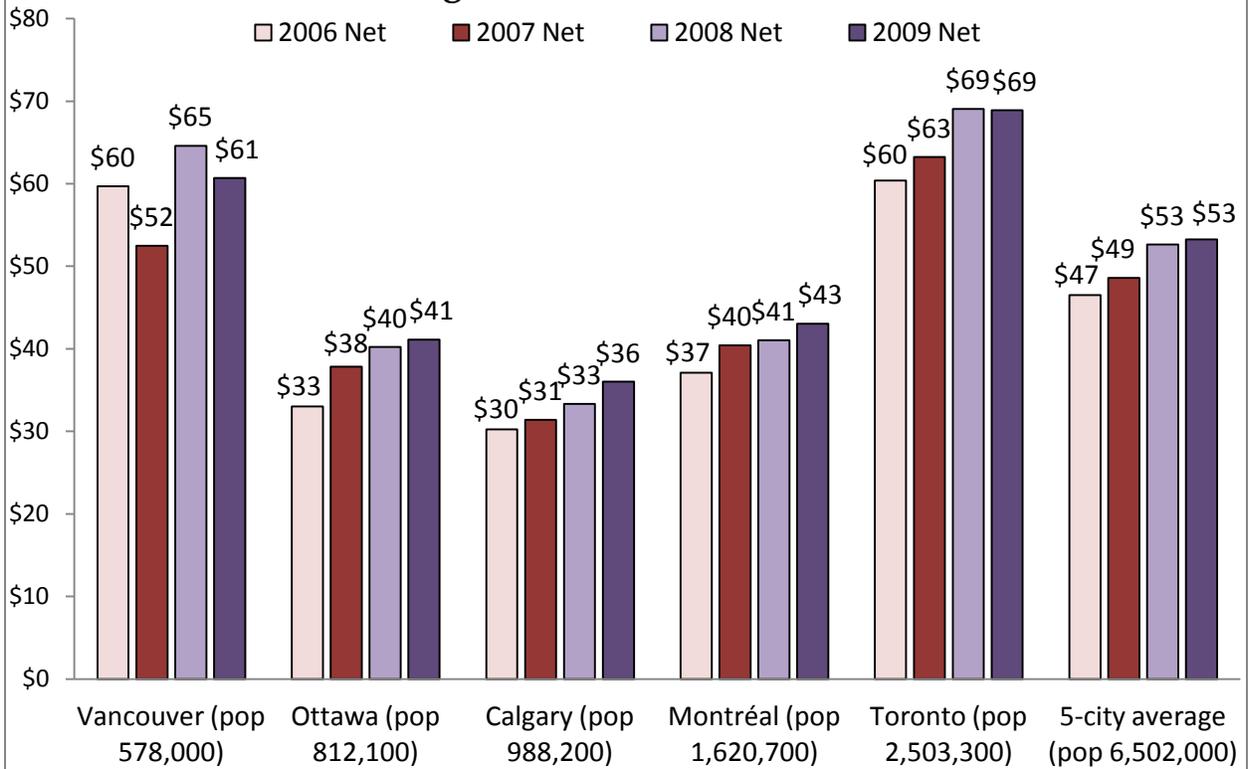
- \$35.1 million in Vancouver
- \$33.4 million in Ottawa
- \$35.6 million in Calgary
- \$69.8 million in Montréal
- \$172.5 million in Toronto

On a per capita basis, \$53 was invested in library operating support in the five cities in 2009. As shown in the chart below, Toronto has the highest level of per capita investment in library operations (\$69), followed by Vancouver (\$61). The other three cities are below the combined average of \$53: Montréal (\$43), Ottawa (\$41) and Calgary (\$36).

The increase in the five cities’ net investment per capita in library operations between 2006 and 2009 was:

- 2% in Vancouver
- 25% in Ottawa
- 19% in Calgary
- 16% in Montréal
- 14% in Toronto
- an average of 14% for all five cities

Per capita municipal operating expenditures on libraries in five large Canadian cities, 2006 to 2009



Source: Hill Strategies Research analysis of data provided by the Canadian Urban Libraries Council, 2011