



# Municipal Cultural Investment in Five Large Canadian Cities

*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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January 2012*



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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.

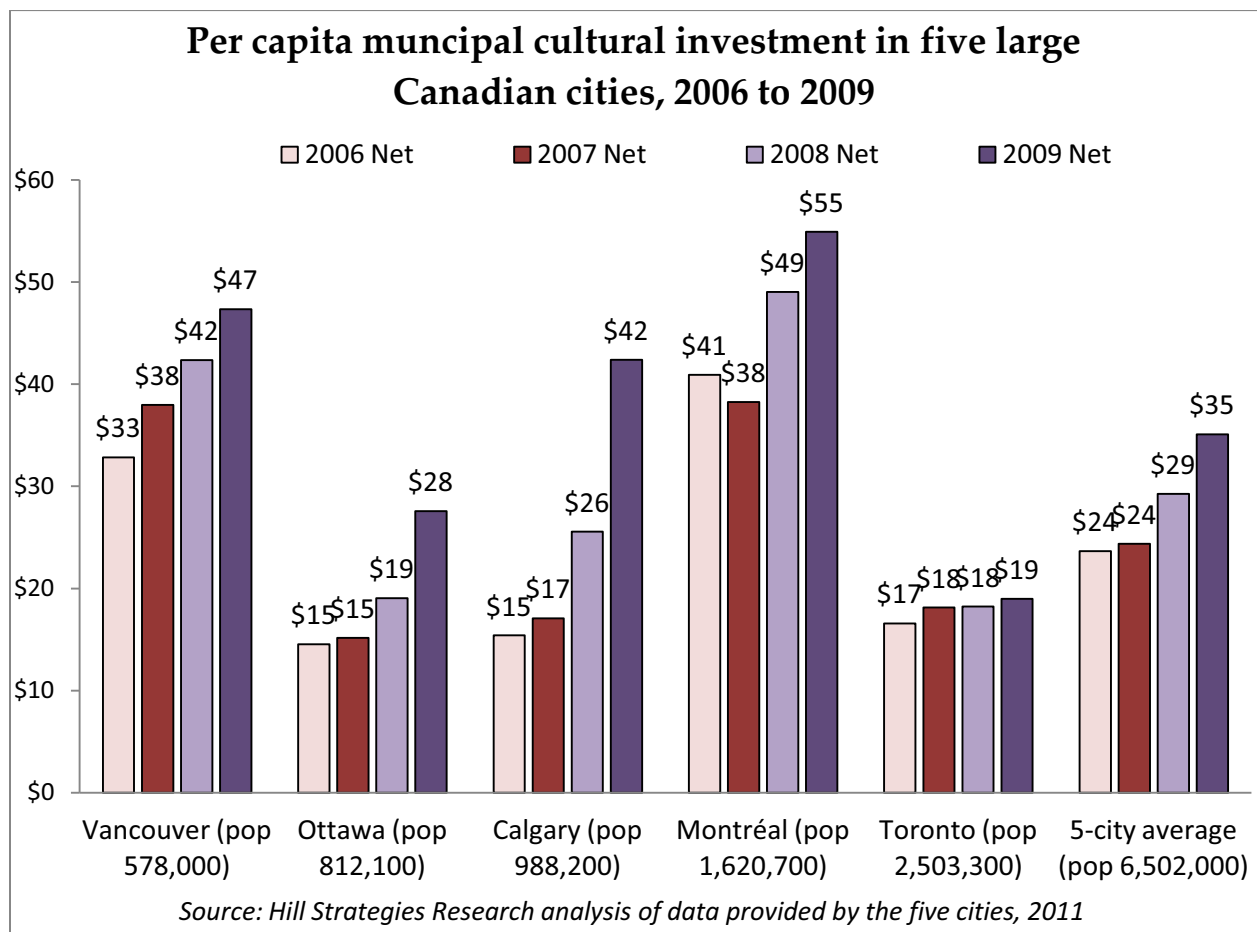
The Ville de Montréal has some unique cultural elements that have led to this high ranking: 1) its more than 30-year history of cultural development agreements with the Quebec government, which have led to significant new investments by both parties; 2) its Municipal Cultural Presenting Network ("Réseau 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:

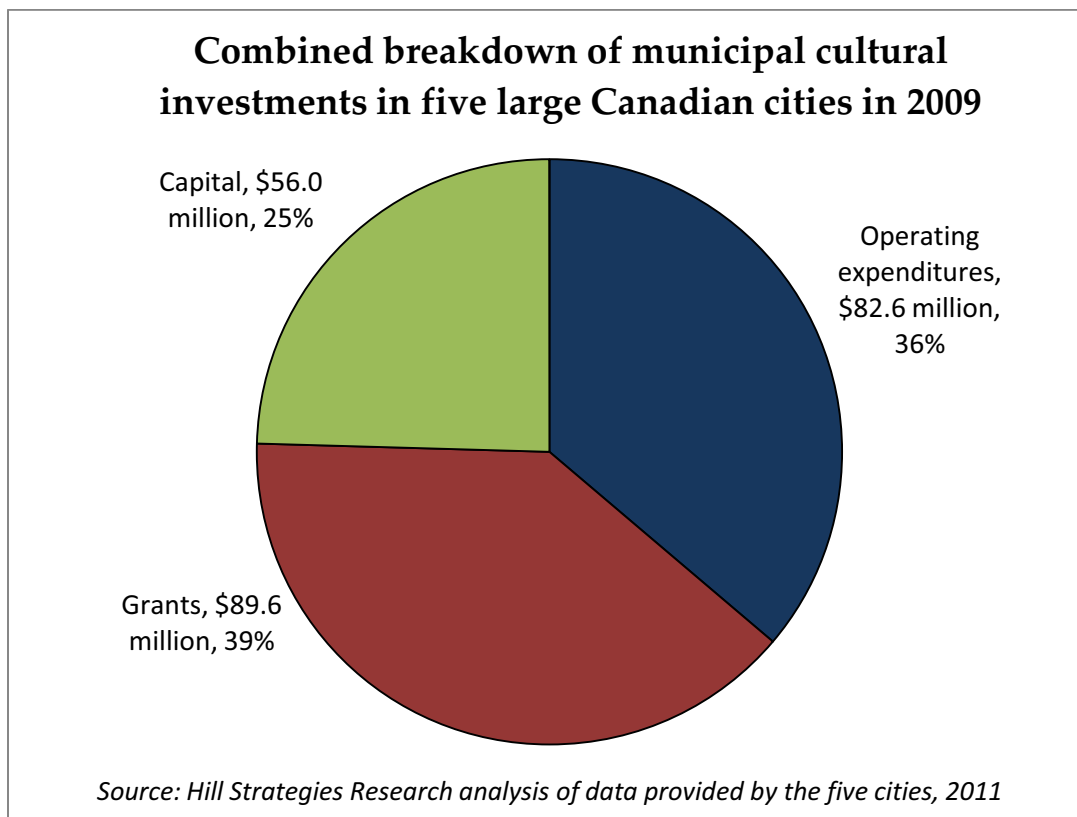
- \$27.4 million in Vancouver (population 578,000)
- \$22.4 million in Ottawa (population 812,100)
- \$41.9 million in Calgary (population 988,200)
- \$89.0 million in Montréal (population 1,620,700)
- \$47.5 million in Toronto (population 2,503,300)

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%)





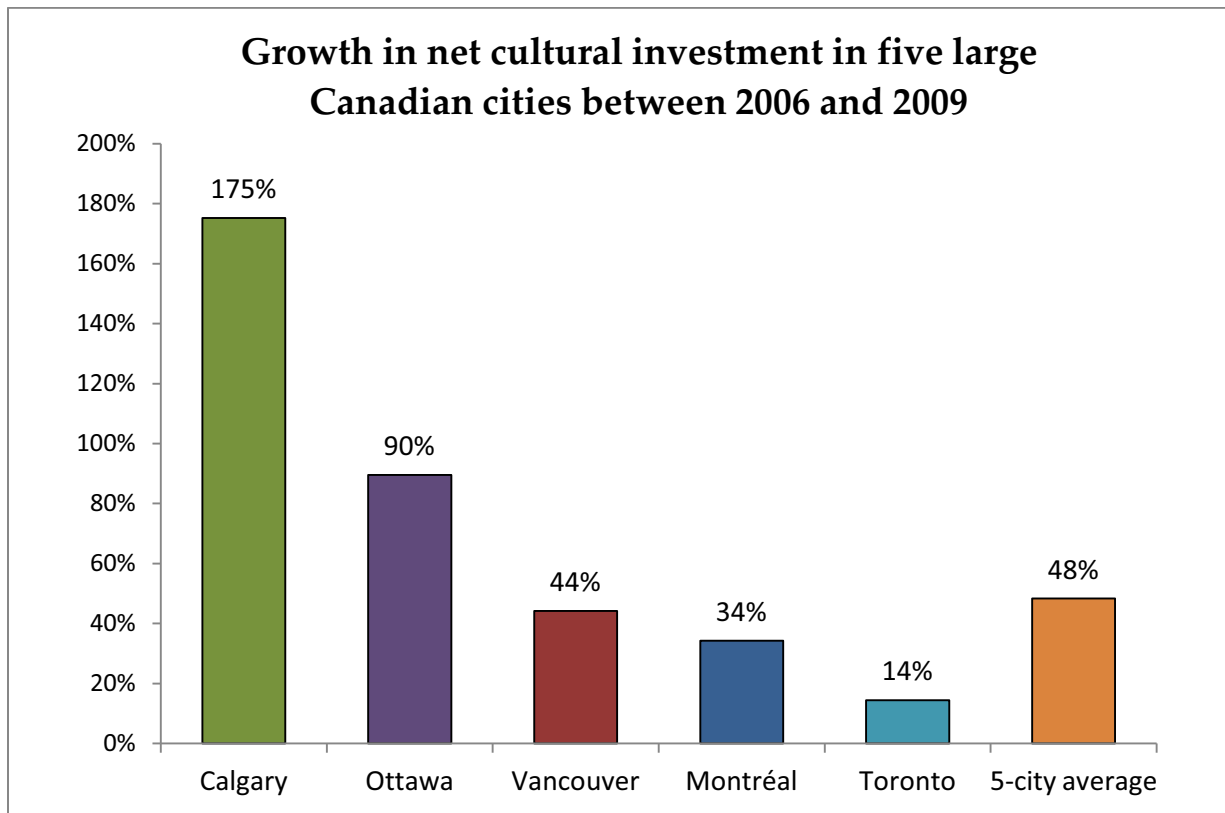
## *Changes in municipal investment between 2006 and 2009*

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:

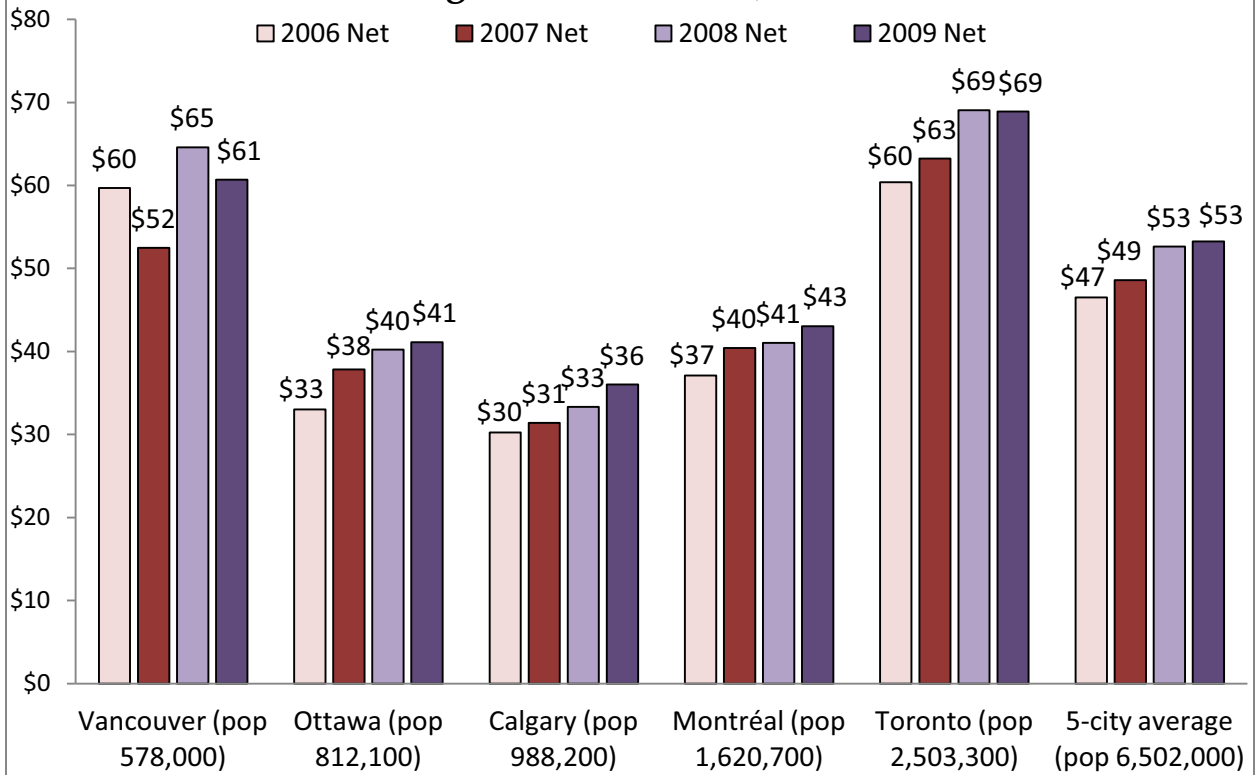
- \$35.1 million in Vancouver
- \$33.4 million in Ottawa
- \$35.6 million in Calgary
- \$69.8 million in Montréal
- \$172.5 million in Toronto

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*

## Part 1: Context

### **Section 1.1: Importance of measuring municipal cultural investment**

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.<sup>1</sup>

The cultural staff in each city, having collaborated in 2010 on a comparative report on artists and cultural workers<sup>2</sup>, came together in September 2010 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

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<sup>1</sup> *Social Effects of Culture: Exploratory Statistical Evidence, Statistical Insights on the Arts*, Vol. 6 No. 4, Hill Strategies Research Inc., March 2008. Recent Norwegian research has looked into the potential effects of cultural activities on health and life satisfaction. *Patterns of receptive and creative cultural activities and their association with perceived health, anxiety, depression and satisfaction with life among adults: the HUNT study, Norway*, Koenraad Cuypers, Steinar Krokstad, Turid Lingaas Holmen, Margunn Skjei Knudtsen, Lars Olov Bygren and Jostein Holmen, *Journal of Epidemiology & Community Health*, published online on May 23, 2011.

<sup>2</sup> *Mapping Artists and Cultural Workers in Canada's Large Cities: 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 based on 2006 census data*, Hill Strategies Research Inc., February 2010.

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.<sup>3</sup> Hill Strategies closely examined each city's data to ensure comparability across the cities.

As context, the next section summarizes key statistics on the cultural sectors in each of the five cities. An appendix to the report provides a brief summary of each city's policies, plans and non-financial supports for culture.

## **Section 1.2: Key statistics on artists and cultural workers**

The key statistics on artists and cultural workers is based on a custom data request from Statistics Canada's 2006 census, commissioned by Hill Strategies Research. This data was also used for a previous study, *Mapping Artists and Cultural Workers in Canada's Large Cities*, from which much of the information in this section is drawn.<sup>4</sup>

Individually, the five cities in this study (Vancouver, Calgary, Toronto, Ottawa and Montréal) have the largest number of cultural workers of all Canadian municipalities. Toronto has the largest number of cultural workers (82,600), followed by Montréal (56,100), Vancouver (25,100), Calgary (23,300) and Ottawa (22,500). The five cities collectively have 209,500 cultural workers, representing 34% of all cultural workers in Canada.

Collectively, the concentration of cultural workers in the five cities is 5.6%, well above the Canadian average (3.3%). In fact, each of the five cities has a concentration of cultural workers that is greater than the Canadian average. Vancouver has the highest concentration of cultural workers (7.2% of the local labour force in 48 cultural occupations), compared with 6.4% in Montréal, 5.9% in Toronto, 4.7% in Ottawa and 3.6% in Calgary. Table 1 provides key statistics on cultural workers in Vancouver, Ottawa, Calgary, Montréal and Toronto.

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<sup>3</sup> The full definition is provided in an appendix to this report.

<sup>4</sup> "Cultural workers" include 48 creative, production, technical and management occupations in the areas of broadcasting, film and video, sound recording, performing arts, publishing, printing, libraries, archives, heritage, architecture and design. "Artists", a subset of all cultural workers, include nine occupation groups: actors, craftspeople, composers and conductors, dancers, directors, producers and choreographers, musicians and singers, visual artists and writers. Individuals are classified in the occupation in which they worked the most hours between May 7 and 13, 2006 (the census reference week). *Mapping Artists and Cultural Workers in Canada's Large Cities: 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 based on 2006 census data*, Hill Strategies Research, February 2010.

**Table 1: Key statistics on cultural workers in Vancouver, Ottawa, Calgary, Montréal and Toronto, 2006**

<b>City</b>	<b>Population</b>	<b>Overall labour force</b>	<b>Cultural workers</b>	<b>Concentration of cultural workers</b>	<b>Cultural workers' median earnings</b>	<b>Earnings gap</b>
Vancouver	578,000	347,100	25,100	7.2%	\$28,000	4%
Ottawa	812,100	480,500	22,500	4.7%	\$37,300	9%
Calgary	988,200	639,100	23,300	3.6%	\$30,900	-2%
Montréal	1,620,700	877,500	56,100	6.4%	\$26,500	12%
Toronto	2,503,300	1,395,200	82,600	5.9%	\$30,200	5%
<b>All five cities</b>	<b>6,502,000</b>	<b>3,739,400</b>	<b>209,500</b>	<b>5.6%</b>	<b>not available</b>	<b>not available</b>
<b>Canada</b>	<b>31,612,900</b>	<b>18,201,300</b>	<b>609,100</b>	<b>3.3%</b>	<b>\$27,500</b>	<b>3%</b>

*Source: Analysis by Hill Strategies Research based on a 2006 census custom data request.  
Notes: The earnings gap is the difference between the median earnings of cultural workers and the overall labour force. All earnings figures captured in the 2006 census relate to the 2005 calendar year.*

The five cities in this study also have the largest number of artists of all Canadian municipalities. Toronto has the largest number of artists (22,300), followed by Montréal (13,400), Vancouver (8,200), Calgary (5,100) and Ottawa (4,600). Collectively, the 53,500 artists in these five large cities represent 38% of all artists in Canada, a proportion that is much higher than the five cities' share of the overall Canadian labour force (21%).

Collectively, the concentration of artists in the five cities is 1.4%, well above the Canadian average (0.8%). Each of the five cities has a concentration of artists that is greater than or equal to the Canadian average. Among the five cities, Vancouver has the highest concentration of artists (2.3% of its overall labour force in the nine arts occupations), compared with 1.6% in Toronto, 1.5% in Montréal, 0.9% in Ottawa and 0.8% in Calgary.

Artists' median earnings are low in all five cities, and a substantial earnings gap exists between artists and the overall labour force. The earnings gap is 36% or 37% in Montréal, Toronto and Vancouver but is more than 50% in Calgary and Ottawa. In these two cities, the nine arts occupations are strongly female-dominated, with 60% or 61% of artists being female. In Montréal, Toronto and Vancouver, less than half of artists are female. Table 2 provides key statistics on artists in Vancouver, Calgary, Toronto, Ottawa and Montréal.

**Table 2: Key statistics on artists in Vancouver, Ottawa, Calgary, Montréal and Toronto, 2006**

City	Population	Overall labour force	Artists	Concentration of artists	Artists' median earnings	Earnings gap
Vancouver	578,000	347,100	8,200	2.3%	\$17,400	-36%
Ottawa	812,100	480,500	4,600	0.9%	\$15,800	-54%
Calgary	988,200	639,100	5,100	0.8%	\$14,500	-54%
Montréal	1,620,700	877,500	13,400	1.5%	\$15,000	-37%
Toronto	2,503,300	1,395,200	22,300	1.6%	\$18,300	-36%
<b>All five cities</b>	<b>6,502,000</b>	<b>3,739,400</b>	<b>53,500</b>	<b>1.4%</b>	<b>not available</b>	<b>not available</b>
<b>Canada</b>	<b>31,612,900</b>	<b>18,201,300</b>	<b>140,000</b>	<b>0.8%</b>	<b>\$12,900</b>	<b>-52%</b>

*Source: Analysis by Hill Strategies Research based on a 2006 census custom data request.  
Notes: The earnings gap is the difference between the median earnings of artists and the overall labour force. All earnings figures captured in the 2006 census relate to the 2005 calendar year.*

Between 1991 and 2006, the number of artists increased by much more than the overall local labour force in four of the five cities:

- Vancouver: 76% growth in the number of artists and 28% growth in the overall local labour force.
- Calgary: 63% growth in the number of artists and 50% growth in the overall local labour force.
- Toronto: 42% growth in the number of artists and 8% growth in the overall local labour force.
- Montréal: 33% growth in the number of artists and 12% growth in the overall local labour force.
- Ottawa was the exception: the 15% growth in the number of artists was less than the 20% growth in the overall local labour force.

More recently, however, the concentration of artists did not show much change in any of the five large cities (or in the country as a whole) between 2001 and 2006.<sup>5</sup> Table 3 shows that there was an increase in the number of artists in all five cities, but these increases were matched by the increases in the cities' overall labour force. Collectively, the concentration of artists in the five cities was 1.4% in both 2001 and 2006.

**Table 3: Changes in artists in Vancouver, Calgary, Toronto, Ottawa and Montréal, 2001 to 2006**

City	Artists in 2001	Artists in 2006	Change in artists, 2001 to 2006	% change, 2001 to 2006	Concentration of artists in 2001	Concentration of artists in 2006
Vancouver	7,300	8,200	900	12%	2.4%	2.3%
Ottawa	4,400	4,600	200	4%	1.0%	0.9%
Calgary	4,600	5,100	500	12%	0.8%	0.8%
Montréal	12,300	13,400	1,100	9%	1.5%	1.5%
Toronto	21,000	22,300	1,200	6%	1.6%	1.6%
<b>All five cities</b>	<b>49,500</b>	<b>53,500</b>	<b>4,000</b>	<b>8%</b>	<b>1.4%</b>	<b>1.4%</b>
<b>Canada</b>	<b>130,700</b>	<b>140,000</b>	<b>9,300</b>	<b>7%</b>	<b>0.8%</b>	<b>0.8%</b>

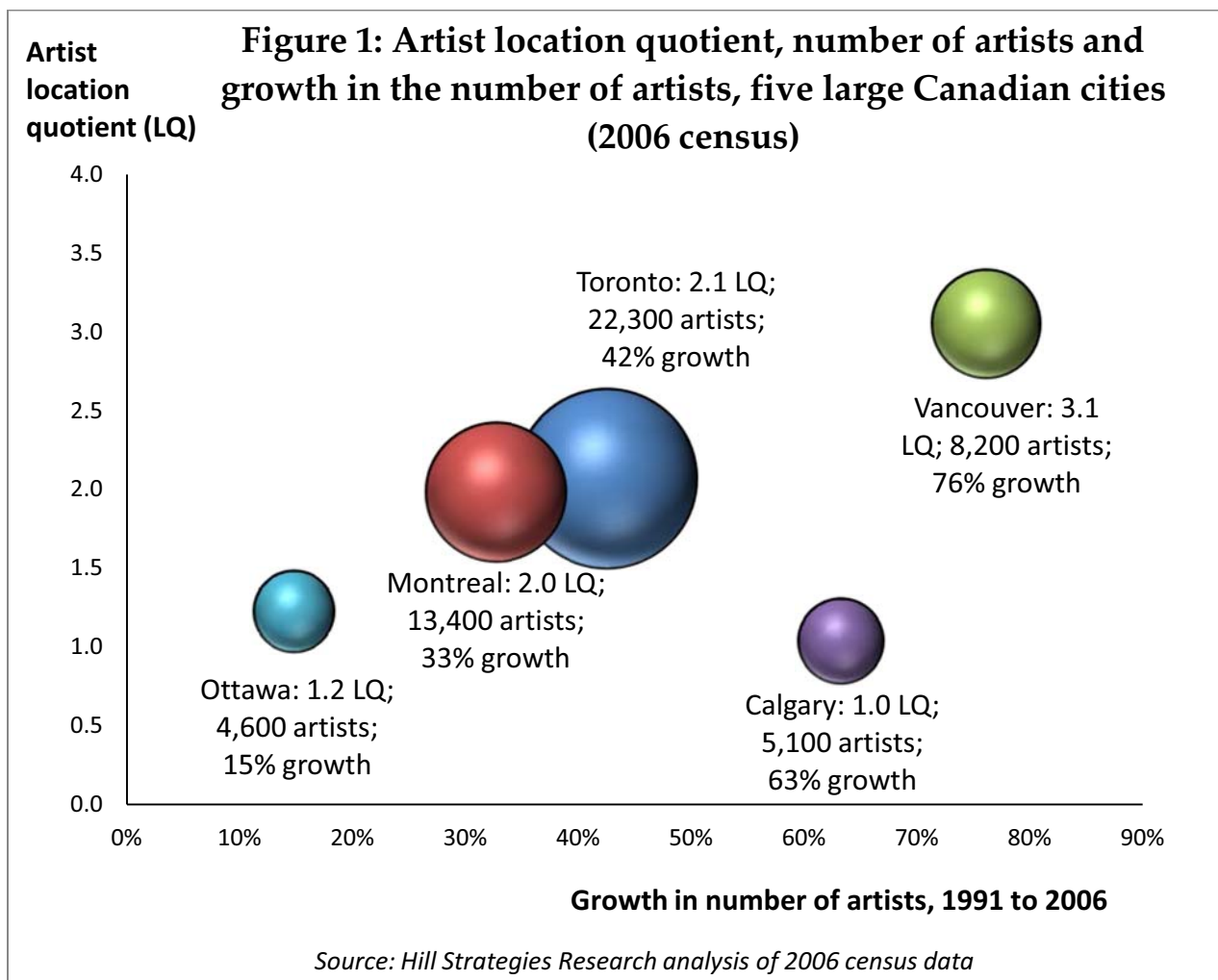
*Source: Analysis by Hill Strategies Research based on 2001 and 2006 census custom data requests.  
Note: Changes over time were calculated based on unrounded figures and may not exactly match calculations based on the rounded figures presented in this table.*

<sup>5</sup> The historical statistics for the Ville de Montréal have been adjusted to reflect the city's 2006 boundaries.



Figure 1 compares three key statistics on artists in the five cities:

- The concentration of artists, expressed as a location quotient relative to the Canadian average (vertical axis). Because Vancouver has the highest concentration of artists, its bubble is highest on the graph.
- The number of artists in 2006 (size of the bubble for each city). Toronto has the largest number of artists, followed by Montréal and Vancouver. The relative sizes of their bubbles reflect these statistics.
- Longer-term growth in the number of artists (horizontal axis). Vancouver and Calgary saw the highest growth in the number of artists between 1991 and 2006 (76% and 63% respectively), and they are therefore located furthest to the right on the graph.



## **Part 2: Municipal cultural investment**

### ***Section 2.1: Per capita municipal cultural investment***

This section of the report compares the financial support for the cultural sector in Vancouver, Calgary, Toronto, Ottawa and Montréal. In order to compare the cities, which have quite different population levels, the levels of support are expressed on a per capita basis. The subsequent section provides overall funding levels, rather than per capita calculations.

#### ***Methodology***

The project began with a desire to compare the operating, grant and capital expenditures of the cultural services departments in the five large cities. However, Hill Strategies Research and the cities' staff members quickly realized that there are many differences between the cities in terms of what is managed directly by each city's cultural services department. In order to compare similar elements in all five cities, the researcher and city staff met a number of times to discuss and agree upon a common definition of municipal cultural investment, which required adjustments to the items that are managed by each city's culture department.

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 (including science museums), heritage, special events, multidisciplinary activities, creative and cultural industries, city-owned cultural facilities, cultural districts, public art, and other art purchases. The detailed definition is provided in an appendix.

The definition used in this report bears many similarities to, but is slightly narrower than, what Statistics Canada measures in order to produce estimates of government spending on culture.<sup>6</sup> This report generally follows the Statistics Canada framework, with minor modifications to ensure the comparability of data between the cities. These modifications are not intended to imply that excluded aspects of the definition are less important for creative-city building. Rather, the modifications reflect the simple fact that these items could not be reliably measured and compared between the five cities.

In all of the study cities except Montréal, public libraries are managed by a separate library board. For this reason, library operating expenditures are included in the study but are reported separately from other cultural investments. See Part 3 for an analysis of municipal investment in libraries.

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<sup>6</sup> Key differences relate to the exclusion, in this study, of some heritage-related expenditures and the separation of library expenditures from other cultural investments. As noted in the introduction to this report, 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 cultural investment data was compiled by cultural staff members in the five cities for four fiscal years: 2006, 2007, 2008 and 2009. Hill Strategies Research closely examined each city's data to ensure comparability across the cities. A number of adjustments were made to each city's data based on discussions between the researcher and the cultural staff members. Population data from the 2006 census was used in order to ensure the comparability of the population estimates between the five cities.

The cultural investment data captures both "gross" and "net" investments. Gross expenditures include investments from the municipal tax base as well as all other sources of funds that are used for cultural investments, including transfers from other levels of government for cultural projects or programs, revenues from ticket sales for city-owned or operated cultural spaces, rental revenues for city-owned cultural spaces, and sponsorships of city-managed cultural programs and events.

In general, net investments represent what is spent on cultural programs and services from the municipal tax base. For the most part, net investments exclude all other sources of funding or revenue.

However, net expenditures also include some exceptional items related to discretionary municipal cultural investments. Because the decision-making process for investing the funds is at the discretion of the local city council (or individual local politicians) and is similar to the process of directing municipal tax revenues, these exceptional items are included in the net investment figures even though they do not come from regular tax revenues.

The first example of discretionary municipal cultural investments is the Municipal Sustainability Initiative Fund Province of Alberta grant. This grant was a non-specific transfer for capital purposes. Calgary City Council decided to allocate a portion of these funds toward cultural infrastructure. Calgary City Council also decides which cultural projects receive funding through this initiative. The allocation of these funds to cultural infrastructure was a major local decision, and one that was not made by other Alberta cities.

Another example of discretionary municipal cultural investments relates to funds received in Ontario via "Section 37" negotiations with developers. These private funds, negotiated between the developer, the local councillor and city staff, are directed toward community benefits in return for higher density. In cases where these community benefits are allocated to cultural spaces and activities, these funds would be included in net municipal investments in culture. During the period of this study, neither Toronto nor Ottawa allocated Section 37 funds for cultural projects.

The text of this report focuses on the net investments. Gross investment figures are provided in Table 4 (per capita investment levels) and the tables in Section 2.2 (actual dollar figures).

Data is reported for three key elements of cultural expenditures: operating, grant and capital spending.

### *Operating expenditures*

Included here are expenditures from the cities' operating budgets on the performing arts, visual and media arts, museums (including science museums), heritage, special events, multidisciplinary activities, the creative and cultural industries, city-owned cultural facilities, cultural districts, etc. Grants-based operating funding is included in the grants section.

Figure 2 compares net cultural operating expenditures in the five cities between 2006 and 2009. The statistics in the chart show that, in the City of Vancouver, net cultural operating expenditures were \$9 per person in 2008 and 2009. This is an increase from the levels in 2006 (\$6) and 2007 (\$7). The change statistics have not been adjusted for the 5% inflation between 2006 and 2009. In addition, because the 2006 census population estimates were used in all four study years, population growth was not factored into the changes over time.

Compared with the operating expenditures of the other cities in this study, Vancouver ranked third in each year except for 2008, when the city ranked second.

The City of Ottawa's net cultural operating expenditures were \$13 per capita in 2009, representing a substantial increase from the levels in prior years (\$5 in both 2006 and 2007, and \$9 in 2008).

Among the five cities, Ottawa's operating expenditures ranked second in 2009, behind only Montréal. Ottawa ranked fourth among the five cities in 2006, 2007 and 2008.

The City of Calgary's net cultural operating expenditures were \$3 per capita in 2009 and were at similar levels in prior years (\$2 in 2006, \$3 in 2007 and \$4 in 2008).

Calgary's net per capita cultural operating expenditures ranked last among the five cities in all four years.

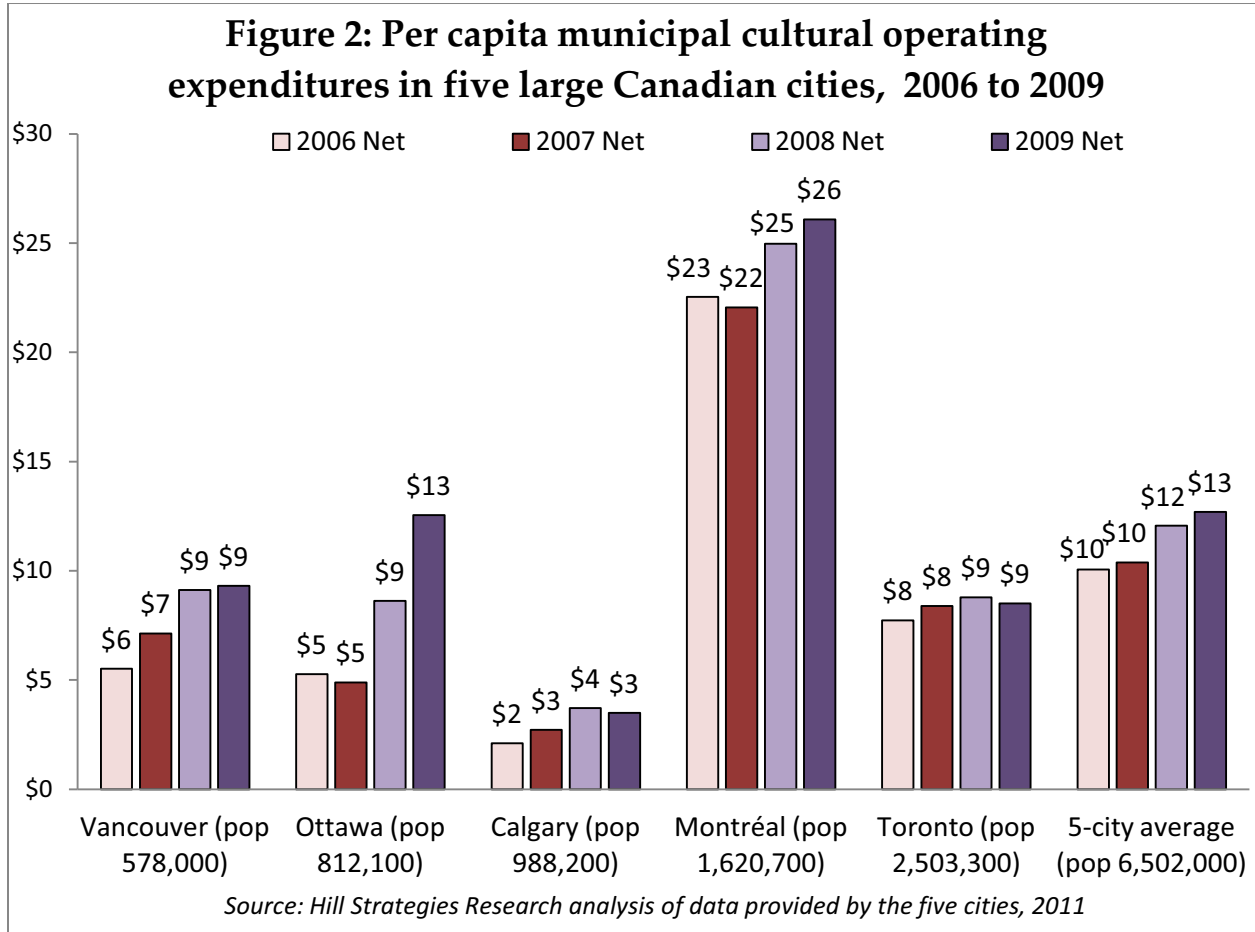
In the Ville de Montréal, net per capita cultural operating expenditures were \$26 in 2009. This is a moderate increase from prior years (\$23 in 2006, \$22 in 2007 and \$25 in 2008).

Montréal's operating expenditures ranked first among the five cities in each year from 2006 to 2009.

In the City of Toronto, net cultural operating expenditures were \$9 per person in 2009. Toronto's cultural operating expenditures increased by a very small amount during the study period (from \$8 in 2006 and 2007 to \$9 in 2008).

These levels of net operating expenditures ranked Toronto fourth among the five cities in 2009. Toronto ranked second in 2006 and 2007 and third in 2008.

In the five cities combined, the net cultural operating expenditures were \$13 per resident in 2009, which represents a moderate increase from the levels in prior years (\$10 in 2006 and 2007, and \$12 in 2008).



## *Grants*

Grants provided to the cultural sector from the cities' operating and/or capital budgets are examined here. Figure 3 compares net municipal cultural grants in the five cities between 2006 and 2009. As shown in the chart, the City of Vancouver's net cultural grants were \$28 per person in 2009. This represents a steady increase from prior years (\$22 in 2006, \$25 in 2007 and \$27 in 2008).

Vancouver's net cultural grants ranked first among the five cities in each year from 2006 to 2009.

In Ottawa, net cultural grants were \$10 per capita in 2009, representing a steady increase from the levels in prior years (\$7 in both 2006, \$8 in 2007 and \$9 in 2008).

Ottawa's granting levels ranked fourth among the five cities in each year of the study.

Calgary's net cultural grants were \$18 per capita in 2008 and 2009, representing a substantial increase from 2006 (\$11) and 2007 (\$12). A number of different granting programs increased during this period, including funding provided through the Calgary Arts Development Authority (CADA). CADA, a wholly-owned subsidiary of the City of Calgary, provides operating funding and develops strategy, marketing and community feedback.

Calgary's net per capita cultural grants ranked second among the five cities in 2008 and 2009, up from a third place ranking in 2006 and 2007.

Montréal's net per capita cultural grants were \$17 in 2009, representing a small but steady increase from prior years (\$14 in 2006, \$15 in 2007 and \$16 in 2008).

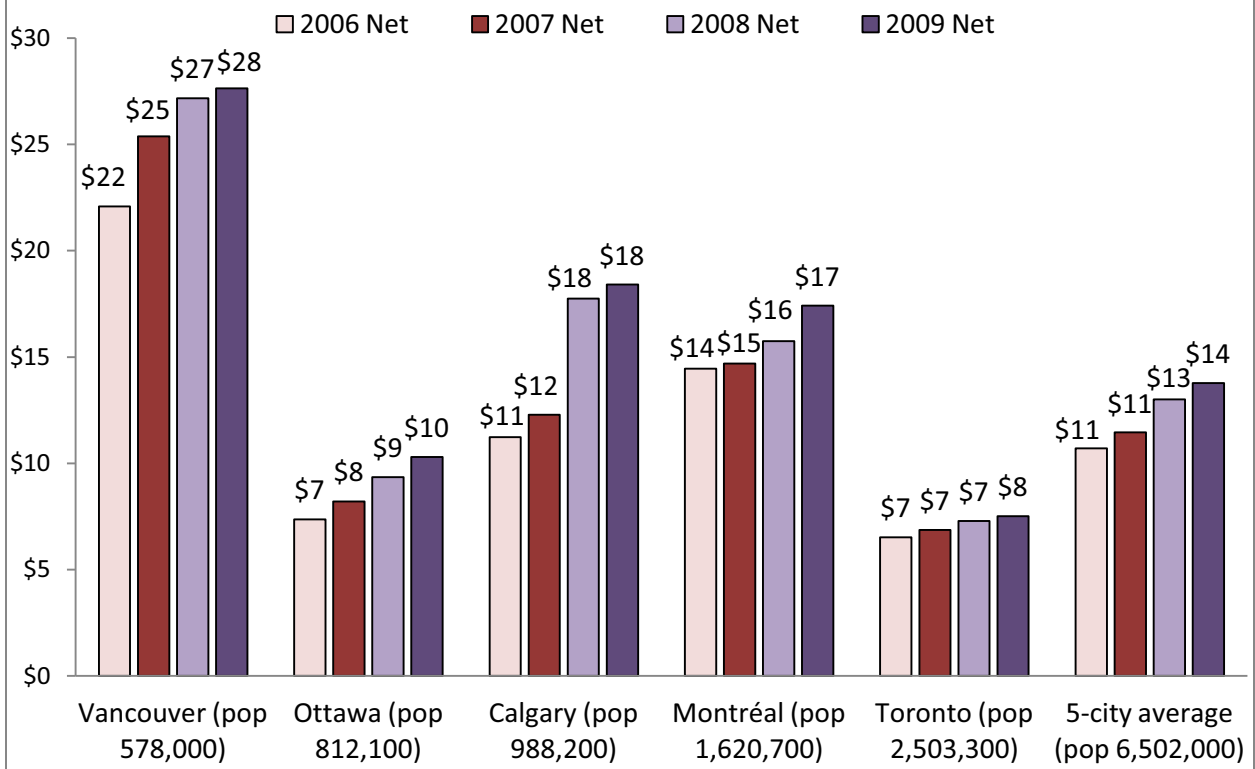
Montréal's per capita grants ranked third among the five cities in 2008 and 2009, down from second in 2006 and 2007.

Toronto's net cultural grants were \$8 per person in 2009. Toronto's cultural grants increased very slightly during the study period (from \$7 in 2006, 2007 and 2008 to \$8 in 2009).

Toronto ranked last among the five cities regarding net cultural grants in all four years.

In the five cities combined, the average level of net cultural grants was \$14 per resident in 2009, which is an increase from the levels in prior years (\$11 in 2006 and 2007, and \$13 in 2008).

**Figure 3: Per capita municipal cultural grants in five large Canadian cities, 2006 to 2009**



Source: Hill Strategies Research analysis of data provided by the five cities, 2011

## *Capital expenditures*

Capital investments for cultural purposes are important elements of a community's cultural infrastructure. Included here are expenditures from the cities' capital budgets on city-owned cultural facilities, cultural districts, public art, etc. Grants-based capital funding is included in the grants section.

### **Exceptional capital investments**

Municipal funding for culture-related capital expenditures can be extremely complex and can take place over a number of fiscal years. Through the analysis of the raw data supplied by the five cities, the researcher found that some capital expenditures are truly exceptional due to their complexity, scale of investment and unresolved financing within the timeframe of the study.

Two cities have capital investments that meet the following criteria: 1) The net expenditure for the cultural capital project is at least as large as the city's other net capital expenditures for cultural purposes within the same fiscal year; 2) Financing for the capital project is complex and occurs over more than one fiscal year; and, most importantly, 3) Financing for the capital project was not finalized within the timeframe of the fiscal years analyzed in the study.

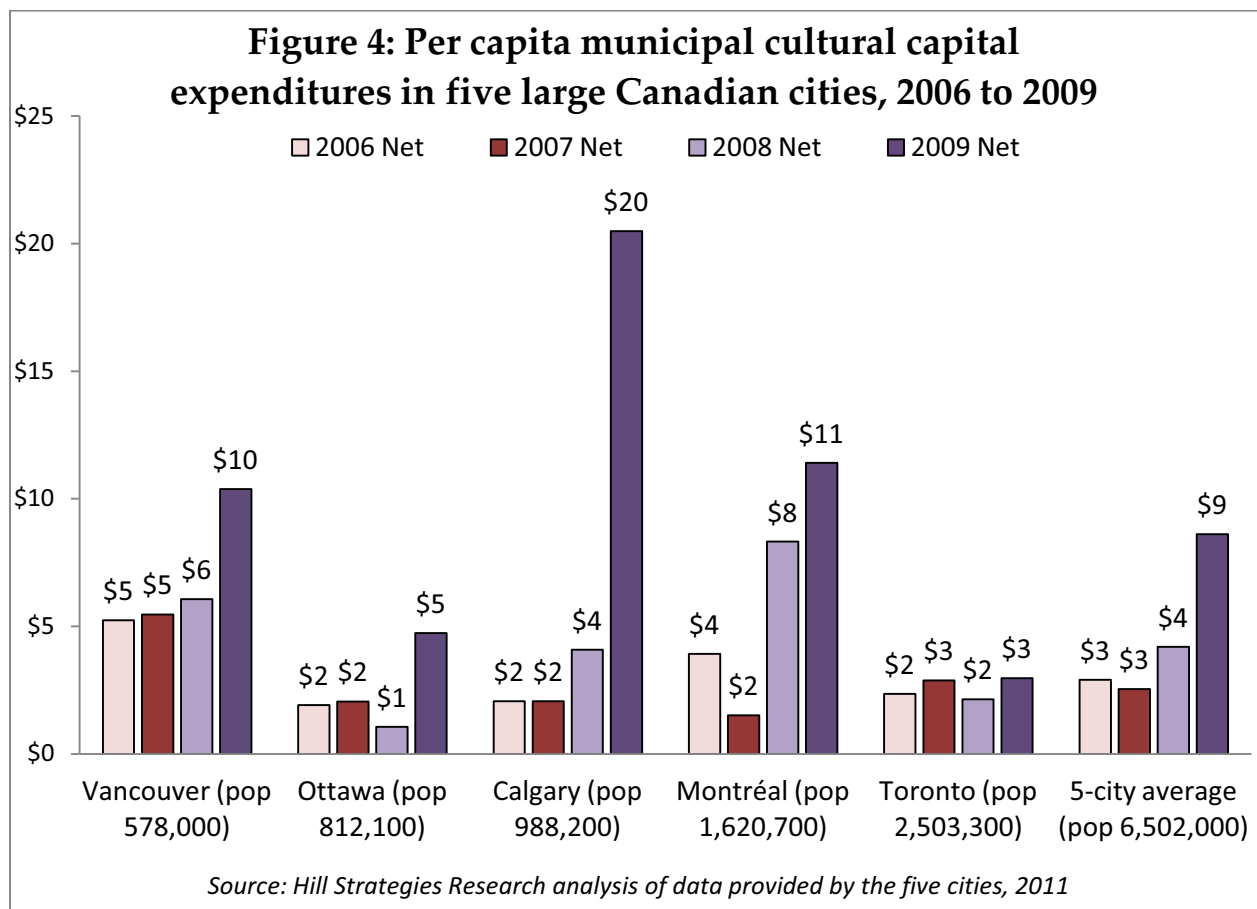
The two cities with exceptional capital investments are Vancouver, where a major refurbishment of their civic theatres took place in preparation for the 2010 Olympics, and Montréal, where major investments were made in the Quartier des spectacles (Performing arts district).

Because a global picture of these investments is not yet possible, these exceptional capital investments do not form part of the data presented in this section. For further details on these exceptional capital investments, see Section 2.2.

Figure 4 compares net cultural capital expenditures in the five cities between 2006 and 2009. In Vancouver, net cultural capital expenditures were \$10 per resident in 2009. This is a substantial increase from the levels in prior years (\$5 in 2006 and 2007, and \$6 in 2008). A major factor in this increase was the spending in 2009 on the Olympic and Paralympic Public Art Program in preparation for the 2010 Winter Games. The Olympic and Paralympic Public Art Program commissioned and installed more than 25 permanent and temporary public artworks for the 2010 Games.

Compared with the capital expenditures in the other cities in this study, Vancouver ranked third in 2009, second in 2008, and first in 2006 and 2007.





In Ottawa, net cultural capital expenditures were \$5 per capita in 2009, representing a major increase from the levels in prior years (\$2 in both 2006 and 2007, and \$1 in 2008). The main reason for the increase was the relocation of the City of Ottawa Archives.

The City of Ottawa’s capital expenditures ranked fourth among the five cities in 2007 and 2009. Ottawa ranked last in 2006 and 2008.

The City of Calgary’s net cultural capital expenditures were \$20 per person in 2009, representing a very large increase from prior years (\$2 in 2006 and 2007, and \$4 in 2008). The key reason for the increase in 2009 was the substantial investment in culture-related infrastructure through the Municipal Sustainability Initiative.

Calgary’s net cultural capital expenditures per resident ranked first among the five cities in 2009, up from fourth in 2006 and third in 2007 and 2008.

In the Ville de Montréal, net cultural capital expenditures were \$11 per resident in 2009. This is an increase from 2008 (\$8) and a much larger increase from prior years (\$4 in 2006 and \$2 in 2007). A new cultural development agreement was agreed upon by the city and the Quebec

government in 2008, which led to additional capital investment in many facilities. The enhanced provincial funding is included in the gross investment figures only.

Montréal ranked second among the five cities' capital expenditures in 2006 and 2009. Montréal's ranking was fifth in 2007 and first in 2008.

In the City of Toronto, net cultural capital expenditures were \$3 per person in 2009. Toronto's cultural capital expenditures remained relatively stable during the study period (\$2 in 2006 and 2008, and \$3 in 2007 and 2009).

The 2009 level of net capital expenditures ranked Toronto last among the five cities. Toronto ranked third in 2006, second in 2007 and fourth in 2008.

In the five cities combined, cultural capital expenditures averaged \$9 per resident in 2009, which represents a substantial increase from the levels in prior years (\$3 in 2006 and 2007, and \$4 in 2008).

## *Total municipal cultural investment*

Figure 5 compares the overall net cultural investment in the five cities between 2006 and 2009. The statistics in the chart show that, in the City of Vancouver, a net amount of \$47 per person was invested in the cultural sector in 2009. The level of investment in Vancouver 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 was \$28 per capita in 2009, 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 was \$42 per capita in 2009, 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, a net amount of \$55 per person was invested in the cultural sector in 2009. Montréal's per capita investment level was \$41 in 2006 and \$38 in 2007, before increasing substantially to \$49 in 2008. 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 included in the gross investment figures only, while 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. 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