



ORCHESTRAS
ORCHESTRES | CANADA

Submission to the Ontario Standing Committee on Finance and Economic Affairs

July 6, 2020

Regarding the study of the recommendations relating to the Economic and Fiscal Update Act, 2020 and the impacts of the COVID-19 crisis on certain sectors of the economy - Culture and Heritage sector.

Orchestras Canada

Katherine Carleton, C.M.
Executive Director
Orchestras Canada/
Orchestres Canada
Phone: 705 243 6640
katherine@oc.ca
<https://oc.ca/en/>
<https://oc.ca/fr/>

Ontario Members of the OC Advocacy Committee

Andrew Bennett
Executive Director
Kitchener-Waterloo Symphony
Phone 519-745-4711
abennett@kwsymphony.on.ca
<https://kwsymphony.ca/>

Ben Coleman
Manager, Government Relations
Toronto Symphony Orchestra
Phone: 416-595-4260
bcoleman@tso.ca
<https://www.tso.ca/>

Summary

Ontario orchestras commend the Standing Committee on Finance for studying the impact of COVID-19 on the Culture and Heritage sectors.

Like others in the live performing arts, orchestras have been deeply affected. Compared to the same period in 2019, the revenues of Ontario orchestras have already contracted almost \$15 million since March 15 (about 20% of their annual revenues) due to the cancellation or postponement of all ticketed events, including concerts and fundraising events, during the last part of their 2019/20 seasons.

Orchestras are looking to all levels of government to help them bridge this crisis, so they can continue to serve their communities in creative ways, retain key team members, and ensure a quick and complete recovery when the crisis is over.

To achieve these goals, we recommend that the Province of Ontario:

- 1. Provide stabilization funding for arts and culture;**
- 2. Provide incentives for individual and corporate giving;**
- 3. Invest in built and digital infrastructure;**
- 4. Sustain and increase investments in arts and culture through the Ontario Arts Council.**

About Orchestras Canada and Ontario's Orchestras

Orchestras Canada/Orchestres Canada (OC) is the national association for Canadian orchestras. Established in 1971 as the Association of Canadian Orchestras, OC represents 130 member orchestras, including 69 in Ontario. They range from volunteer-driven community groups, to youth and training orchestras, to regional and major professional orchestras. Most are organized as registered charities, and all are not for profit organizations.

In the 2018-19 season (a time period that typically mirrors the academic year), Ontario orchestras drew a collective audience of over 860,000 and generated over \$76 million in revenue. That year, overall revenues of Ontario orchestras were a careful balance between

- Earned income (from ticket sales and sold services): 38.3%;
- Contributed income (from donations, sponsorships, and fundraising special events): 42.9%
- Government investment (from municipal, provincial and federal bodies): 18.7%¹

Ontario orchestras raise a higher proportion of their annual revenues from their communities, through ticket sales and fundraising, than is the case anywhere else in Canada. In return, our orchestras invest just under 70% of their annual budgets in salaries and professional fees to artists, arts workers, and people in related businesses.²

Early Impact of COVID-19 on Ontario Orchestras

In June 2020, Orchestras Canada asked our members to provide a forecast of their year-end results. From this survey, we learned that – overall - Ontario orchestras anticipate that their 19/20 seasons' revenues will contract by an average of 20% compared to last year, due to COVID-19 cancellations. This represents a collective revenue loss of nearly \$15 million since March 15.³

These findings are supported by an April 2020 survey of the arts sector by the Ontario Arts Council. The 441 Ontario arts organizations surveyed by the Ontario Arts Council in April estimated that they'd lose as much as \$128 million due to COVID-19 - an average of 16% of their total annual revenue. 71% said they'd be laying-off people. Another 21% indicated that it was too early to say.⁴

¹ <https://oc.ca/en/resource/comparative-report-18-19/>

² <https://canadacouncil.ca/research/research-library/2019/05/arts-facts-using-cadac-data-47-symphony-orchestras>

³ Unpublished document, shared with participating orchestras only.

⁴ <https://www.arts.on.ca/research-impact/research-publications/early-covid-19-impacts-on-oac-funded-arts-organizations-survey-findings>

Impact of COVID-19 on Ontario Orchestras - 2020/21 and Beyond

Compared with the last “typical” orchestra season, we believe that as much as 80% of Ontario orchestras’ revenues are at risk in 2020-21 and beyond. Unless governments and arts supporters act quickly, we risk losing even more than money.

The pandemic-era 2020-21 orchestral season that we want Ontario’s communities to experience includes

- physically-distanced performances by smaller orchestras,
- outdoor performances,
- short performances in venues that will permit flexible seating,
- new partnerships with educators and community organizations, and
- creative approaches to digital sharing and musical animation.

These programs will make use of musicians’ talents and creativity, and enable even more Ontarians to access the work of orchestras. They will also ensure a smooth and seamless return to normal programming when the time is right: by “keeping the band together”, retaining key staff, and staying in close musical contact with our communities during a time of crisis, we are confident that orchestras will be well-placed for re-opening as soon as it’s feasible to welcome large audiences back into close proximity in enclosed spaces.

However, these kinds of programs simply don’t and cannot generate the kind of revenues that a typical concert season does: they will require strong partnerships between all levels of government, a commitment to exceptional levels of government investment, and incentives for private sector involvement, too.

This is an existential crisis for the performing arts. We were one of the first sectors of the economy to be affected by the pandemic, we are among the most deeply affected, and will likely be slowest to recover. By helping us bridge to the time when we can once again convene large gatherings, the government of Ontario will help preserve the value of its long-term investment in Ontario communities through our artists and arts organizations, and ensure that Ontarians can continue to engage with the arts at a time when solace, emotional release, and collective enjoyment are more important than ever.

We support the recovery principles proposed by the Canadian Arts Coalition:

- Equity must be fundamental to the province’s approach. Due consideration of Indigenous, racialized, deaf, disabled, rural, Francophone and otherwise marginalized artists and their organizations is fundamental.
- Collaboration with federal and municipal programs is vital, to ensure that gaps in policy and investment are bridged.
- Time is of the essence. If arts and culture are going to play a role in Ontario’s recovery, they need help NOW.

Our Recommendations to the Standing Committee on Finance and Economic Affairs:

We respectfully recommend that the Province of Ontario:

1. **Provide stabilization funding for arts and culture** to complement and address gaps in existing federal support and help artists and arts organizations maintain core activities during mandated closures. This could be delivered through an agency such as the Ontario Arts Council. We see this as complementary to the Ontario Non-profit Network's call for the establishment of a \$680 million stabilization fund for the province's charitable and not for profit sector.⁵
2. **Provide incentives for individual and corporate giving** to arts and culture by establishing a short-term (3-year) donation matching program for charitable gifts towards operating costs.
3. In collaboration with federal and municipal governments, **invest in infrastructure** to:
 - a. Support renovation and retro-fit of existing cultural facilities to ensure that public health protocols can be more easily accommodated; and
 - b. Equip cultural venues for digital content capture and sharing so that artists and arts organizations can develop, capture and share their work while traditional venues are closed or have only limited capacity.
4. **Sustain and increase investments in arts and culture through the Ontario Arts Council:**
 - a. To encourage Ontarians to connect with the arts, now and when our venues re-open;
 - b. To re-establish Ontario as an arts and entertainment destination for people beyond our borders, when the time is right;
 - c. To permit signature "re-launch" artistic programming, to bring Ontarians and the world back to our cultural venues and events, when the time is right.

We thank the Standing Committee on Finance and Economic Affairs for your careful attention to these issues, and are standing by to further support your work.

⁵ <https://theonn.ca/our-work/covid-19-stabilization/>