



**Submission to the Ontario Standing Committee
on Finance and Economic Affairs**

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Submitted by

Orchestras Canada/Orchestres Canada

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Summary of Recommendations

Orchestras Canada, on behalf of its 77 member orchestras in Ontario, appreciates the opportunity to engage with the Standing Committee on Finance and Economic Affairs as part of the pre-budget consultation process. We respectfully recommend:

1. That the Province of Ontario invest an additional \$5 million dollars per year in the arts through the Ontario Arts Council starting in 2024-25.
2. That the Province of Ontario invest \$25 million over 5 years to relaunch the Ontario Arts Endowment Fund at the Ontario Arts Foundation.
3. That the Province of Ontario study, pilot, then scale an adaptation of the highly successful “Soutien aux sorties scolaires en milieu culturel” launched in Quebec in 2019.

About Orchestras Canada and Ontario’s orchestras

Orchestras Canada (OC) is the not-for-profit charitable national association for Canadian orchestras, located in Peterborough, Ontario. 77 of our 142 member orchestras are based in Ontario.

Ontario’s orchestras are a unique mix of youth and training orchestras, volunteer-powered community groups, and internationally known professional ensembles. They are part of Ontario’s \$28.2 billion arts and culture sector that delivers almost 270,000 jobs to the economy and 4.0% of Ontario’s GDP.¹

Our recommendations this year are shaped by a sense of urgency. This is a critical juncture for Ontario’s orchestras: while many parts of the economy have fully recovered from the impacts of the COVID-19 pandemic, the live performing arts in this province – including orchestras – continue to struggle. Orchestras are working against time to engage with audiences old and new, re-ignite charitable giving, and develop business models that will sustain their operations in hard times and good times alike. The bankruptcy filing by the 77-year old Kitchener-Waterloo Symphony – previously Ontario’s largest and most active regional professional orchestra – in September 2023 has been a shock for the sector.² It should be a wake-up call for policy makers as well.

Orchestras in Ontario (and across Canada) are organized as not-for-profit organizations and registered charities. In 2018-19, accordingly to OC’s comparative financial report, Ontario’s 37 largest orchestras generated an average of 70% of their revenues from their communities through ticket sales, service fees, and fundraising, with the balance coming from government.³ They work hard to balance

¹ <https://www.arts.on.ca/research-impact/impact-of-the-arts-in-ontario>

² <https://www.cbc.ca/news/canada/kitchener-waterloo/k-w-symphony-files-for-bankruptcy-and-the-board-of-directors-resigns-1.6974726>

³ <https://oc.ca/wp-content/uploads/2023/02/OC-Comp.Report-Summary-of-Summaries-by-REGIONS-2018-19-to-2021-22.pdf>

community service, high artistic and creative standards, fair compensation for artists and cultural workers, and financial viability. It's a challenging business model, and – even pre-pandemic - they were not well capitalized: in 2018-19, those 37 Ontario orchestras reported total accumulated net assets of only \$8003.

Orchestras directly **support jobs** in communities around the province through fees paid to musicians and cultural workers. They spend their money locally, through their relationships with concert venues, media outlets, IT professionals, marketing firms, hospitality, and tourism industries.

Orchestras are **enablers of musical activity**: by attracting skilled professional musicians to the community, they create many points of access beyond full scale concerts. The musicians that orchestras engage are the same people that perform in long-term care facilities, churches, and community centres across the province. They offer music lessons, and support education programs in the schools and community.

Through their public performances, education and community engagement programming, and extracurricular activities by their musicians, orchestras **make cities and communities more active and attractive places**, leading to happier, more engaged and more productive citizens.⁴ Arts and culture experiences – including orchestral performance - are a significant driver of tourism.⁵ Additionally, orchestras have developed programs that specifically address important facets of our lives, like health and wellness, healthy aging, better learning outcomes, social integration, and newcomer welcomes.

Building on strength: enhancing existing opportunities

The Province of Ontario has had a long relationship with Ontario's orchestras, demonstrated by thoughtful investment through the Ontario Arts Council (OAC), the Ontario Trillium Foundation (OTF), and the Ontario Arts Foundation (OAF). This year, our recommendations focus on the OAC and OAF.

The OAC, established in 1963, is an arms-length funding agency of the Province of Ontario. In 2023-24, the OAC received an operating allocation of \$60 million from the province – an amount equal to its 2019-20 funding level despite population growth and the impact of inflation.

The OAC is an effective, transparent, trusted, and accountable agency with province-wide reach, well-regarded assessment protocols, and a long-standing commitment to evolving its work and practices as the province evolves.

The OAC operates a series of competitive granting programs, and receipt of OAC

⁴ <https://www.arts.on.ca/research-impact/research-publications/impressions-of-the-impact-of-the-arts-on-quality-o>

⁵ <https://www.arts.on.ca/research-impact/research-publications/newsflash-%E2%80%93-ontario-arts-and-culture-tourism-profi>

funding has been important to orchestras. The timing of grant announcements allows applicant groups to plan responsibly, and the thoroughness of the grant review processes ensure that applicants are well-placed to succeed on stage and in their communities.

In 2021-22, grants to smaller-budget orchestras from the OAC ranged between \$5000 and \$17,000.⁶ These relatively modest investments might have made the difference between an organization's ability to mount a community engagement program, or not; might have covered a part-time wage to an administrator to coordinate the orchestra's activities, or not; might have allow the orchestra to engage a skilled professional music director, or not. Relatively modest investments make a big difference at the community level. OAC's investment in larger-budget orchestras, while greater in dollar amount, still represents well under 10% of the funded groups' annual revenues. Funding to these larger orchestras helps support jobs for professional musicians and cultural workers in communities across the province and ensures accessible ticket pricing.

To ensure that the OAC can continue to play this important role on behalf of the Ontarians, we respectfully recommend that the Province of Ontario increase the OAC's operating allocation by \$5 million in fiscal year 2024-25, bringing the province's investment to \$65 million per year.

The Ontario Arts Foundation (OAF) "was established in 1991 as a public foundation to encourage and facilitate private giving to the arts in Ontario, focusing on investments to support the arts...over the long-term."⁷ The Arts Endowment Fund Program (which ran from 1998-2009) was a program of the OAF with sustained impact today. \$60 million in challenge funding from the province matched donations from private individuals and companies to participating arts groups; the resulting \$120 million was pooled and invested in perpetuity, with an annual distribution of investment income to participating arts groups. Today, the OAF manages investments of \$157 million, and – over time – has paid out \$120 million to over 250 Arts Endowment Fund participants across the province.⁸ As a one-time investment by government that inspired one-time donations (large and small) from individuals and companies and resulted in a long-term revenue stream, the Arts Endowment Fund Program has been a genuine win-win.

To help build long-term stability for Ontario arts organizations and incentivize charitable giving to the arts in Ontario, we recommend a 5-year, \$25 million investment in a renewed Ontario Arts Endowment Fund program through the OAF.

⁶ <https://www.arts.on.ca/grants/general-granting-information/grant-results>

⁷ <https://oafdn.ca/wp-content/uploads/2023/08/OAF.AnnualReport.2023.digital.pdf>

⁸ <https://oafdn.ca/programs/arts-endowment-fund-program/>

Building on strength: exploring new opportunities

As People for Education reported in 2018, *"It is hard to understate the benefit derived from an education in the arts. Extensive research on the impact of arts education shows that it supports students' development in areas ranging from improved spatial reasoning (Hetland & Winner, 2001) to a deepened motivation for learning (Deasy, 2002). Most significantly, arts education has the potential to enrich students' creativity and social development (Hunter, 2005). These two qualities are included in the Ministry of Education's 21st Century Competencies (Ontario, 2015), and make up two of five key learning domains identified in People for Education's Measuring What Matters initiative (Shanker, 2014; Upitis, 2014; People for Education, 2018). **Despite the widely recognized importance of arts education, equitable access to arts programs and resources is an ongoing challenge in Ontario.**"*⁹

Ontario's orchestras and colleague arts organizations are ready to play a role in helping to address basic issues of equitable access to the arts in Ontario schools.

To accomplish this, we suggest a strategic collaboration between the Ministry of Education, the Ministry of Tourism, Culture and Sport, and the Ontario Arts Council, using the model of the highly successful "Soutien aux sorties scolaires en milieu culturel"¹⁰ [Support for cultural field trips] program launched by the Government of Quebec in 2019. This program leverages existing policy and funding channels to enable two class trips to cultural venues for each Quebec student each year, enriching school programming and ensuring that arts groups have the resources necessary to develop and deliver engaging and inspiring programs for school-aged audiences. It's a wonderful model and deserves strong consideration in our province, too.

Accordingly, **we recommend that the Province of Ontario study, pilot, then scale an adaptation of Quebec's highly successful "Soutien aux sorties scolaires en milieu culturel".**

On behalf of Ontario's orchestras, the communities they serve, the musicians they engage, and their many community partners, Orchestras Canada is pleased to participate in the Standing Committee on Finance and Economic Affairs' 2024 pre-budget consultations. We appreciate this opportunity and look forward to a continued and constructive dialogue with legislators in the coming months.

⁹ https://peopleforeducation.ca/wp-content/uploads/2018/04/Arts_2018_For-web.pdf

¹⁰ <https://www.calq.gouv.qc.ca/actualites-et-publications/actualites/mesure-soutien-sorties-scolaires-milieu-culturel> and <https://www.education.gouv.qc.ca/enseignants/dossiers/culture-education/sorties-scolaires-en-milieu-culturel>