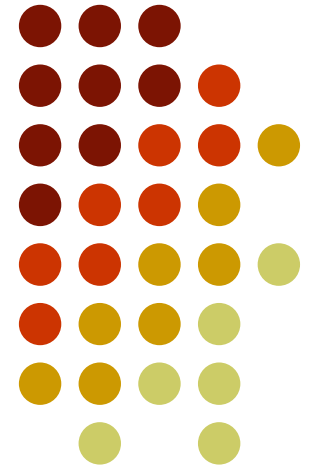


Culture Plan Progress Report II

Toronto Culture, February 2008



Progress Report II – Highlights



2008 marks the fifth year since the *Culture Plan for the Creative City*, a ten-year strategy for placing culture at the heart of city-building, was adopted by City Council. It is a testament to the process of developing the Culture Plan that it can be said half-way-through approximately 60% of the recommendations have been addressed. One of the 63 recommendations was that Toronto Culture report every two years on a list of cultural indicators. This is the second report.

Highlights of the *Culture Plan Progress Report II*:

- Toronto's cultural and creative industries are competitive on the world stage and investing in this area can have a local economic impact. Between 1990-2000 Toronto's creative industries grew at a compound annual growth rate of 4%. This is faster than other leading city's such as Montreal (2.4%), San Francisco (1.8%) or Chicago (0.5%). During this time the city's cultural and creative industries also grew faster than other important sectors within the region including financial services (1.8%), information and communication technology (3.9%), and business services (3.8%). Research on this indicator comes from *Imagine a Toronto ... Strategies for a Creative City* (2006).
- Over 133,000 people are employed in cultural and creative industries and about \$9 billion GDP is generated annually in this sector.
- City investments have increased over the last four years (2003-2007), but Toronto has not caught up to its competitors.
- An achievement of the Culture Plan is that overall expenditures in arts and culture by the City of Toronto have increased by \$10 million (2003-2007), however this has not come close to the \$25 million increase over five-years recommended. Meanwhile Toronto's competitors have increased their spending. An update on per capita spending in Toronto compared to other selected cities found, over a base population, Toronto's per capita spending increased from \$14.00 per capita in 2003 to \$16.00 in 2005. This increase remains lower than updated per capita expenditures in arts and culture in Vancouver (\$26.00) and Montreal (\$33.00) in 2005.

Progress Report II – Highlights

(continue)



- City grants to the Major Cultural Organizations have gone up by 25% (\$1.19 million) and grants to the Toronto Arts Council clients have gone up by 18% (\$1.44 million) (2003-2007). In this same time period there was an increase in attendance at all city-funded culture events by 20%. In 2006 over 11.5 million people attended over 24,000 arts and culture events.
- The 05/06 Live With Culture celebration was a huge success. Over \$3 million was invested in the Toronto cultural sector through a joint funding partnership between Canadian Heritage Cultural Capitals of Canada grant program, Ontario Cultural Attractions Fund and the City of Toronto. New community programs and broadened marketing scope promoted the artistic and creative talent in Toronto. Major events in the Live With Culture celebration include the '40th Anniversary of City Hall', 'Scotiabank Nuit Blanche', launch of the Live With Culture web site, banners and NOW magazine ads, and community engagement through hip programs such as 'Arts in the Hood' and 'Beatz to da Streetz'.
- The Toronto Alliance for the Performing Arts (TAPA) reported that 2.5 million tickets were sold to theatre, dance and opera performances in Toronto during the 2005/06 season, and 168 performances were produce on average per week.
- Cultural and creative industries do face challenges. The high dollar has affected areas such as the film sector and tourism. In 2006 there was a 21.6% decrease, from \$898 million, in total spending in film and television production. In tourism, early 2007 figures show that while visitors are continuing to come from overseas and domestic markets, this was offset by a decline in U.S. visitors. In 2005 the first Culture Plan Progress Report stated that participation in cultural activities by all travel visitors was second only to shopping, and ahead of activities such as sightseeing, bars/clubs, sports events or theme and amusement park activities.

Table of Contents



1. Culture Plan Achievements (p.5)
2. Culture Plan Indicators (p.10)
3. Report Notes (p.18)

Front cover: Chuck Close exhibit, Art Gallery of Ontario. Courtesy of wvs.topleftpixel.com; photographer Sam Javanrouh.

Don't have a copy of the Culture Plan? Download it at www.toronto.ca/culture

1. Culture Plan Achievements



1. Restore Funding to the Major Cultural Organizations
2. Increase Funding to the Toronto Arts Council (TAC)
3. Live With Culture
4. Per Capita Increases

1. Culture Plan Achievements:

Restore Funding to the Majors



Recommendation 45 of the Culture Plan pledged that the City restore funding within five years to the Major Cultural Organizations. In 2007, year 4, grants to the Major Cultural Organizations had increased by \$1.19 million. This is a significant achievement as funding levels to this group stagnated in the 1990's. To keep on-track with the Culture Plan recommendation an increase of \$400,000 in 2008 would be required to achieve Council's target.

The Major Cultural Organizations, or Majors, include the Art Gallery of Ontario, the Canadian Opera Company, the National Ballet of Canada, the National Ballet School, the Toronto Symphony Orchestra, the Gardiner Museum of Ceramic Art, Pride Toronto and Caribana.

Investment in the Major Cultural Organizations by the City of Toronto					
	Culture Plan Adopted	Year 1	Year 2	Year 3	Year 4
	2003	2004	2005	2006	2007
Majors	\$ 3,237,900	\$ 3,561,700	\$ 3,936,700	\$ 4,136,700	\$ 4,436,700
Percent change		10%	11%	5%	7%

1. Culture Plan Achievements: Increase Funding to the TAC

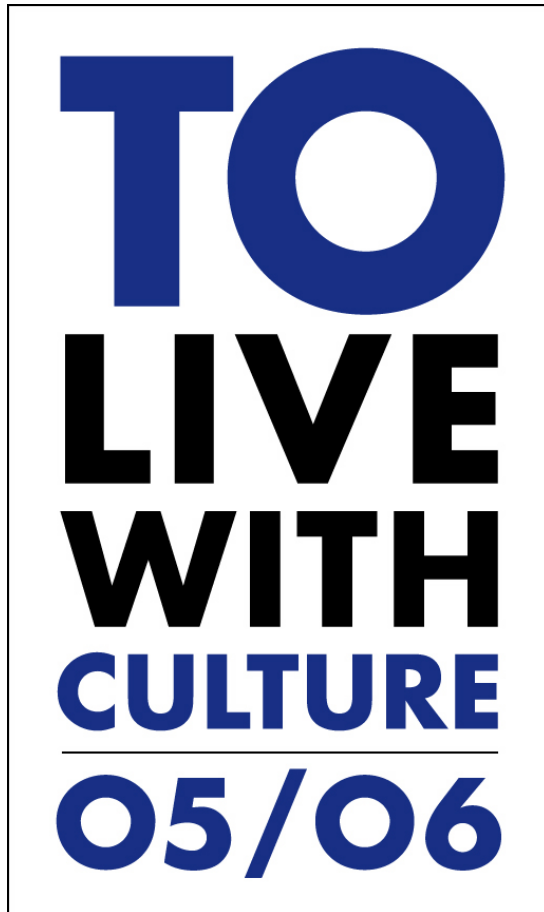


Since the Culture Plan was adopted in 2003 investment by the City of Toronto in the Toronto Arts Council (TAC) has increased by \$1.44 million. Recommendation 46 pledges an increase to the TAC by at least 25% or to \$10,210,300 by 2008. This means an increase of about \$597,000 in 2008 would be required to achieve Council's target.

Investment in the city's arts and arts organizations through the TAC is an established and important mechanism for acknowledging the value of our cultural sector's contribution to the vitality and identity of Toronto. In 2004, TAC grants represented 7% of operating revenue for arts organizations in the city.

Investment in the Toronto Arts Council by the City of Toronto					
	Culture Plan Adopted	Year 1	Year 2	Year 3	Year 4
	2003	2004	2005	2006	2007
TAC Grant	\$ 8,168,270	\$ 8,513,270	\$ 8,913,270	\$ 9,213,300	\$ 9,613,300
Percent change		4%	5%	3%	4%

1. Culture Plan Achievements: **Live With Culture**



In 2005/06 the pillar components of the Live With Culture campaign were realized. Nathan Phillips Square became a major celebration site for the campaign kick-off of the 40th Anniversary of City Hall in September 2005, and the entire city didn't sleep one night in October 2006 when the city became the stage for Scotiabank Nuit Blanche.

These major events were highlights of a 16-month combined marketing and programming campaign to promote all of the arts and cultural activities happening in Toronto. Through new programs such as *Arts in the Hood* and *Beatz to da Streetz*, Live With Culture promoted the arts in new ways, by fostering and supporting creativity in communities across the city.

An achievement of the Culture Plan, Live With Culture came about because of the community consultations that were put in place for the development of the Culture Plan in early 2002.

Recommendation 1 and 2 of the Culture Plan stated that Toronto needed to increase its cultural sector promotion. With the opening of over \$1 billion in new cultural infrastructure Toronto worked to capture the momentum generated by the 'cultural renaissance' and create a legacy of cultural promotion in the city.

1. Culture Plan Achievements: Per Capita Increases



Since the Culture Plan was adopted, cultural investment has increased by \$10 million. The increase is distributed between operating, grants and capital at about 1/3. Grant allocations to the Toronto Arts Council increased by \$1.44 million in four years, and to the Major Cultural Organizations by \$1.19 million in the same time period. Capital investments in arts and cultural buildings owned by the City increase by \$2.9 million.

While these gains are important achievements, Council has not reached its target. The Culture Plan recommended that Council set its target for total cultural investment to reach about \$25.00 per capita within five years (2003-2008). This would have meant an increased investment of \$2.00 per capita each year over a base population of 2,500,000 since 2003, for a total increase of \$25 million by 2008.

TOTAL EXPENDITURES ON ARTS AND CULTURE BY CITY OF TORONTO			
	Culture Plan Adopted	Year 4	Increase
	2003	2007	2003-2007
Operating	\$ 16,458,000	\$ 20,253,000	\$ 3,795,000
Grants	\$ 13,899,000	\$ 17,178,000	\$ 3,279,000
Capital	\$ 3,907,000	\$ 6,850,000	\$ 2,943,000
Total	\$ 34,264,000	\$ 44,282,000	\$ 10,017,000
Base Population (2001)	2,500,000	2,500,000	2,500,000
Per Capita Investment	\$ 14.00	\$ 18.00	\$ 4.00

2. Culture Plan Indicators



In order to measure the health of Toronto's culture sector Culture Plan recommendation 63 stated that Toronto Culture will report to Council every two years on ten indicators. These are our measures:

1. per capita investment in culture, comparing Toronto with selected other cities;
2. funds leveraged by increased City investment in arts and culture grants;
3. the number of culture sector jobs in Toronto;
4. the impact of the culture sector in Toronto on GDP;
5. Toronto's ranking on the Creativity Index developed by Richard Florida, as compared with other major North American cities;
6. the number of and attendance at City-funded culture events;
7. the number of and attendance at City-funded cultural programs for youth;
8. the number of new arts organizations funded;
9. the number of location permits issued for film and television productions; and,
10. the number of visitors to Toronto.

2. Culture Plan Indicators:

Per Capita Investment in Culture



Total Expenditures on Arts and Culture by City (2005)

	Toronto	Vancouver	Montreal
Operating (Net)	\$ 18,830,000	\$ 4,133,000	\$ 19,031,000
Grants	\$ 15,738,000	\$ 9,253,000	\$ 10,000,000
Capital (Annual)	\$ 4,418,000	\$ 906,000	\$ 31,928,000
Total Expenditures	\$ 38,986,000	\$ 14,292,000	\$ 60,959,000

Per Capital Expenditures on Arts and Culture by City (2005 and 2003)

	Toronto	Vancouver	Montreal
Base Population	2,500,000	545,671	1,871,700
Per Capita Expenditures (2005)	\$16.00	\$26.00	\$33.00
Per Capita Expenditures (2003)	\$14.00	\$19.00	\$32.00

Notes:

- Per capita expenditures are rounded to the nearest dollar.
- All figures are for the fiscal year and are expressed in Canadian dollars.
- Expenditures on libraries, zoos, parks, recreation, botanical gardens, and or science museums are not included in this study.
- Due to Quebec government allocations to the City of Montreal, in this study Grants expenditures expressed are only those allocated to the Montreal Arts Council. The City of Montreal has further grant programs in the area of arts, public arts, major museums and design. This spending, minus the Quebec government allocation, is included in the Operating (net) total.
- Montreal figures do not include expenditures related to Heritage Services, either operating or grants, because they were not available.

2. Culture Plan Indicators:

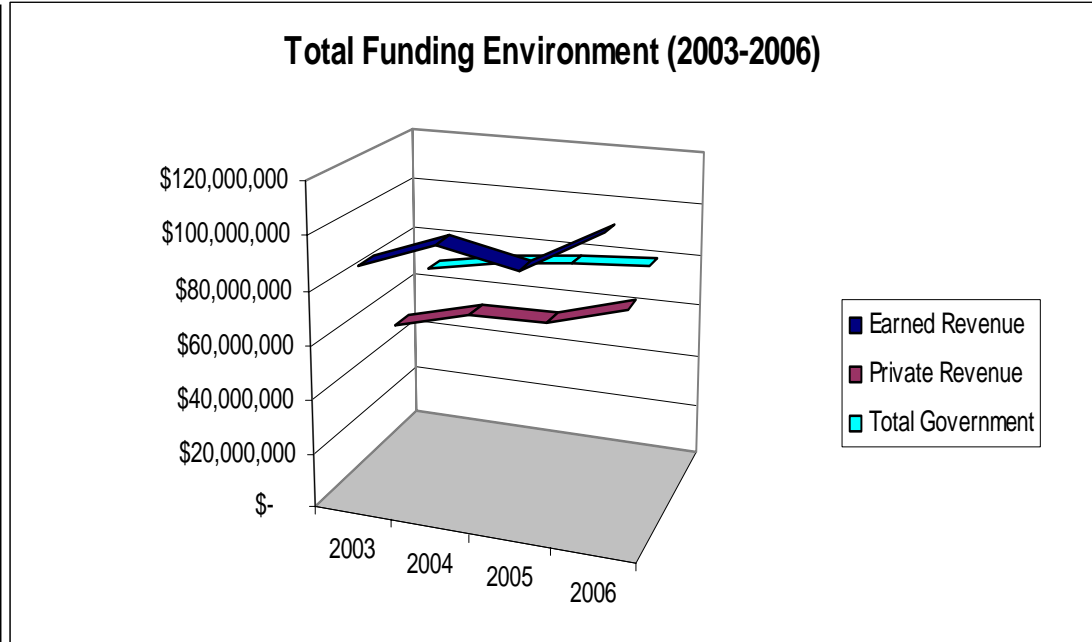
Funds Leveraged from Increases



In 2006, three years after the adoption of the Culture Plan, the City of Toronto increased the total arts and culture grant allocation to the Toronto Arts Council Clients and the Major Cultural Organizations by \$1.94 million dollars or 17 percent. In the same time period total operating budgets for the same group of grant clients increased by \$51.06 million dollars or 24 percent.

Governments can't make the cultural life of a city, but they can influence the climate that enhances it. It all comes down to capacity, and capacity is mainly a product of money – which is spent on talent, capital, operations and marketing.

	2003	2006
Earned Rev.	\$ 88,778,000	\$ 108,969,000
Private Rev.	\$ 56,420,000	\$ 73,139,000
Canadian Gov.	\$ 30,973,000	\$ 33,911,000
Ontario Gov.	\$ 27,573,000	\$ 32,682,000
Toronto Gov.	\$ 11,406,000	\$ 13,350,000



2. Culture Plan Indicators:

Employment & Sector GDP



Using the definition and information provided in *Imagine a Toronto ...Strategies for a Creative City* (2006), at the last census, the Toronto region's creative industries employed almost 133,000 people. Of these employees the City of Toronto represented approximately two-thirds of regional creative employment in 2001, or approximately 86,000 people. Creative industries represented close to 6 per cent of the total Toronto CMA labour force in 2001. Among them, the largest employers were architecture and related services, publishing and advertising.

Source: Gertler, M. *Imagine a Toronto ...Strategies for a Creative City*. 2006. imagineatoronto.ca

Impact of Culture Sector GDP

Toronto cultural and creative industries generated approximately \$9 billion in GDP in 2003.

Source: Estimate based on Cultural Statistics Program, Ministry of Industry. *Economic Contribution of the Culture Sector to Canada's Provinces*, 2007 and Deloitte & Touche LLP and Affiliated Entities. *Final Report: Economic Contribution of Toronto's Culture Sector*. April 4, 2005.

See report notes (page 19) for further details.

2. Culture Plan Indicators: **Ranking on the Creativity Index**



When ranked against other selected North American cities by compound annual growth rate between 1990 and 2000, creative employment in Toronto (at just slightly over 4 percent) has grown faster than that of cities like Montreal (2.4 percent), San Francisco (1.8 percent), Los Angeles (0.8 percent), and Chicago (0.5 percent). The annual growth in creative occupations was only 0.4 percent in New York City.

During this same period, Toronto's creative industries grew faster than the region's financial services sector (1.8 percent) and were growing nearly as fast as leading sectors like information and communication technology (3.9 percent) and business services (3.8 percent).

Source: Toronto Case Study. Prepared by Research Team: Munk Centre for International Studies, University of Toronto, M. Gertler, L. Tesolin, S. Weinstock, London - Toronto, Strategies for Creative Cities Project. July 2006, Statistics Canada 2001. Census of Population.

2. Culture Plan Indicators:

Number of Events & Attendance



Estimated attendance at City-funded cultural events was in 2006 over 11.5 million people. As cultural buildings in the city undergo renovations this number can fluctuate. Nevertheless overall total attendance has increased over 20 percent since the Culture Plan was adopted. This includes attendance at over 230 organizations that receive annual funding by the Toronto Arts Council, attendance at the City's Major Cultural Organizations and our Local Arts Service Organizations.

The estimated number City-funded cultural events was also highest in 2006 at just over 24,000.

Cultural events includes number of performances, readings, touring performances; exhibitions, film, video and media screenings, community arts projects, artists' talks or artist in resident talks, lectures, classes, workshops, seminars, conferences, outreach and other public activities such as mentorship programs.

Source: City of Toronto, Toronto Culture.

See report notes (page 19) for further details.

Estimated Attendance at City-funded Culture Events				
	Cul. Pln. Ad.	Year 1	Year 2	Year 3
2002	2003	2004	2005	2006
8,998,407	9,406,987	11,348,057	12,001,827	11,589,280

Estimated Number of City-funded Culture Events				
	Cul. Pln. Ad.	Year 1	Year 2	Year 3
2002	2003	2004	2005	2006
16,814	18,431	20,146	19,554	24,811

2. Culture Plan Indicators: **Youth (16-24) Participation**



In 2006 attendance at City-funded and City-operated cultural programs for youth (16-24) was over 593,000.

See report notes (page 21) for further details.

Total Attendance at Cultural Programs for Youth		
2004	2005	2006
281,000	345,000	593,000

New Organizations Funded

In 2007, 4 new arts organizations were funded by the City of Toronto. There were 3 new organizations funded in 2006.

For the purposes of this study, “new” means additional city-funded arts and or cultural organizations to receive annual funding from the City of Toronto and the Toronto Arts Council.

See report notes (page 21) for further details.



2. Culture Plan Indicators:

Film & Television Production Permits

The number of location permits issued for film and television production has fallen since 2002. The average annual rate of change over the five year period of 2001 to 2006 shows a 5% decrease. Production companies spent \$704 million filming on location in Toronto in 2006. This is a 21.6% decrease in total production spending over the \$898 million reported in 2005 by the Toronto Film and Television Office .

Major productions include feature films, movies for television, mini-series, television specials and TV series.

Source: Toronto Film and Television Office.

Number of Visitors to Toronto

According to Tourism Toronto, in 2006 Toronto welcomed 19.7 million visitors, an increase of 3% from 2005. Visitor spending in 2006 was \$4.5 billion, up from \$4.2 billion.

Source: Toronto Tourism: *2006 In Review*.

4. Report Notes:



1. Gross Domestic Product (p. 19)
2. Number of Events and Attendance (p. 20)
3. Youth (16-24) Participation (p. 21)
4. New Organization Funded (p. 21)



Report Notes

1. Gross Domestic Product

The impact of the culture sector in Toronto on Gross Domestic Product:

- The value-added method was used by Statistics Canada to calculate the GDP attributable to the culture sector in Ontario. GDP is calculated by measuring the gross product of each firm and subtracting each firm's costs of production in the form of purchases from other firms. Statistics Canada based this calculation on the System of National Accounts (SNA) data, supplemented with specific surveys. This approach considers only direct impacts. Multiplier effects are not calculated.
- GDP data for the economic contribution of the culture sector at the Toronto level are not available. However, an estimate of Toronto's likely portion of the Ontario culture sector GDP was calculated.
- It has been estimated that in 2001, Toronto accounted for roughly 40% of Ontario's culture sector employment. Based on this data and the fact that Ontario's portion of Canada's GDP in the culture sector is higher than its portion of Ontario's culture sector GDP is likely to be higher than its portion of Ontario culture sector employment. For the purposes of providing a high-level estimate, it is assumed that the likely level of Toronto's portion of Ontario's culture sector GDP is somewhere between 45% and 50%.
- Based on the above assumptions, it is estimated that the Toronto culture sector accounts for somewhere between 45% and 50% of Ontario's culture sector GDP, or between \$8 billion and \$9 billion in 2001, or \$9 billion in 2003.
- Source: Estimate based on Cultural Statistics Program, Ministry of Industry. *Economic Contribution of the Culture Sector to Canada's Provinces, 2007* and Deloitte & Touche LLP and Affiliated Entities. *Final Report: Economic Contribution of Toronto's Culture Sector*. April 4, 2005.



Report Notes

2. Number of Events & Attendance

The number of and attendance at City-funded culture events:

- “City-funded” means arts and culture organizations that receive annual operating grants from the municipal government of Toronto through the Community Partnership Investment Program and Economic Development Sector Initiatives Program (cultural). The primary location and activities of these organizations lies within the geographic limits of postal code M, Ontario, Canada.
- “City-funded” does not include Heritage Grant recipients because the program is not equivalent to annual operating funding.
- “City-funded” does not include Culture Build grant recipients because the program is not equivalent to annual operating funding.
- “City-operated” includes City-operated museums, museum festivals and cultural centres, resident companies of City-operated theatres, and arts and cultural organizations that receive below market rent.
- “Cultural events” includes number of performances, readings, touring performances, exhibitions, film, video and media screenings, community arts projects, artists' talks or artist in resident talks, lectures, classes, workshops, seminars, conferences, outreach and other public activity such as mentorship programs.
- “Cultural events” does not include number of new works created or commissioned, publications, catalogues, newsletters or newsletter profiles, scholarships, award programs, membership services such as consultations or information requests.
- “Attendance” is the number of people present at a cultural event.
- Source: City of Toronto, Toronto Culture.



Report Notes

3. Youth (16-24) Participation

Attendance at City-funded cultural programs for youth:

- The City of Toronto, Toronto Culture as well as the Toronto Arts Council defines “youth” as persons between the ages of 16 and 24.
- Source: City of Toronto, Toronto Culture.

4. New Organizations Funded

The number of new arts organizations funded:

- “New” means additional “City-funded” and “City-operated” arts and or cultural organization to receive *annual funding* from the City of Toronto and the Toronto Arts Council.
- “New” includes grant recipients from the Community Partnership Investment Program and Economic Development Sector Initiatives Program (cultural), City-operated museums, museum festivals and cultural centres, additional resident companies of City-operated theatres, additional arts and or cultural organizations to receive below market rent and city-funded arts or cultural award events.
- “New” does not include changes in Culture Build grant recipients.
- Source: City of Toronto, Toronto Culture.