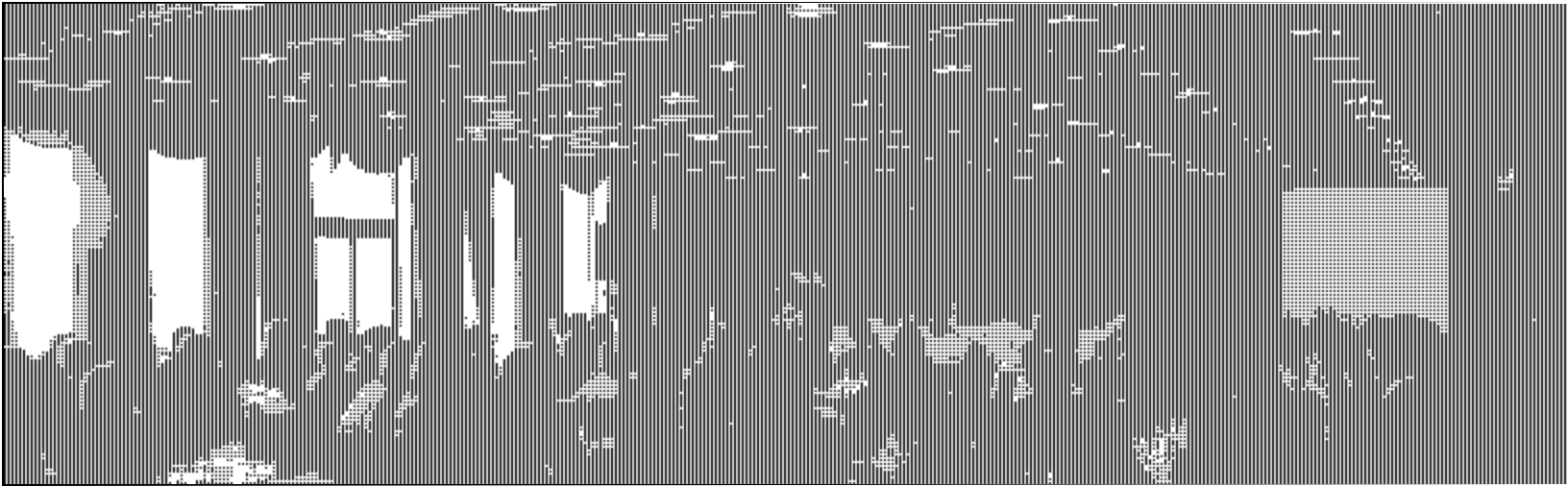


# Report on the 2003 Chalmers Conference



The 4th annual Chalmers Conference, held at the National Arts Centre on Wednesday 21 and Thursday 22 May, was the best attended and most ambitious Chalmers Conference held to date (see Appendix I for attendance figures, and the list of participants).

Chalmers Conferences are designed primarily for arts service organizations. However, this year, for the first time, the conference was extended beyond the traditional one day event to include an extra half day. This enabled the CCA to throw open the events of the second day to individuals, and to schedule a breakfast (Toast the Arts), and a keynote speaker (John Hobday, new Director of the Canada Council for the Arts), and for the Cultural Human Resources Council to release its compensation study of arts managers.

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*"[This] Chalmers Conference may go down in history as a pivotal event in the development of arts policy over the coming few years."*

The Arts Advocate  
Volume IX Issue 5, June 3 2003

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## Wednesday 21 May

### **Networking on Advocacy Issues**

#### **Key messages:**

- ⇒ *be flexible and adaptable*
- ⇒ *focus on one consistent message*
- ⇒ *importance of expanding networks to allies outside the arts, to further the message and provide credibility*
- ⇒ *make full use of the media*
- ⇒ *ensure decision makers are well informed*

Following a welcome and opening remarks from CCA National Director, Megan Davis Williams, the first panel was introduced by Marie Cadieux (author, filmmaker, cultural animator, and CCA's Vice-President).

The panel opened with Tim Jones, Executive Director of Artscape in Toronto, whose mission statement is to "create space for the arts while building communities and revitalizing neighbourhoods", through the provision of low cost work spaces for artists. ([www.torontoartscape.ca](http://www.torontoartscape.ca))

Tim referred to arts advocacy as a "professional sport" with winners and losers - the main difference being that there is no rule book for advocacy. Based on his early experience, he felt advocates tend to underestimate the length of time it can take to effect policy change and that





*Networking on Advocacy Issues Panel (left to right): CCA Board member Marie Cadieux; Tim Jones, Executive Director of Toronto's Artscape; Marnie Gladwell, Executive Director of the Saskatchewan Arts Alliance; Bruno Roy, President of Union des écrivaines et écrivains du Québec; Keith Kelly, Director of Public Affairs, Research and Communications at the Canada Council for the Arts*

CCA Photo

an important attribute is the ability to adapt as situations evolve and change.

When involved with arts advocacy at the municipal level, he stated it was important to maintain a sense of perspective and not to become too focussed on the needs of the arts community in isolation - it is difficult to argue for improved conditions for artists in a city with over 20,000 homeless!

Tim also mentioned Richard Florida's book and his depiction of a "creative class" as a driving force of the economy, a crucial element for any dynamic and innovative city. He believes there is a political move afoot to give more power (in the form of better financing tools) to municipalities, and that this will provide exceptional opportunities for advocacy work.

Marnie Gladwell, Executive Director of the Saskatchewan Arts Alliance ([www.artsalliance.sk.ca](http://www.artsalliance.sk.ca)), provided participants with an overview of the cultural landscape in Saskatchewan, a landscape particularly rich at present with a Department of Culture, Youth and Recreation formed in 2001 (culture was previously housed in municipal affairs), and passage of enabling legislation for provincial Status of the Artist in 2002.

She outlined how three provincial groups (SaskCulture - which distributes lottery monies, Saskatchewan Arts Board - an arm's length funding agency for professional artists, and her organization - a membership-driven coalition of arts organizations) network and relate to each other. She also underscored the importance of CCA material to her organization's advocacy work.

Two main goals have driven these groups over the past 5 years: obtaining more funding for the Saskatchewan Arts Board, and development of a pan-departmental provincial arts policy. Many reports had been carried out over the previous years which provided advocacy ammunition.

Briefing packages for government departments were prepared, allies identified, and relationships built both within government and with other organizations. The Minister was presented with an action plan on SoFA, and a request for a commission; she surprised the community by promising legislation, necessitating a quick change in direction.

The Saskatchewan cultural community was able to bring non-arts groups, such as labour, into the equation - a fact that Marnie stressed was crucial to the success of their work as it provided greater credibility, strength and force.

She emphasized that **everything** her organization does has a clearly defined advocacy objective, and concurred with Tim that flexibility and adaptability were key ingredients for any advocacy campaign. She also reiterated the importance of having a consistent message, and reinforcing it over and over using different media and formats, to ensure it gets across.

The Province of Quebec has long been envied in Canada for its treatment of artists and culture. While acknowledging Quebec as a frontrunner in the cultural arena, Bruno Roy, President of Union des écrivaines et écrivains du Québec, indicated battles could be waged and won by acting together.

In 1999, a coalition of 8 disparate arts service organizations came together to form the Mouvement pour les arts et les lettres or MAL ([www.mal.qc.ca](http://www.mal.qc.ca)). MAL's strength was its understanding that it would achieve more by seeking a single common objective; in this instance improved funding for the arts and for artists. The specific target was the Conseil des arts et des lettres du Québec (CALQ - the Quebec arts council). MAL was highly successful in achieving this, with CALQ's budget receiving an increase from \$38 million to \$90 million in ongoing funding. This increase also meant a concomitant improvement in grants to artists.



Bruno stressed MAL's success was due to identifying a single common issue, rather than collapsing under infighting for diverse sectoral needs. This does not exclude each separate association from adding their own complementary sector-specific information to the main message, but that was separate from the advocacy work of MAL.

During the recent provincial election, MAL focussed on the economic challenges facing artists, and their relative poverty, and stressed that, as workers, artists should have access to a social security net. This message resonated with politicians, and was mentioned in the platforms of all three political parties. MAL was responsible for organizing another first during this election: a meeting between then Premier Bernard Landry and artists.

Strategies used by MAL to structure its advocacy included: coordination of public relations; sticking to the single objective; development of policy analysis capability; ability to adapt to changing realities; and the need to occupy media space.

Bruno attributes MAL's past accomplishments to its members' success in putting their individual goals aside for the common objective. With the new Liberal government and a new reality in Quebec, MAL will have to adapt itself to the changing environment.

The final speaker was Keith Kelly, Director of Public Affairs, Research and Communications at the Canada Council for the Arts ([www.canadacouncil.ca](http://www.canadacouncil.ca)). Despite the general impression that the Council is not an advocacy organization, Keith stressed that advocacy is mandated in the Canada Council Act and he outlined various initiatives currently underway at the Council.

Canada Council is an agency within the Department of Canadian Heritage portfolio and, once a month, all portfolio agencies (eg: CBC, NFB, Telefilm, NAC, CRTC) meet in "clusters" around specific issues such as arts policy, international work, history and heritage, etc. Like MAL, the agencies leave behind their specific concerns. Policy development was previously viewed as the exclusive domain of the Department of Canadian Heritage. However, this important initiative provides these groups with an opportunity to bring ideas to the table, and to inform policy development at the start rather than being consulted at the end of the process. Ultimately, this strengthens the role of the arts within the Department and within government.

Council is also involved with a number of other networks, such as the tri-level discussions between funders at the federal, provincial/territorial, and municipal levels. These discussions are ongoing and will be expanding with a new initiative: the establishment of a permanent body similar to the US model (National Assembly of State Art Agencies), under the direction of Douglas Riske of the Manitoba Arts Council.

Parliament is obviously an important focus for all advocacy efforts and Council has designed a parliamentary advo-

cacy programme which sends out letters to MPs and Senators three times a year, individually signed by the Director. These include a list of Canada Council grant recipients within the MPs' ridings and have proved very successful. There are also one-pagers, designed to illustrate the importance of the arts on our quality of life, and to focus on topics such as the importance of arts and education, the state of dance or theatre in Canada, etc. Based on statistical data and demographic studies, these are updated once a year. The premise for this parliamentary advocacy is that a well-informed politician will of necessity come to the conclusion that the arts are essential to Canadian life.

Keith also described how an international conference held three years ago (which indicated that funders from all parts of the globe were facing the same types of problems - changing demographics, decrease in funding, impact of trade rules on culture, changing technology and its implication on copyright and creators rights, etc.), led to the formation of the International Federation of Arts Councils and Culture Agencies. This group now meets in alternating years, with the second conference slated for Singapore in November 2003. Initiatives connected with this coalition include:

- Acorns - a newsletter which samples activities and initiatives in arts councils around the world
- DART - an opportunity for anyone to ask a question which is then thrown open to all members to respond. These help the Council act as an effective arts policy advocate within Canada.

Keith concluded by stating that the new Director of the Council, John Hobday, had impressed upon employees the importance of expanding networks, both within the arts community and the funding community.

As part of this panel session, participants were asked to join with others around their table to define key messages from the cultural sector should they be fortunate enough to be given a brief audience with the future PM or the next Minister of Canadian Heritage. This exercise, called the 15 minute pitch, provoked lively discussion; among the key messages, and strategies to achieve them, were:

*La culture c'est la santé.*

*Reinvestment and expansion of the \$560 million funding.*

*Increase funding to the Canada Council.*

*Arts are an integral element in enhancing the quality of public life.*

*L'art: le coeur d'une nation / Art beats, heart beats.*

*Strengthen areas of training, professional development and mentoring.*

*More support for arts service organizations at all levels.*



*Improved leadership needed from federal government to create an environment in which the arts flourish.*

*Improved fiscal environment for artists (income averaging, copyright exemption).*

*Core funding, core funding, core funding!*

These suggestions will help CCA define its advocacy work for the coming year, particularly as regards renewal of the federal cultural funding, and the place of the arts in our daily lives.

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## Working artists - the CCRA dilemma

The second panel was moderated by Megan Davis Williams. The panellists were: Susan Wallace, Executive Director of the Canadian Actors Equity Association; Daniel Donaldson, the new Executive Director of Orchestras Canada; Anne-Marie Des Roches, Director of Public Affairs at Union des artistes; and Patrick Close, Executive Director of CARFAC Saskatchewan.

### Key messages:

- ⇒ *the debate over independent contractor status in the cultural sector is decades old but still active*
- ⇒ *a "one size solution" will not fit all artists*
- ⇒ *there needs to be ongoing consultation between CCRA and the sector*
- ⇒ *Status of the Artist legislation needs to be expanded federally, and enacted provincially*
- ⇒ *CCRA initiates individual audits only in response to requests for EI.*

The issue of whether artists are employees or independent contractors in the eyes of the federal government's taxation office is one which has been around for decades. While the majority of artists work as self-employed individuals, several (particularly some orchestra musicians and dancers) work under a contract of service and are employees.

This panel built on discussions surrounding the issue of taxation and artists which had formed part of the first Chalmers Conference, and on the work coordinated by the CCA over the past 15 months in developing a response to a draft information bulletin being proposed by the Canada Customs and Revenue Agency. Each panellist provided input into the discussion, including historical perspective and context, from their respective disciplines/viewpoints.

Megan introduced the discussions by outlining the work of the past year, explaining that, faced with a draft text from

CCRA in January 2002 which had met with grave misgivings in the sector, CCA had offered to spearhead a working group of arts associations (representing both producers and artists) to develop a consensus position and issue a response. The response was forwarded to CCRA on 16 May 2003. (Copies of the executive summary and appendices were in participants' conference kits, and the full response in English only was available at the conference, on request. It will be posted on CCA's website, in English and in French, over the summer months.)

Susan Wallace provided an historical summary of issues between the cultural sector and CCRA/Revenue Canada, going back several years, starting with the vote by her organization's membership in 1979 to forego their right to EI in return for a continuation of deduction of reasonable expenses. She described the jurisprudence used when determining employed/self-employed status among artists - including Wiebe Door (1986) which has no relation to the arts, and the Mermaid Theatre decision (1983) which is now ignored by CCRA, and she outlined the origins of the fourfold test (Sagaz, 2001): control, tools, profit or risk of loss, and integration. Susan stated that an actor's or dancer's "tool" is in fact their body, a phenomenon little understood by CCRA, and further that there is very little profit for anyone in the not-for-profit performing arts.

She described the various pieces of legislation governing taxation in the cultural sector as being like the multi-headed Hydra of mythology, and expressed a need for new jurisprudence and a necessity to examine contracts (both independent and collective) to remove ambiguous terminology. She also hoped CCRA would move towards an assumption of independent contractor status for those working in the performing arts sector, unless their contracts clearly and unambiguously indicate otherwise.

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*"I can't remember a conference so full of content."*

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Dan Donaldson ([www.oc.ca](http://www.oc.ca)) apologised for the fact that, having only been in his position for a couple of months, he felt rather like an interloper on the panel. He commented that the whole question of symphony orchestras and employed/self-employed status is not new either, and that his organization represented only one slice of the musical pie. Orchestras Canada is the odd man out amongst the organizations which signed onto the recently delivered response to the CCRA in that its membership encompasses orchestral associations, board members, managers and administrators, musicians, and musicians' associations. This makes it extremely challenging for OC to take a hard stand on either side of the debate.

The situation is further complicated by the fact that some orchestras enjoy employer/employee relationships (arrived at by the process of an openly negotiated collective agreement) while others (the majority) have association/self-employed contractor relationships (again, arrived at in an





*Working Artists Panel (Left to right): CCA National Director Megan Davis Williams, Susan Wallace, Executive Director of the Canadian Actors Equity Association; Daniel Donaldson, the new Executive Director of Orchestras Canada; Anne-Marie Des Roches, Director of Public Affairs at Union des artistes; and Patrick Close, Executive Director of CARFAC Saskatchewan*

CCA Photo

open collective agreement negotiated process).

He stressed that OC's inability to take a definitive stand on the issue did not for a minute detract from its strong support of SofA. The organization looked forward to continuing the dialogue with CCRA, and to seeking correct, creative and equitable solutions to the taxation conundrum. He did not believe a cookie cutter solution would be palatable for symphony orchestras, as each case needs to be examined individually.

Anne-Marie Des Roches brought the Quebec perspective to the discussion. One striking aspect which sets Quebec's legislation apart from the federal one is that artists are presumed to be independent contractors under provincial SofA legislation, and the burden of proof rests with Revenu Québec rather than with the artist.

This can cause problems as taxes are collected separately at the provincial and federal levels resulting in the ridiculous situation of an artist being deemed an independent contractor for provincial taxation purposes and an employee for federal taxation purposes. This also has repercussions in other areas, such as copyright. She pleaded for some cohesion and consistency on the issue.

She described several channels through which the Quebec cultural community is taking action, in addition to the previously-mentioned group, MAL. La Table des créateurs has been examining issues of copyright for a number of years. The idea of a social safety net for artists is being coordinated by Union des artistes. Also, work is underway on a review of Quebec's SofA legislation. These actions are all linked, and all relate in one way or another to the fiscal measures and cultural policy work, and ultimately to improvements for artists.

Anne-Marie expressed frustration with the need to discuss specific aspects of each action with different government departments (eg: finance, labour, welfare) and hoped one

day there would be a holistic policy decision from government which would examine the working lives of artists from all angles and be able to recommend changes. Work is underway to provide the provincial SofA with more "teeth", for example in the area of copyright and collective agreements. In Quebec, the issue of artists' rights is approached from many viewpoints, always in a cohesive, inclusive way.

Quebec's culture department felt it needed the benefit of further studies before it could move forward, studies which would answer the question "why special treatment for artists"? As a result, a social demographic profile is being undertaken shortly, using tax returns from 4 million Quebec taxpayers over the past 4 years, to provide information on how the average artistic income compares to the average worker's salary in Quebec, the gap between rich and poor, between men and women, etc. This will provide much needed data for other measures also.

Many in the cultural sector have pushed for income averaging for a number of years - this data will indicate whether such a measure would be as beneficial to an actor, say, as to a writer. The government has indicated it is prepared to examine the issues if they are backed up by a study.

She indicated that Plan B is to lobby for an income insurance scheme, structured along the lines of RSPs, whereby money could be invested in a good year and drawn out in a poor year. She also mentioned that as so many artists are supported financially by their partners/spouses, there should be a measure to consider this as a contribution to cultural policy and as a deduction for income tax purposes.

Anne-Marie also outlined how the income tax exemption on copyright income worked in Quebec and stated support for MP Wendy Lill's motion (see CCA bulletin 10/03 on website, dated 31 March) to introduce this for all Canadian creators.



She concluded with the hope that by next year she would be able to provide an update on all the research being undertaken in Quebec, and that in two years' time she would be able to announce new tax measures.

Patrick Close also provided a retrospective look at the issue of taxation of artists. Drawing on recommendations which had been contained in the 1988 "Canadian Artists' Code" (developed by the Canadian Advisory Committee on the Status of the Artist), he quoted a section relating to taxation and artists - this is attached to this report as Appendix II. He felt that the ongoing dilemma with CCRA and MP Wendy Lill's current initiative for an income tax exemption on creative copyright income were common threads of the same SoFA mantle.

He applauded the Province of Quebec for leading the way on provincial SoFA legislation and his own province (Saskatchewan) for its recent Act. He mentioned the Prairie Research Associates, evaluative review of the federal SoFA, and expressed the hope that the Canadian Council on the Status of the Artist would soon be reinstated as mandated in the Act. Patrick also mentioned a now out-of-print publication of Revenue Canada, Tax Information for Professional Artists, which he personally felt had been very concise and useful, and he regretted that it had been withdrawn. (Copies of the document were later made available to participants by CCA staff, for reference.)

Elizabeth MacKinnon from the Department of Canadian Heritage was asked to speak from the floor regarding the Ernst and Young study which had been undertaken by the Department of Canadian Heritage to determine the net effect to the cultural sector should all not-for-profit performing arts organizations be deemed employers. (The full report is available at [http://www.pch.gc.ca/progs/arts/pubs/ey/index\\_e.cfm](http://www.pch.gc.ca/progs/arts/pubs/ey/index_e.cfm).)

Discussion from the floor revolved around several topics, including

- dancers' contracts and how their body (their "instrument" or "tool") is looked after at their own risk and expense;
- as we already have Status of the Artist legislation and it allows collective agreements, is that not enough for artists to be presumed independent contractors?
- an overall need for more collaboration and consultation between government and the sector;
- where appropriate, the need to ensure contracts contain a statement to the effect that it is between an independent contractor and a producer.

It was stressed that CCRA does not initiate audits on its own accord, but only in response to requests for Employment Insurance.



*Creative Management author Jocelyn Harvey*

CCA Photo

## **A Proposed Action Plan for Creating Winning Conditions**

CCA Board member and Executive Director of the Alliance for Arts and Culture in Vancouver, Lori Baxter, introduced Jocelyn Harvey, the consultant who has guided this project, Creative Management in the Arts and Heritage: Sustaining and Renewing Professional Management for the 21st Century. Jocelyn outlined the stages of the project to date: from the hundreds of consultations on the issue which were carried out as part of Phase I (culminating in the report presented at the 2002 Chalmers Conference), to the development of the current proposed Action Plan with its 18 recommendations.

### **Key recommendations:**

- ⇒ *HR policies and practices must become a criterion in grant decisions by public funding bodies (1)*
- ⇒ *sector organizations need to share HR policies, tools and best practices (2)*
- ⇒ *more needs to be done on training and professional development (8, 9, 10, 11, 12, 14)*
- ⇒ *development of a national HR strategy for the cultural sector needed (15)*

Jocelyn reminded participants that the project has focussed on two related sets of issues:

- Veteran managers now in the workforce: what do they



need to encourage them to stay in the sector until retirement? What do they need for their professional renewal and reinvigoration? Are there ways of improving workplace conditions so that experienced managers will want to remain in the not-for-profit arts sector rather than leave for greener pastures elsewhere?

- Issues relating to the "successor" generation: what is needed to encourage a second generation to work in the not-for-profit arts? Since these people are likely to have their pick of jobs and have different work and life expectations from their predecessors, how can we attract them to our sector and nurture and develop their careers?

She remarked that the many consultations across the sector carried out as part of the project, resulted in a "remarkable consensus of opinion" regarding the challenges, both for current and prospective managers. These included:

- the increasing complexity of the job of the modern arts manager (underfunding, competition for support, etc);
- systemic attitudes in the sector;
- poor pay and benefits (especially in small and mid-sized organizations);
- challenges in attracting the next generation (adequate compensation, professional development, work-life balance, reflecting the country's diversity);
- problematic and sometimes crisis-ridden relationships between managers and their boards.

She emphasized that the project focussed on the not-for-profit and museum areas, but that leadership succession issues are increasingly evident in the cultural industries, especially book publishing where "we could not do more than scratch the surface of the topic". She also stressed that these challenges are not peculiar to Canada but are to be found in arts organizations worldwide.

Jocelyn cited the "best single summary of the situation" was the recent Mercadex study, *Face of the Future*, which had been commissioned by the Cultural Human Resources Council:

"Compounded by a chronic shortage of resources over the past two decades, cultural organizations across the country have had weak human resource management practices, with an inadequate focus on human resource needs, policies, best practices, and requirements. This has manifested in a myriad of human resource problems in the sector, the most critical of which are poor wages and working conditions, a lack of commitment to professional development, failure to plan for succession, and tensions in the workplace on many levels. These human resource conditions are sufficiently serious that many have described the prevailing attitude in the cultural sector as a 'culture of exploitation'. Whether this culture is the cause or the result of the many human resource problems in the cultural sector, it clearly needs to change."

The Creative Management Action Plan was available on the CCA website prior to the conference and participants were encouraged to examine the document and its recommendations beforehand. A printed and bound version is



Canada Council Director John Hobday

CCA Photo

available for those who were unable to attend the conference: the cost is \$10 to CCA members, \$15 for non-members. Please contact the CCA to order copies.

Informal discussions continued in the evening at a reception organized by the CCA.

## Thursday 22 May

The day started early with the Toast the Arts breakfast buffet. In addition to the previous day's participants, CCA had invited a number of special guests and individual members to attend. Due to an unfortunate quirk of timing, parliamentarians were on a two week break and therefore unavailable.

Welcoming remarks were made by Peter Herrndorf, President and CEO of the National Arts Centre, and Susan Annis, Executive Director of the Cultural Human Resources Council; these two organizations were co-hosts of the breakfast. In addition, Joan Chalmers made a short speech to participants, sharing with them her dismay at finding that macramé owls of 1970s vintage were still being sold as a Canadian "craft" in museum gift shops! We were delighted she was able to attend her first Chalmers Conference, as they were named in her honour.

### Keynote Speaker: John Hobday, Director of the Canada Council for the Arts

#### Key themes:

- ⇒ promotion of excellence
- ⇒ development of new relationships
- ⇒ adherence to Council's three new strategic objectives
- ⇒ Council will be forceful, innovative and forward-looking



John's address elicited rave reviews for being clear, concise, and visionary. He outlined some of the challenges he and Council staff have identified, and how Council can meet these in the coming years.

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*"Candid, clear, passionate ...."*

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The Council's three new strategic objectives are:

- fostering sustainability and adaptability through a new relationship with arts organizations;
- improving cooperation and collaboration through a new relationship with other Canadian arts funders;
- developing a more effective working relationship between the Council and the Department of Canadian Heritage.

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*"...the overall criterion of excellence will be firmly enforced."*

*John Hobday*

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One of the themes of John's speech was the need for excellence. In response to the growing numbers of artists and arts organizations in Canada, John emphasized Council will "cultivate excellence". He also stressed the need for excellence in "sound governance, management and financial viability", and emphasized his belief that these went hand in hand.

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*"There is a crying need for good tools to address the issues of management and governance..."*

*John Hobday*

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He admitted Council had made "a mistake with serious consequences" when it reduced operating funding to arts service organizations some years ago, and he invited ASOs to renew their relationship with the Council and to work together towards the common goal of policy development.

And he threw out a challenge to ASOs - that of advocacy. Council will promote increased public funding by presenting government with arguments for "both the needs of artists and arts organizations and clear objectives and plans for meeting those needs". But he stressed that the hard work and "loud, clear voice" must come from the community itself.

In response to questions from the floor, John assured participants that the new emphasis on arts service organizations in no way diminishes the programmes of support for individual artists provided by the Council, programmes which are part of its core values. He remarked that he was particularly proud of the leadership shown regarding

initiatives in the areas of aboriginal arts and cultural diversity, and emphasized the Council's commitment to improving accessibility to grants programmes for all individual artists.

For the complete speech, go to the Canada Council website at [www.canadacouncil.ca](http://www.canadacouncil.ca).

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## Cultural Human Resources Council

The balance of the morning's proceedings were devoted to the work of the Cultural Human Resources Council, and in particular information on the new National Compensation Study for Management and Administration in Not-for-Profit Arts Organizations which it had commissioned from Deloitte and Touche.

Susan Annis stated that despite the survey revealing few surprises, it was still a shock to see the results tabulated so starkly in black and white. In putting some context around the survey, she confirmed CHRC's commitment to the Creative Management project at CCA, and to the recommendations in the Action Plan presented by Jocelyn Harvey the previous day.

The need for a national compensation survey was a recommendation of the Creative Management project. It developed from a growing sense of urgency in the arts sector re arts management (many senior managers were retiring or leaving the field early), and the inability to recruit and retain young managers.

The objective of the study was to develop baseline profiles of total compensation practices, and other HR issues and related management practices in Canadian not-for-profit arts organizations. There was a 11% response rate to the survey, 84% of which were from small organizations with budgets under \$1,000,000.

### Key findings:

- ⇒ *direct correlation between size of organization's budget and compensation levels*
- ⇒ *turnover rate for managers is high compared to other sectors*
- ⇒ *managers at arts organizations remain poorly paid*
- ⇒ *understaffing and overwork are considerable challenges*

Key trends noted included:

- Ontario and the West led arts sector compensation practices;
- no clear HR leader in terms of artistic discipline;
- compensation rates were low compared with most other not-for-profit sectors and all other industries;
- health benefits were almost non-existent in most organizations





- to compensate for poor salaries, organizations had developed creative ways to compensate managers: flex time, professional development, parking privileges, etc.

The research findings on general management echo those reported in Face of the Future and the Creative Management project, with the top concerns being:

- compensation and benefits issues
- understaffing and overwork
- work/life balance

Many organizations reported a lack of basic HR tools, including job descriptions, employment contracts, HR policies, and performance evaluation plans.

Other challenges identified in the Creative Management project are being addressed by CHRC, notably:

- CHRC has joined with other organizations to develop generic HR tools and best practices (personnel manuals, job descriptions, performance review procedures); these will be distributed widely throughout the sector;
- CHRC delivers 3 internship programmes (2 from HRDC and 1 from DCH); in response to sector needs, DCH has broadened its criteria to focus on creative management;
- building on the sectoral study carried out in Face of the Future, finishing touches will be put to a national HR strategy at the November forum;
- collaboration with provincial counterparts across the country to help them develop and become advocacy and service organizations in their areas.

Conference participants commented on the usefulness of the compensation study for their own organizations and hoped a second one would be conducted in a few years' time so trends in the sector could be identified and tracked. The complete report is available on CHRC's website: [www.culturalhrc.ca](http://www.culturalhrc.ca).

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## Concluding remarks

In her concluding remarks to the Chalmers Conference, Megan noted the synchronicity of messages which had come out of the conference. Most were summed up very well by John Hobday in his speech earlier in the morning, when he outlined so succinctly the challenges and strategic directions facing the Canada Council. Megan challenged arts service organizations to take these messages, many of which offer opportunities for advocacy, back to their own organizations and turn them into actions. On behalf of the CCA, Megan accepted the opportunity offered by the Canada Council to work more collaboratively.

She noted in particular the proposed meetings between provincial/territorial and federal funders which she felt would provide an ideal opportunity for advocacy by provincial and national organizations, and she expressed

the hope that something could be organized.

Under the rubric of Status of the Artist issues, Megan informed participants that CCA and the working group of arts organizations would be meeting with government officials that afternoon. She also indicated that the recent evaluative review of SofA contains a number of recommendations on the re-establishment of the Council on the Status of the Artist and that CCA would be examining ways for that to happen.

One of the challenges thrown out by John - the increasing complexity of administrative demands - is an area where considerable work has already accomplished. It is a complex problem demanding a multifaceted response. As Jocelyn pointed out in her Action Plan, the "management deficit" in arts organizations needs to be addressed and the research undertaken, by CCA and CHRC are a very good beginning.

Finally, Recommendation 18 in the Action Plan states "working in partnership with the CHRC and service organizations, the Canadian Conference of the Arts should continue its involvement in cultural management issues, bringing together the various stakeholders to implement this action plan and continuing to be a member of the Advisory Committee to the project on Developing Human Resources in the Voluntary Sector".

Megan accepted this challenge on behalf of the CCA which will continue to coordinate, facilitate and provide the motor so the recommendations and initiatives move forward. She then thanked Jocelyn for her invaluable work on the Creative Management project, and regretted that, because Jocelyn has other contractual obligations, CCA would have to seek the services of another consultant to complete the project.

Cynthia White Thornley, the newly appointed Director General for Arts Policy at the Department of Canadian Heritage and a participant at the Conference, thanked the CCA and all presenters, stating that the reports and comments which had been put forward over the two days were really useful and provided a lot for those in the Department to think about. The Department is involved in a number of initiatives that directly support this work and DCH was a funding partner for the two reports. She indicated her impression that there was a unique opportunity at present to pull together all the strands so many people have been working on, and that DCH happily takes up the challenge laid down by John Hobday to work more closely with the Canada Council to align funding policies and programmes. She stated it would be the Department's challenge to renew the programmes under the Tomorrow Starts Today funding and invited NASOs to consider applying for project funding.

Megan remarked on the importance of so many ASOs being in the same room at the same time, working in close partnership with government officials and those from the Canada Council.



She stated that CCA is a very activist organizations and reiterated John Hobday's comment that we are at a "carpe diem" moment. She stressed the importance of stability, ongoing core funding, sound management, and the importance of not just renewing Tomorrow Starts Today funding but establishing a firm financial footing for the arts in Canada.

Bill Poole of the Centre for Cultural Management emphasized how very valuable the information from this conference would be to his students, and that much of it would find its way into his course offerings immediately. His students are the managers of the future, the next generation of cultural management talent, and they will reap the benefits of the work which has been and is being done by CCA and others.

Megan presented Philippa Borgal, CCA's Associate Director, with a bouquet as a special token of gratitude for her work in singlehandedly organizing the conference. In closing, she thanked everyone for attending and for their generous participation, and hoped they would all meet again next year.



## APPENDIX I

### Attendance:

Arts service organizations (including arts councils, artists associations, and individual artists)	83
Government representatives (federal and provincial)	13
Others (including staff)	10
Sub-total	106
Additional attendees (at the breakfast only portion - Thursday am)	29
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TOTAL	135



## APPENDIX II

*Extract from the Canadian Artists' Code, A proposed Act on the professional status of the artist, developed by the Canadian Advisory Committee on the Status of the Artist (1988):*

16. a) For the purpose of calculating the income of an artist under the Income Tax Act, the following conditions shall apply:
  - i) recognition of the unique circumstances surrounding the artistic profession;
  - ii) a definition of artistic activity in conformity with this Act;
  - iii) allowing losses incurred by professional artists to be deducted from other sources of income;
  - iv) allowing employed professional artists to deduct costs associated with artistic employment from their employment incomes;
  - v) allowing professional artists to adopt income averaging;
  - vi) allowing professional artistic organizations to issue receipts permitting tax deductions for gifts;
  - vii) allowing professional artists, whether employed or self-employed, to treat project grants and travel allowances as professional or business income;
  - viii) allowing the executors of the estates of professional artists to donate the work or works of the artist to the Crown in lieu of taxes;
  - ix) allowing professional artists to donate works to the Crown at their fair market value;
- b) There shall be established a joint consultative committee with representatives of Revenue Canada, the Departments of Finance and Communications, and the artistic profession to resolve problems arising from the administration of the Income Tax Act and the regulations attached thereto.

