

Flat-Lined but Still Alive

Analyses of the Provincial and Territorial
2012-13 Budgets from the Perspective
of Arts, Culture and Heritage

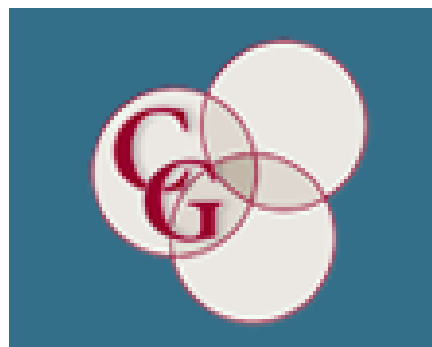


Canadian Conference of the Arts/ Centre on Governance, University of Ottawa

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Canadian Conference of the Arts



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Foreword

For several years, the Canadian Conference of the Arts (CCA) produced an analysis of the impact of the federal Budget on the cultural sector that had been widely used by policy makers and academics to untangle the often convoluted implications of funding decisions.¹ As part of the 2012-2017 Business Plan it had adopted in March 2012, the CCA had identified the need for a similar type of publication looking at how provincial and territorial Budgets affected the cultural sectors in those jurisdictions.

Accordingly, the CCA and the University of Ottawa's Centre on Governance established in the summer of 2012 a partnership to coordinate and edit the analyses in this publication. The editing was underway when the CCA was forced to suspend the operations of its Secretariat further to the loss of the funding given by the federal government for the past 47 years. It was jointly decided however to complete the project in the belief that the need for it had not disappeared. Pending the ultimate fate of the CCA, the Centre on Governance is exploring alternative revenue sources of revenue and hopes that a means can be found to continue both the federal and provincial Budget analyses in future years.

Now there are many difficulties in making inter-provincial and inter-territorial comparisons of cultural policy and cultural funding. First, each province and territory has a different "basket" of cultural policies and programs. Second, not all expenditures and revenues that can be considered "cultural" are counted. Third, each province and territory administers its cultural revenues and expenditures in a different way. And fourth, and perhaps most important, each province and territory has a different history of cultural support which springs from differing political, economic and social contexts.

So, in the face of these problems, why have we undertaken this study? No pan-Canadian analytical overviews on this subject exist, and as Statistics Canada recently terminated its annual survey on *Government Expenditures on Culture*, it seemed timely to begin a series that would at the very least examine annual fluctuations in cultural support by the two senior levels of government and attempt to discern trends in funding.

It is our hope that such an overview, even if it is only a snapshot, will become more critical as other sources of information about the overall health of the cultural sector in Canada disappear or become less frequent.

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February 2013

¹ The most recent issue was [Budget 2012: The Aftershocks Are More Severe Than the Earthquake](#). (need to use password: cca7592hpt)

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Overview of the 2012-13 Provincial and Territorial
Budgets from the Perspective of the Arts and Culture
Sector

M. Sharon Jeannotte

2013

Flat-lined but Still Alive

Overview of the 2012-13 Provincial and Territorial Budgets from the Perspective of the Arts and Culture Sector

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Introduction

Highlights

- Cultural budgets in most jurisdictions are flat-lined.
- Saskatchewan Film Employment Tax Credit is eliminated, but tax credits are maintained in most other jurisdictions
- Several provinces introduce or sweeten tax credits for children's arts activities
- Federal cultural budget cuts are compounding the results of provincial restraint in some jurisdictions
- New Brunswick cultural budget is unchanged pending completion of a major Cultural Policy Renewal exercise
- Quebec tables two Budgets – the second somewhat less generous than the first to the cultural sector
- Ontario cuts cultural allocations, but spares the Ontario Arts Council and the Trillium Foundation.

Deficit reduction, social pressures, concerns about quality of life, and the desire for a more creative economy are the backdrop for the provincial and territorial Budgets in 2012-13. Past patterns of support for the cultural sector helped shape each province and territory's treatment of culture in these budgets, but at the same time, breaks in past patterns made for an unpredictable environment. Some provinces and territories that have traditionally been highly supportive of the sector were forced by circumstances to retrench. Others that had been less generous in the past were re-examining their policies and considering a new approach. Some maintained an uneasy status quo in the face of worrisome developments elsewhere.

This publication -- *Flat-lined but Still Alive* – is intended to provide an overview of these Budgets with a view to discerning highlights, lowlights and trends. Authors were asked to structure their analyses in four sections – context of the Budget, impact of the Budget on the cultural sector, reaction to the Budget by the cultural community, and implications of the Budget for the future. This overview follows the same structure.

Context

Economic factors

As part of their analyses of the provincial and territorial Budgets, each of the authors was asked to provide information on the context within which the Budget was produced. Not surprisingly, the most commonly cited contextual factor was the fiscal climate.

Both of the largest provinces – Ontario and Quebec – have been hit hard by the global recession of 2009-10, the debt crisis in Europe and the “fiscal cliff” in the United States. Faced with growing deficits and debts, the 2012 Budgets in both provinces focused on deficit reduction, mainly through fiscal restraint. In Ontario, major reductions in planned spending increases, including cancellation of infrastructure projects and public sector pay freezes and job cuts, were part of the restraint package. In Quebec, not one but two Budgets were tabled – the first in March 2012 by the Liberal government and the second in November 2012 by the newly elected Parti Québécois government. However, both Quebec Budgets committed to balancing the books by

2013-14 by means of deep cuts in public spending and augmented revenues from such measures as increased alcohol and tobacco sales taxes.

Fiscal restraint was not confined to the largest provinces. Both Nova Scotia and Prince Edward Island also sought to balance their budgets through expenditure restraint, with Nova Scotia instituting 1% reductions in departmental spending and PEI cutting spending by 3 to 5% in all departments except health and education.

Economic reverses occurred even in provinces and territories that have recently enjoyed buoyant growth. In Newfoundland and Labrador a sizable deficit was predicted after several years of surpluses, leading to modest program cuts. In the Northwest Territories, the economic slowdown has been particularly dire, prompting a search for ways to stimulate the local economy. In some jurisdictions that rely heavily on federal partnerships and financial transfers, such as Manitoba, Prince Edward Island and the Territories, there is little fiscal room to manoeuvre, and provincial and territorial Budgets measures have been almost overshadowed by cuts at the federal level.

Table 1 shows how the provinces and territories ranked in terms of per capita cultural spending over the 2007 to 2010 period. The per capita figures were derived by Hill Strategies from the Statistics Canada publication *Government Expenditures on Culture*, which included spending on libraries, heritage resources, performing arts, literary arts, visual arts and crafts, broadcasting, film and video, sound recording, multiculturalism, arts education and multidisciplinary activities. Spending took the form of operating expenditures, capital expenditures, operating and capital grants and contributions, but excluded such measures as tax credits and other indirect instruments.

Because of their small populations and their somewhat different definitions of culture (including, for example, such items as retention of native languages and customs), the territories have been separated from the provinces in this table. Nevertheless, it is worth noting their relative generosity when compared with the provinces.² It is also worth noting that while rankings vary from year to year, five provinces – Manitoba, Saskatchewan, Newfoundland and Labrador, Quebec and Prince Edward Island – consistently rank among the top five, while the other provinces – Alberta, Nova Scotia, New Brunswick, Ontario and British Columbia – consistently rank in the bottom five.

² Using a more limited definition of culture in his analyses of the Yukon, Northwest Territories and Nunavut, Patrice Dutil has derived per capita cultural spending figures of \$307, \$52, and \$63 respectively in 2011-12.

**Table 1 - Provincial and Territorial Per Capita Spending on Culture
2007-2010 (Current Dollars)**

Provinces	2007-08 / Rank	2008-09 / Rank	2009-10 / Rank
Manitoba	144 /1	116 /5	117 /5
Saskatchewan	139 /2	132 /2	149 /2
Newfoundland and Labrador	124 /3	139 /1	156 /1
Quebec	118 /4	121 /4	125 /4
Prince Edward Island	117 /5	123 /3	129 /3
Alberta	93 /6	104 /7	102 /7
Nova Scotia	88 /7	98 /8	102 /7
New Brunswick	87 /8	106 /6	107 /6
British Columbia	76 /9	62 /10	54 /9
Ontario	55 /10	69 /9	63 /8
Territories	2007-08	2008-09	2009-10
Yukon	524 /1	549 /1	628 /1
Northwest Territories	235 /2	199 /3	228 /3
Nunavut	172 /3	242 /2	279 /2
Average provincial per capita spending	86	92	90

SOURCES: Hill Strategies, [Arts Research Monitor Vol. 9 No 5](#) November 2010
Hill Strategies, [Arts Research Monitor, Vol. 10, no. 1](#) July 2011
Hill Strategies, [Arts Research Monitor, Vol. 11 no 1](#), June 2012

Although the provinces and territories often cite low growth and high debt as reasons for restraints on cultural spending, the short-term fiscal situation of the provinces and territories is not necessarily a good indicator of its past or present level of support for culture. **Table 2** shows GDP growth figures for the provinces and territories in 2011 as compared to their ranking in per capita cultural spending in 2009-10. While the Yukon ranked first both in GDP growth and per capita cultural spending, the second-fastest growing jurisdiction, Alberta, ranked tenth among all provinces and territories (or seventh among provinces) when it comes to investments in culture. By contrast, the Northwest Territories, with negative GDP growth, still ranked third overall in per

capita support for culture. At the other extreme, British Columbia and Newfoundland and Labrador both had moderately high GDP growth in 2011, but while Newfoundland and Labrador ranked first among the provinces (and fourth overall) in per capita cultural funding, British Columbia continues to rank dead last.

Table 2 - Provincial GDP growth (%) and Per capita Spending on Culture (\$)

Province / Territory	GDP growth 2011	GDP Rank	Per capita spending on culture 2009-10	Cultural Spending Rank
Yukon	6.5	1	628	1
Alberta	5.1	2	102	10
Saskatchewan	4.9	3	149	5
Nunavut	4.6	4	279	2
Newfoundland and Labrador	3.0	5	156	4
British Columbia	2.8	6	54	12
Manitoba	2.0	7	117	8
Quebec	1.9	8	125	7
Ontario	1.8	9	63	11
Prince Edward Island	1.6	10	129	6
Nova Scotia	.5	11	102	10
New Brunswick	0	12	107	9
Northwest Territories	-5.1	13	228	3

SOURCES: Statistics Canada, [The Daily, November 19, 2012](#)
Hill Strategies, [Arts Research Monitor, Vol. 11 no 1](#), June 2012

Social factors

In some provinces, such as Alberta, Newfoundland and Labrador, and Nova Scotia, culture is viewed as a means of promoting creative and prosperous communities that attract tourists and creative workers. However, this message is less prominent in the other provinces and territories. Clearly, there is more behind provincial support for culture than just the need to respond to economic conditions, a point that the authors highlighted in their descriptions of the political and social contexts influencing budgetary measures in the cultural sector.

Social and political issues, in fact, cast a long shadow in 2012 in some of the provinces and territories. In Quebec, student strikes led to weeks of confrontations in the streets that spread beyond the student population to include a broad cross-section of Quebecers who were discontented with the policies of the Liberal government and disillusioned by growing evidence of widespread corruption in the awarding of municipal construction contracts. In Ontario, the resignation of the premier, followed by the prorogation of the legislature, undermined the stability of the minority government and prompted a series of rotating teachers' strikes in response to Budget measures that were viewed as an attack on the collective bargaining process.

In Saskatchewan, a booming economy has been accompanied by growing crime, persistent racial tension with Aboriginal peoples, a rise in housing prices and a shortage of lower-cost accommodation. In both Alberta and Saskatchewan, a growing concern about labour shortages and quality of life has prompted their provincial governments to place greater emphasis on attraction and retention of workers, along with community-friendly initiatives. In both provinces, the cultural community has found itself increasingly expected to contribute to building cohesive communities by engaging in "family friendly" activities.

In New Brunswick, there is persistent concern about low incomes and literacy rates in comparison with the rest of the provinces. The dispersed nature of the population and low levels of municipal funding for culture have acted as a brake on cultural investments in the province, despite perceptions that shifts in the economic, technological, and demographic environment will require a rethink of how culture contributes to future prosperity and well-being.

High growth rates and youthful populations have made improved education and housing high priorities in the Yukon and in Nunavut. These concerns cannot be separated from cultural policies in those jurisdictions because of the role that culture plays in language, education and communications policies, infrastructure priorities, and policies that attempt to balance traditional ways of life with a booming resource economy.

Social and political factors are therefore a critical backdrop to Budgets in the provinces and territories, and although they often take a back seat to economic concerns, they must be taken into consideration in any assessment of budgetary impacts on the cultural sector.

Impact of provincial and territorial Budgets on the cultural sector

Looking at the impact on culture of all the provincial and territorial Budgets, taken as a whole, the overwhelming impression is of "flat-lining". In a few provinces and territories, such as Quebec and the Yukon, there have been modest increases in certain areas of the cultural sector, but in general, cultural budgets have either been frozen at current levels (as in British Columbia, Alberta, and Manitoba) or reduced (as in Ontario and Newfoundland and Labrador). As the Ontario analysis observes, there have been no mortal blows, but on the other hand, there are few silver linings.

Impact on the cultural industries

Probably the biggest story for culture coming out of the provincial and territorial budgets was the elimination of the Film Employment Tax Credit in Saskatchewan. This Budget measure drew media coverage across Canada, as well as widespread protest within the Saskatchewan program production community. The tax credit cost the Saskatchewan government about \$8 million per year, but generated revenues of close to \$45 million annually. While the

Saskatchewan government later replaced the film employment tax credit with a non-refundable Film/TV and Digital Tax Credit, a survey of the film and video production community indicated that over 50% anticipated loss of income and work, and many were still planning to leave the province.

While other provinces did not go as far as Saskatchewan in eliminating support for the cultural industries, a number of announced cuts are likely to have a negative impact. The [Ontario Media Development Corporation](#) and tax credits for the audiovisual and publishing sectors in Ontario remained in place, with slightly reduced budgets. But the provincial broadcaster, [TV Ontario](#), was told to reduce its dependence on provincial funding and has cut its budget by \$2 million. In Newfoundland and Labrador, the budget of the [Newfoundland Labrador Film Development Corporation](#) was cut by 1.5%, and Prince Edward Island eliminated its subsidy to book publishers.

On the good news side, the provinces of Manitoba, Nova Scotia, and Newfoundland and Labrador maintained their film/video and sound recording support programs as well as a wide array of tax credits in support of the cultural industries, and Nova Scotia even announced a new Digital Media Tax Credit. Quebec's [Société de développement des entreprises culturelles](#) and the Société de télédiffusion du Québec ([Télé-Québec](#)) received small increases in their allocations under the PQ's November Budget. In Alberta, there was a modest increase in the allocation for the [Alberta Film Commission](#) and a tiny increase in the [Alberta Multimedia Development Fund](#). In British Columbia, the Budget allocation for the [BC Film Commission](#) rose by almost 10%, which may have been in response to the decline of film and television production in the province – from a high of about \$1.316 billion in 2009 to \$1.188 billion in 2011.

Impact on the arts

There was no “big story” with regard to the impact of provincial and territorial Budgets on the arts sector, but here also the overall picture was one of either flat-lined or reduced funding.

Arts councils in both Ontario and Quebec were spared major cuts, but neither did they receive major increases. In Quebec, the [Société de la Place des arts de Montréal](#) and the [Société du grand théâtre de Québec](#) received budget increases of about 10%, but in Ontario the major provincial arts institutions – the [Art Gallery of Ontario](#) and the [McMichael Canadian Art Collection](#) – absorbed budget cuts of 1%, and arts sector transfer payments were reduced by over \$8 million. However, funding for Ontario's [Trillium Foundation](#), which is a source of lottery funding for many cultural projects, was left intact. In Newfoundland and Labrador, the [Arts Council](#) budget was cut by 1.5% and the [Arts and Letters Program](#) by 3%. In the Yukon, the arts budget decreased by almost 8%, and in Nunavut, it decreased slightly.

In Alberta, lottery fund revenue transfers to the [Alberta Foundation for the Arts](#) (AFA) and [Alberta Culture](#) (the cultural department) continued a downward trend, from \$29.2 million in 2011-12 to \$27 million in 2012-13 in the case of the AFA, and from almost \$180 million to less than \$154 million in the case of the department.

In all other jurisdictions, arts budgets held steady, but this apparently benign treatment masks a significant trend. Following the lead of the federal government, which in 2011 announced a Children's Arts Tax Credit, several provinces and territories have introduced similar credits or expanded pre-existing sports tax credits to include the arts. These include British Columbia's Children's Arts Credit, the Yukon's Children's Arts Tax Credit, Quebec's refundable tax credit for children's artistic and cultural activities, (all announced this year), Manitoba's Children's Arts and

Cultural Activity Tax Credit (introduced in 2011) and Saskatchewan's Active Families Benefit (introduced in 2009). Saskatchewan's 2012 Budget included a \$3 million increase in the benefit, which brought its budget up to \$12 million. With the flat-lining of arts budgets in all these jurisdictions, it appears that these provincial governments are trying, among other things, to encourage the arts community to offer classes for children and thus increase their reliance on the market for ongoing support.

Other indirect programs of support for the arts were announced in the 2012 provincial and territorial budgets. In Prince Edward Island, cultural organizations were encouraged to apply to the \$5 million [PEI 2014 Fund](#), established to mark the 150th anniversary of 1864 Charlottetown Conference that led to Canadian Confederation in 1867. While many view this two-year funding program as an opportunity, it will also pit arts groups against other community organizations in order to get a piece of the pie. Similarly, in Quebec, the March Budget announced an envelope of \$125 million to celebrate the 375th birthday of Montreal. A major portion of this budget was intended for a number of infrastructure projects, including the construction of a new pavilion for the [Musée des beaux-arts de Montréal](#), as well as other tourist attractions. It is not certain if this allocation will remain intact under the new PQ government, but it can be expected that arts groups will face stiff competition in order to benefit from it.

In the longer-term, flat-lining of arts funding will erode budgets due to the effect of inflation and the tendency of some jurisdictions, such as Saskatchewan's, to load more responsibilities onto arts councils without corresponding resource increases.

Impact on the heritage sector

With a couple of exceptions, the impact of provincial and territorial budgets on the heritage sector has been neutral or mildly negative.

On the negative side of the balance sheet, the national museums in Quebec absorbed a collective budget reduction of 2.4%, while the [Conseil du patrimoine du Québec](#) and the [Centre de conservation du Québec](#) had their budgets cut by 1.6% and 0.6% respectively. In Ontario, the [Royal Ontario Museum](#), the [Ontario Science Centre](#), [Science North](#), the [Royal Botanical Gardens](#), and the [Ontario Heritage Trust](#) each sustained budget reductions of 1% in 2012-13, and will see these cuts increase to 2% in 2013-14 and 2014-15. In Newfoundland and Labrador, the [Heritage Foundation](#), the [Cultural Economic Development Program](#) (Heritage) and the [Provincial Historical Commemorations Program](#) sustained 3% budget reductions, but these were to be absorbed mainly through administrative measures. As well, [The Rooms](#) (the Provincial Archives, Art Gallery and Museum) saw its budget reduced by 3%. Manitoba's [Historic Resources](#) grant assistance was reduced by 2.6%.

In Alberta and the Yukon, a somewhat more positive picture for heritage emerged. The [Alberta Historical Resources Foundation](#) received a 9.3% increase in funding for grant assistance to community-based heritage initiatives, while the Historic Resources Fund also received a slight increase. The [Royal Alberta Museum](#)'s budget increased by 10.6%, the [Royal Tyrell Museum](#)'s by 11.3%, and the [Glenbow Museum](#)'s by 7%. The Historic Sites and Other Museums budget was up by 13%, and the Provincial Archives budget increased by 7.5%. The provincial government also confirmed a commitment of \$180 million for a new provincial museum building.

In the Yukon, the Heritage Resources budget increased by 32%, although no details were provided as to how this would be allocated. The [Yukon Beringia Interpretive Centre](#) also received a 6% increase in funding, and significant capital investments were to be made in the

territorial Archives. The Yukon government, as does the Alberta government, justifies investments in heritage infrastructure and heritage tourism as significant contributors to the economy. Unlike in Alberta, however, the Yukon relies heavily on the federal government, particularly Parks Canada, to maintain historic sites and heritage resources. In the face of [deep cutbacks at Parks Canada](#), the territorial government may face pressure to compensate by increasing its support for the heritage sector.

In all other jurisdictions, heritage support was essentially flat-lined, although in Nova Scotia some relief was given to the Nova Scotia Museums Complex, the Provincial Library, and the Nova Scotia Archives by the transfer of infrastructure operating costs to Nova Scotia Transportation and Infrastructure Renewal, the government department responsible for all government buildings.

Other developments

Budget impacts on culture in New Brunswick have not been mentioned much in this analysis because provincial support for the sector is in a holding pattern due to an ongoing Cultural Policy Renewal exercise that was launched in August 2012. The Renewal is focusing on four areas: 1) culture in everyday life; 2) artists, arts organizations and cultural professionals; 3) collective heritage; and 4) culture and the economy. As part of this review, the government of New Brunswick is analyzing total expenditures on culture by all departments and is consulting widely with the cultural community and other stakeholders. Public input to the Renewal has identified a number of areas that will likely require additional resources, if approved. These include infrastructure issues such as re-purposing of historic buildings, the need for public art policies in public building projects, and the need to enhance community museum networks. The renewal process is expected to be completed in early 2013 and until that time all cultural expenditures have been frozen at 2011-12 levels.

Reaction to the Budgets by the cultural community

The cultural community's reactions to the provincial and territorial Budgets range from guarded optimism to weary resignation to outright negativity.

Guarded optimism

Falling into the cautiously optimistic camp are the cultural communities in Manitoba, Quebec, Nova Scotia, New Brunswick, and Prince Edward Island.

In Manitoba, the cultural community is generally pleased that the province has maintained its commitments to the sector, but apprehension lingers about the future impact of federal budget cuts. This has led to the establishment of the [Manitoba Arts and Cultural Alliance](#) to strengthen advocacy on behalf of the sector.

In Quebec, reaction was positive to the Liberals' Budget in March, but mixed with regard to the PQ's Budget in November. The affirmation of confidence in Montreal's cultural sector that was manifested in planned investments for the 375th birthday celebrations was generally well-received, as were the increases given to the Société de développement des entreprises culturelles. After the November Budget, however, the reaction became more muted, particularly with regard to the frozen budget of the Conseil des arts et des lettres.

In both Nova Scotia and New Brunswick there was guarded optimism. In New Brunswick, this was due to the hopes being pinned to the outcome of the Cultural Policy Renewal. In Nova

Scotia, despite the maintenance of the status quo in cultural support, the community was mildly encouraged by the province's commitment to investments in the creative economy, job creation, and quality of community life and decided to view the cultural glass as being half-full, rather than half-empty.

In Prince Edward Island, the cultural community is happy to take advantage of the temporary funding afforded by the *PEI 2014 Fund* and hope that new initiatives may be launched to commemorate the 150th anniversary of Confederation in 2017 and to celebrate the 150th anniversary of PEI's entry into Confederation in 2023.

Weary resignation

Weary resignation, for the most part, characterized the reaction in British Columbia, Alberta, Ontario, Newfoundland and Labrador, and Nunavut.

In British Columbia, the cultural community has become accustomed to low levels of provincial funding relative to the other provinces, and seems determined to "make the best of it", particularly in the film and television production sector. This attitude has been reinforced by the re-opening of limited access by arts organizations to provincial gaming grants in 2012.

In Alberta, a similar determination to work with the cards that are being dealt is apparent in the adoption by the cultural sector of "community friendly" discourse and arguments on the positive economic impacts of the arts in order to convince the government and the private sector to provide more consistent funding. In Alberta, as in British Columbia, the "creative cities" movement is being promoted as a means of attracting business and improving the quality of life.

Ontario's cultural community was not happy about the cuts, but also not surprised. In the end, there appeared to be muted relief that the blow was not more severe.

Despite some drawing back of provincial support for culture in the 2012 Budget, the cultural community in Newfoundland and Labrador appeared ready to accept this as a temporary setback since the cuts were relatively minor. The only exception was the negative reaction to the decrease in the allocation to the Newfoundland and Labrador Arts Council which, even after several years of budget increases, is still only able to assist fewer than half of the artists who apply.

There was very little reaction from the cultural community in the northern territories about the Budgets, but in Nunavut there were questions in the legislature about the lack of action on a previous commitment to build a much-needed Nunavut Heritage Centre to house archaeological artifacts. Territorial commitment to the project, however, is contingent on federal and local support, a situation that leaves local authorities with little option but to "wait and see".

Overall negativity

Saskatchewan stands alone in the degree of negative reaction within the cultural community to the implications of the Budget. Widespread protest followed the announcement that the Film Employment Tax Credit had been eliminated. The film and video production community (reinforced by a study by SaskFilm and the Saskatchewan Chamber of Commerce) warned of the flight of talent, unused facilities and the drying up of program revenues and investments coming from outside the province. Actors and performers took another hit when the University of Regina eliminated its Fine Arts degree in theatre and performance. While some arts

organizations and artists are attempting to take advantage of the Active Families benefit by offering courses for children, this is not seen as likely to compensate for the flat-lining of arts budgets or the withdrawal of commercial opportunities in the program production industry.

Future health of the cultural sector

Across Canada, there is a persistent sense of unease about future levels of provincial support for the cultural sector.

As Beale notes in her analysis of B.C., low provincial funding levels for culture are a long-standing issue in the province and members of the cultural community are not optimistic that this will change any time soon. Stewart also assesses future prospects in Saskatchewan from a somewhat negative perspective, noting that the results of the latest Budget will likely be “more paid classes, fewer original productions, increased import of finished products ... and the likely export of trained cultural workers”. Levels of uncertainty in Ontario are higher due to a possible change in government after the next election, but Gattinger observes that “so long as Ontario’s fiscal situation remains weak, the cultural sector will continue to be affected by budget-cutting measures”. Similarly in Quebec, future impacts are difficult to assess. Saint-Pierre notes that the fiscal situation in the province has meant that the new PQ government could not fulfill all the promises made to the cultural sector before the election, but while fears exist about the future of the Conseil des arts et des lettres, the government’s commitments to major cultural infrastructure projects in Montreal and Quebec City seem relatively safe.

The future climate of cultural support in the other provinces and territories seems to be less threatening for various reasons, although none of the analysts assessed the future with undiluted optimism.

In New Brunswick, Birdsell notes, the province’s budget deficit may have an impact on future funding levels, but this apprehension is being offset by hopes that a renewed cultural policy will lever resources for New Brunswick’s cultural sector as an engine of growth for the provincial economy. Similarly, in Nova Scotia, McPhail describes high expectations about the priority that the current government is giving to the creative economy. The only dark clouds on the horizon in Nova Scotia may be the limited potential of the private sector to partner in needed investments and the shaky state of major cultural institutions such as the [Nova Scotia College of Art and Design](#). Elsewhere in Atlantic Canada, Prince Edward Island’s cultural community is likely to gain short-term benefits from the *PEI 2014 Fund*, but Campbell points to longer-term uncertainty on the horizon when the money runs out. A short-term setback in cultural funding in Newfoundland and Labrador is being viewed with disappointment, Porter notes, but at the moment there is no sign that this is the beginning of a trend.

In the West, Wall sees the Alberta government’s ideological focus on the contribution of culture to economic prosperity and cohesive communities as a source of some optimism, perhaps signalling a more culture-friendly environment in the immediate future. Cohnstaedt also sounds a similar note of cautious optimism about the future health of the cultural sector in Manitoba, pointing to “Manitoba’s long history of stabilizing cultural organizations and encouraging new directions”, but at the same time cautions that more instability may result in the short-term as a result of federal cutbacks.

In the North, all three territories have been fairly generous to their cultural sectors in recent years, but may also be negatively affected by federal spending restraints. Cutbacks at Parks Canada may already be having an adverse impact on heritage investments in the Yukon and

Nunavut. And while Dutil shows that cultural spending in the Northwest Territories has been on a steady upward trend in the past few years, he is not optimistic that this can be maintained in the face of the Territory's growing budget deficit.

Overall, the fact that few draconian cuts were imposed on the cultural sector can be viewed in a positive light, but in the longer term the outlook may be less positive if budget allocations for culture do not at least keep pace with inflation. The trend toward indirect support for culture through such measures as tax credits for children's arts activities and special funds to mark significant anniversaries bears watching in future years. The former trend can skew cultural production in ways that appeal mostly to middle class families with money to spend, and the latter can sometimes result in short-term projects with little attention to the sustainability of organizations. Creative economy and creative city arguments are being increasingly used in some provinces to bolster arguments in favour of cultural funding, but they can carry the risk of focusing solely on hard infrastructure to the exclusion of the "soft infrastructure" embodied in individual creators and cultural practitioners.

Unfortunately, with the demise of instruments such as Statistics Canada's survey of *Government Expenditures on Culture* and of watch dog groups such as the [Canadian Conference of the Arts](#), both decision makers and cultural practitioners will find it more difficult in the coming years to make any assessment of provincial and territorial support for culture as a result of these trends. Renewed investment in such tools will be required to regain a robust pan-Canadian overview of shifting patterns of support for arts, heritage and culture.

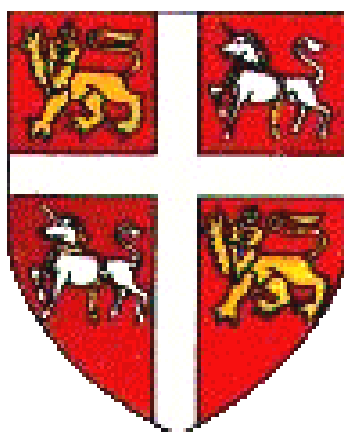
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NEWFOUNDLAND AND LABRADOR

A Step Backward?

Analysis of the 2012-13 Newfoundland and Labrador
Budget from the Perspective of Arts, Culture and
Heritage

Bruce Porter

2013

A Step Backward?

The 2012-13 Newfoundland and Labrador Budget from the Perspective of Arts, Culture and Heritage

Analysis by Bruce Porter

Budget Highlights

- Decrease of 3% in Department of Tourism, Culture and Heritage budget.
- Heritage administrative budgets cut by 3%
- Arts and Letters administrative budget cut by 3%.
- Number of Cultural Economic Development Program projects funded reduced by 6% (Arts), 3% (Heritage).
- Newfoundland and Labrador Arts Council and Newfoundland and Labrador Film Development Corporation take a 1.5% reduction.

Context

The economy of Newfoundland and Labrador has seen significant growth over the past decade, driven primarily by the oil, mining, technology and tourism sectors. The resulting growth in government revenues has allowed for increases in government program spending, including additional support for and investment in the culture sector.

Led by culture-friendly Progressive Conservative premier Danny Williams and guided by a sector-led 2006 cultural policy document, *Creative Newfoundland and Labrador: The Blueprint for Development and Investment in Culture*, the provincial government has upped its game noticeably in its support for the sector over the past several years. Emphasis has been placed on improving the fortunes of professional artists and other cultural workers, developing and enhancing infrastructure, increasing and enhancing the role of arts and heritage in education, celebrating and preserving the province's tangible and intangible cultural heritage and making culture more, and more widely, accessible.

Support programs managed by the [Department of Tourism, Culture and Recreation](#) (TCR) were beefed up, in budgets and offerings, and external cultural entities funded substantially by the provincial government were allocated additional financial support. The [Newfoundland and Labrador Arts Council](#) (NLAC), for example, which is the province's main government support agency for creative artists, in the period between 2005 and 2009, saw its budget doubled.

All in all, the improved interest in, and financial support for, the sector by the provincial government have contributed substantially to the dynamic creative output of arts and heritage activity in the province in recent years. In turn, much of this activity has contributed directly to the impressive growth in the tourism industry (including cultural tourism), not to mention an increasing air of confidence in the province.

Impact of the budget

The growing economy and its accompanying increase in provincial government revenues meant that for several years – six of the seven from 2005-2011 – the government had shown budget surpluses, some of them quite sizable. But, with its 2012-2013 budget, delivered on April 24, the government of Premier Kathy Dunderdale projected a year-end deficit of \$258 million. The two main factors cited by the government in this downturn – both connected to offshore oil – are (1)

the end of the offset payments under the Atlantic Accord, which had provided protection from federal equalization payment reductions and (2) a 21% decrease in offshore oil royalties as a result of maintenance work on two major oil production facilities this year.

To address this expected deficit, most areas of government saw a modest reduction in their program expenditure allocations. (Health, Education, Social Welfare, and General Government and Legislature were exceptions and received a small increase.) For the Department of Tourism, Culture and Recreation, the decrease in operational allocation was 3%, with Culture and Heritage's share applied as follows:

External government-supported organizations

- [Newfoundland and Labrador Arts Council](#) (NLAC)– 1.5%, absorbed through operational adjustments with no impact on the Council's grant programs
- [Newfoundland and Labrador Film Development Corporation](#) (NLFDC) – 1.5% (to the operations budget only), absorbed through administrative efficiencies, with no impact on the [Equity Investment Program](#) fund
- [The Rooms](#) – 3%
- [Heritage Foundation of Newfoundland and Labrador](#) – 3%, absorbed through administrative measures with no cuts to programs
- [Provincial Historical Commemorations Program](#) – 3%, absorbed mainly through a reduction in the promotions portion of the budget

Programs administered in house

- [Cultural Economic Development Program](#) (CEDP – Arts) – 6%, absorbed mainly by a decrease in the number of projects funded. (The higher percentage cut was to allow for a smaller reduction in the NLAC and the NLFDC allocations.)
- [Cultural Economic Development Program](#) (Heritage) – 3%, absorbed mainly by a decrease in the number of programs funded
- [Arts and Letters Program](#) – 3%, absorbed through administrative adjustments with no changes to the amounts allocated for prizes and adjudication fees
- All other support programs – no change
- [Film Tax Credit](#) – no change

Reaction by the cultural community

For the most part, reaction in the cultural community to these reductions was relatively muted, probably because by and large the cuts, though unwelcome, were not huge and were addressed essentially through administrative measures rather than decreases in program grants.

An exception to this generally reserved response was the reaction to the 1.5% decrease in the Newfoundland and Labrador Arts Council's allocation. Several voices raised strong concerns over this, among them the Association of Cultural Industries, the leader of the provincial NDP, several individual artists, and the Arts Council itself. Two main concerns were expressed:

First, the Arts Council, despite significant budget increases in recent years, can still help support fewer than half of the creative artist applications submitted. Acknowledging this situation, the provincial government in recent years had committed to continuing its annual increases to the Council, a move the Council and the community had been positively anticipating. The replacement of an expected increase with a reduction, therefore, was not only a shock but, in effect, a double hit. Some relief was gained from the fact that this year's reduction could be handled by operational savings, but a cut is still a cut.

The second issue raised by the reduction to this funding was concern that this might not be a one-off development. If next year's budget brings a cut, it will not be possible to absorb it with administrative moves, a concern voiced by others in the sector as well, notably the [Heritage Foundation](#). Program grants will take a hit, a potential development viewed by the sector as a discouraging backward step.

Future health of the cultural sector

With the infusion of dollars into the sector over the past decade, total expenditures of the Newfoundland and Labrador Government on culture, per capita, according to Statistics Canada, are now among the highest in the country. Still, the lack of continuing increases, even if not large (to say nothing of cuts) would seem to be at odds with government's sector-building cultural policy. Good progress has been made on implementing the province's blueprint for "development and investment" in the sector. But the general view is that considerably more needs to be done to take advantage of this growth and momentum in order to come close to meeting the sector's artistic and economic potential.

The cultural community recognizes that government doesn't have a bottomless pit of revenues from which it can continue to dip out ever-increasing amounts for culture. But it does hope the provincial government will continue to build on the solid base it has laid in the sector in recent years and ensure that arts and heritage receive their fair share of the expenditure pie.

If the 2012-13 budget cuts to the sector are a one-off move, the impact of this budget could, on balance, be viewed as more or less neutral. Most of the cultural programs supported by the province continue to receive financial assistance at last year's level. If, on the other hand, this year's cuts indicate the start of a trend, even if only for two consecutive years (the government projects another deficit for 2013-14) the impact on activity in the sector will be significant and a major setback to its hopes for continuing growth and improvement.

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Supplementary Documentation

Government of Newfoundland and Labrador

Real GDP growth: 3.0% (2011)

Revenue from Federal Transfers (per cent of total): 9.1%

Population: 514,536 (2011)

Government of Newfoundland and Labrador

Main Estimates

(Dollar Value)

Branch	2012-13			2011-11
	Gross Expenditure	Related Revenue	Net Expenditure	Forecast (Net)
Consolidated Fund Services	459,400,200	47,712,700	411,687,500	432,605,100
Executive Council	124,217,100	2,864,200	121,352,900	120,248,300
Finance	114,698,700	5,502,300	109,196,400	90,321,100
Public Service Commission	5,105,500	1,000	5,104,500	5,739,400
Service Newfoundland and Labrador	47,224,000	13,309,700	33,914,300	31,102,900
Transportation and Works	583,008,300	77,203,600	505,804,700	528,548,000
Legislature	25,274,900	222,700	25,052,200	27,753,800
Advanced Education and Skills	1,005,552,300	161,131,500	844,420,800	794,959,600
Environment and Conservation	55,837,800	8,557,800	47,280,000	41,978,000
Fisheries and Aquaculture	50,026,700	346,500	49,680,200	31,728,100
Innovation, Business and Rural Development	87,505,400	500,000	87,005,400	80,062,800
Natural Resources	778,846,700	13,131,700	765,352,000	151,049,800
Tourism, Culture and Recreation	66,846,200	5,627,000	61,219,200	59,733,300
Child, Youth and Family Services	200,527,600	13,350,100	187,177,500	168,552,700
Education	872,025,400	5,104,900	866,920,500	811,616,600
Health and Community Services	2,997,353,700	27,372,500	2,969,981,200	2,870,233,400
Justice	259,470,600	14,594,700	244,875,900	233,677,700
Municipal Affairs	269,513,500	86,051,700	183,461,800	225,558,500
Newfoundland and Labrador Housing Corporation	56,123,600	-	56,123,600	52,439,300
Total	8,058,195,200	482,584,600	7,575,610,600	6,757,908,400

Government of Newfoundland and Labrador
Department of Tourism, Culture and Recreation

Main Estimates

(Dollar Value)

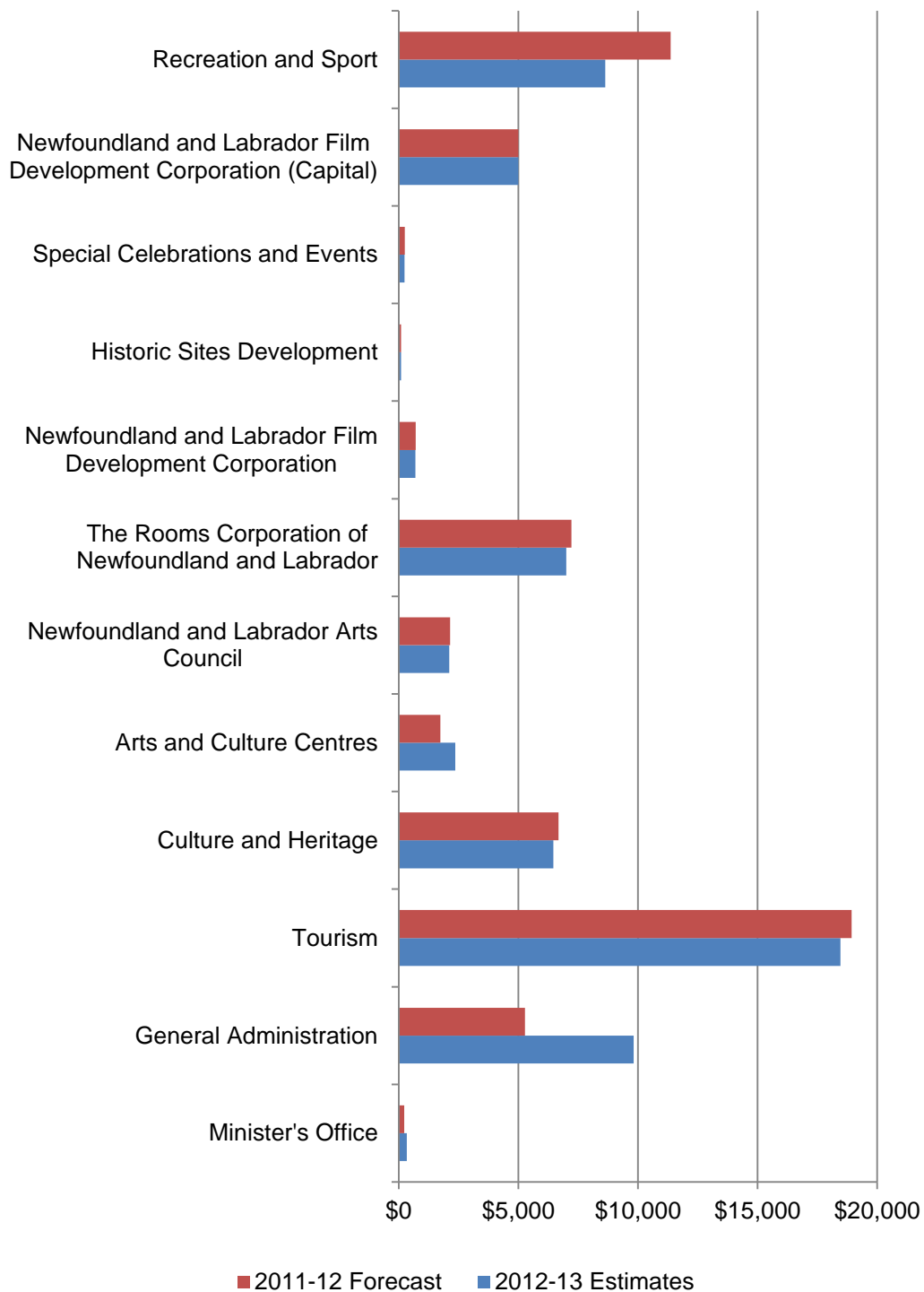
Branch	2012-13 Estimates	2011-12 Forecast	Difference Dollar Value	Difference Percentage
Minister's Office	331,200	320,200	11,000	3.4%
General Administration	9,821,500	5,276,200	4,545,300	86.1%
Tourism	18,461,700	18,933,500	(471,800)	-2.5%
Culture and Heritage	6,462,600	6,676,800	(214,200)	-3.2%
Arts and Culture Centres	2,360,600	1,741,000	619,600	35.6%
Newfoundland and Labrador Arts Council	2,111,100	2,144,100	(33,000)	-1.5%
The Rooms Corporation of Newfoundland and Labrador	6,999,200	7,215,700	(216,500)	-3.0%
Newfoundland and Labrador Film Development Corporation	699,000	710,000	(11,000)	-1.5%
Historic Sites Development	100,000	100,000	-	-
Special Celebrations and Events	236,200	250,000	(13,800)	-5.5%
Newfoundland and Labrador Film Development Corporation (Capital)	5,000,000	5,000,000	-	-
Recreation and Sport	8,636,100	11,365,800	(2,729,700)	-24.0%
Total	61,219,200	59,733,300	1,485,900	2.5%

Government of Newfoundland and Labrador

Department of Tourism, Culture and Recreation

Changes to Expenditures

(In thousands of dollars)



Newfoundland and Labrador - External Government-Supported Organizations

Newfoundland and Labrador Arts Council (NLAC) is a Crown Corporation responsible for administering grants and awards to artists and promoting dance, film, music, theatre, visual art and writing in Newfoundland and Labrador.

Grant	Purpose	Value
Professional Project Grant Program	To cover the creation, production, operating and travel costs of projects by professional artists, groups or non-profit organizations.	Annual total: Spring - \$300,000 Fall- \$275,000 New Artists or Groups – Max \$3,000 Established Artists or Groups - \$7,500 Non-Profit Organizations - \$7,500
Sustaining Program for Professional Arts Organizations	For professional arts organizations that advance the province's arts sector.	Annual total - \$575,000
Professional Festivals Program	To cover festival costs including artist fees, technical costs, venue rental, administration, workshop sessions and travel.	Annual total - \$125,000 Minimum request - \$1,000 Maximum request - \$10,000
Community Arts Program	For community-based organizations and groups to cover the costs of arts workshops, productions, new creations, adjudicator fees, artist fees and travel costs.	Annual total - \$75,000 Minimum request - \$1,000 Maximum request - \$5,000
Professional Artists' Travel Fund	To assist artists with the cost of unexpected activities that will further their career.	Four month cycle total - \$10,000 In province travel - \$750 Out of province travel - \$1,000
Labrador Cultural Travel Fund	To assist Labrador organizations cover the costs of bringing seminars, workshops and other events to the island and to help Labrador residents cover the costs of participating in cultural events.	Six month cycle total - \$50,000 Individual applicant maximum - \$1,500 Group maximum - \$5,000
ArtsSmarts	For artistic programming in the K-12 school system. Funded by the Department of Education's Cultural Connections Strategy and NLAC.	Covers 80% of total costs up to a maximum of \$5,500

Visiting Artist Program	To cover the costs of bringing artists into the K-12 school system. Created in partnership with the Department of Education's Cultural Connections Strategy, NLAC and Newfoundland and Labrador Teachers' Association.	Artist Fees maximum - \$500 Art supplies maximum - \$200 Travel subsidies maximum Newfoundland - \$200 Labrador - \$500
School Touring Program	To assist professional artists and not-for-profit arts organizations develop touring programs for schools. Created in partnership with the Department of Education's Cultural Connections Strategy	Maximum - \$20,000

[Newfoundland and Labrador Film Development Corporation](#) promotes local film productions and markets the province's appeal as a film and television location to external producers. The NLFDC is responsible for administering the Film and Video Industry Tax Credit for the Department of Finance.

[The Rooms](#) encompasses the provincial [Archives](#), [Art Gallery](#) and [Museum](#) into a single cultural body. The [Labrador Interpretation Centre](#), [Logger's Life Provincial Museum](#), [Mary March Provincial Museum](#) and [Provincial Seamen's Museum](#) are included in the museum division of The Rooms.

[Heritage Foundation of Newfoundland and Labrador](#)'s mandate is to preserve the province's built heritage. The Foundation restores historic properties, designates Registered Heritage Structures, administers grants and plays an education role for the public. The Foundation has a special [Fisheries Heritage Preservation Program](#) dedicated to preserving buildings from the province's fishing industry.

[Provincial Historical Commemorations Program](#) recognizes the province's distinct tangible and intangible heritage, culture and traditional skills.

Government of Newfoundland and Labrador

Programs Administered in House

[Cultural Economic Development Program – Arts](#) – is designed to encourage the sector's economic stability by investing in professional artists, market capacity and the cultural tourism industry. Eligible sectors include visual arts, theatre, dance, literary arts, interactive digital media and music (festival funding only). Film producers can apply for funding for costs related to website development.

Program components:

Operational Support	Funds the implementation of strategic initiatives by important sectoral organizations and not-for-profit cultural attractions
Professional Development	Partially covers the costs of conferences, workshops, courses, mentorships and other professional development endeavours. Applicants are required to cover a minimum of 10% of the overall cost. Minimum level of support – \$1,000 Maximum level of support for an individual - \$5,000
Market Access and Export	Supports the sector by investing in the marketing, promotion and distribution of cultural goods and services. Applicants are required to cover a minimum of 10% of the overall cost. Minimum level of support – \$1,000 Maximum level of support for an individual - \$5,000

The [Cultural Economic Development Program – Book Publishers Assistance Program](#) invests in publishers with the potential for long-term sustainability in the province's literary sector. The program funds marketing, editing, design and professional development activities related to the production of eligible book categories.

The [Cultural Economic Development Program – Heritage](#) provides assistance to provincial museums, archives, historic sites and other heritage sites by supporting their economic potential. The heritage branch of the program funds two types of activities; operations and projects:

Operations	Costs incurred for exhibitions, public programs, salaries, professional services, travel, advertising and office costs
Projects	Any special non-reoccurring activities with a clear start and end date within the period of a year.

The [Arts and Letters Program](#): since 1951, the program has awarded authors from Newfoundland and Labrador literary prizes in several categories.

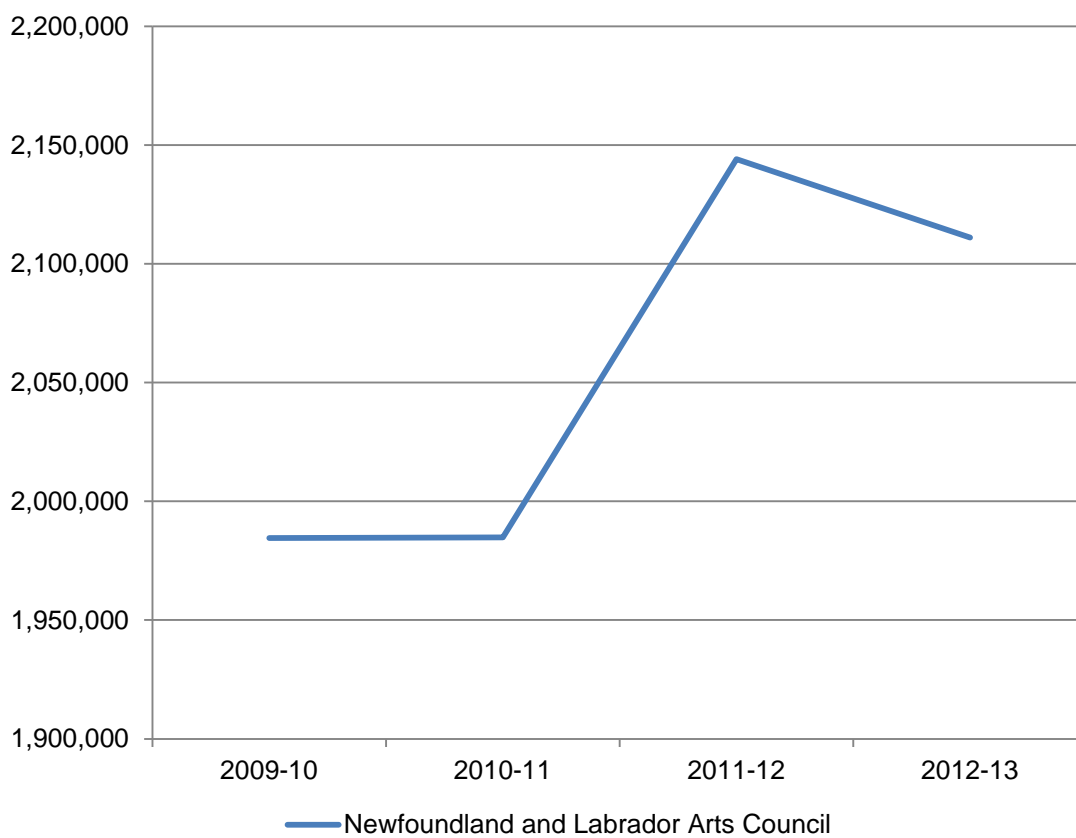
Senior Division		
Literary Arts Section	Poetry	Six awards of \$1,000
	Short Fiction	Five awards of \$1,000
	Non-Fictional Prose	Three awards of \$1,000
	Dramatic Script	Two awards of \$1,000
	French Literature	One award of \$1,000
Musical Composition	All genres	Four awards of \$1,000
Visual Arts	All genres	Fifteen awards of \$1,000
Percy Janes First Novel Award	For unpublished first novelists	One prize of \$1,500
Junior Division		
Visual Art	All genres	Ten awards of \$250
Poetry		Ten awards of \$250
Prose	Including short story, essay or dramatic script	Ten awards of \$250
Musical Composition		Four awards of \$250
French Literary		One award of \$250

[Film Tax Credit](#) – The Film and Video Industry Tax Credit – The refundable corporate income tax credit is worth the lesser of either 25% of the total eligible budget or 40% of the total eligible labour expenditures. In order to be eligible, productions must spend 25% of all wage costs on provincial residents. If there is no one in the province with the necessary skill set for the production, the resident clause can be waived if the non-resident acts as a mentor to a resident. In this situation 75% of the mentor’s salary and 100% of the mentored resident salary can be applied to the tax credit.

Newfoundland and Labrador Arts Council

Appropriations

(Dollar Value)





NOVA SCOTIA

A Glass Half-Full

Analysis of the 2012-13 Nova Scotia Budget from the
Perspective of Arts, Culture and Heritage

Keith McPhail

2013

A Glass Half-Full

The 2012-13 Budget of Nova Scotia from the Perspective of Arts, Culture and Heritage

Analysis by Keith McPhail, MPA, consultant, writer

Budget Highlights

- Increase in budget and staffing for strategic planning and marketing in Department of Communities, Culture and Heritage.
- No major cuts in funding for Arts Nova Scotia, the Art Gallery of Nova Scotia and Archives, Museums and Libraries Nova Scotia, but no major increases either.
- Status quo support for Film Nova Scotia, as well as music industry and book publishing support programs.
- Infrastructure operating costs for provincial cultural agencies transferred out of the cultural portfolio.

Context

2012-13 represents the third year in Premier Darrell Dexter's government multi-year plan to "make life better for Nova Scotia's families"¹. Five priority points drive this plan:

- Creating good jobs and growing the economy
 - Better health care for you and your family
 - Making life more affordable
 - Putting kids and learning first,
 - Ensuring that government lives within its means².

Major driving themes in the Nova Scotia Government budget are "getting back to balance"³, and "to return the province's operating

budget to balance in 2013–2014"⁴. In order to achieve this goal, the Government instituted "cost reductions and restraint through improved expenditure management"⁵. This time of constraint has essentially resulted in departments trimming 1% of their budgets in an effort to achieve the back to balance mandate.

Communities, Culture and Heritage, the lead arts and culture department in Nova Scotia, is focused on supporting the current provincial priorities, "creating good jobs and growing the economy, contributing to healthier Nova Scotians and their families and getting back to balance by ensuring government lives within its means"⁶. Predominantly this appears to focus on investment in the creative economy, sustainable cultural job creation and quality of community life. The cultural community views these developments with cautious optimism, with the overall feeling leaning toward the cultural glass being half-full rather than half-empty.

¹ Government Business Plan for the fiscal year 2012-13, 1.

² Government Business Plan for the fiscal year 2012-13, 1.

³ Government Business Plan for the fiscal year 2012-13, 1.

⁴ Budget and Assumptions and Schedules for the fiscal year 2012-13, The Honourable Graham Steele, Minister of Finance, 1.7.

⁵ Budget and Assumptions and Schedules for the fiscal year 2012-13, The Honourable Graham Steele, Minister of Finance, 1.14.

⁶ Government of Nova Scotia, Communities, Culture and Heritage, [Inside the department](#)

Impact of the Budget

The provincial budget for arts, cultural Industries and heritage originates predominantly from four source departments: Communities, Culture and Heritage; [Economic and Rural Development and Tourism](#) (under which the agency Film Nova Scotia falls); [Finance](#) (source of Nova Scotia Film Industry Tax Credit (FITC) and Digital Media Tax Credit (DMTC)); and [Education](#) (support funding for Artists in Schools Program).

[Communities, Culture and Heritage](#) (CCH) was created in early 2011. The mandate of this stand-alone department includes: “a focus on promoting and celebrating our province’s diverse culture and heritage; encouraging artistic excellence and growth in our creative economy; supporting the work of public libraries across Nova Scotia; bringing a stronger focus on the province’s founding cultures to the development of policies and programs; and ensuring our heritage resources are preserved and interpreted for the benefit of Nova Scotians and their visitors”.⁷

Within CCH are the following units: Culture and Heritage Development (CHD); Archives, [Museums](#), Libraries Nova Scotia; Secretariat; [Acadian Affairs](#); [African Nova Scotian Affairs](#); [Gaelic Affairs](#); and the Art Gallery of Nova Scotia.

As a relatively new department, this year’s budget can only be considered in the context of last year’s first-ever budget estimate. Since then, new programs have been developed and there have been adjustments and transfers of program delivery, as well as transfers of some operating expenses. For instance, the Secretariat is taking on increased departmental functions, adding Strategic Planning and Marketing and Planning to its existing policy, business and administrative roles, thus increasing its budget by about 40 percent. The staffing of this unit is jumping from just under 15 Full Time Equivalent (FTEs) to about 44. By way of contrast, the staff of the CHD section increased by only 1.7 FTEs in 2012-13.

Impact on Arts and Heritage

An Arts and Culture Five-Point Plan⁸ was announced in 2011 as the strategic direction for the next several years in Nova Scotia. This plan included development of Status of the Artist Legislation; establishment of Arts Nova Scotia (an arms-length arts funding body), and the [Creative Nova Scotia Leadership Council](#); development of a communications strategy and new website interface; and creation of an interdepartmental committee to coordinate government support of arts and culture.

[Culture and Heritage Development](#) (CHD) transitioned the former Nova Scotia Arts and Culture Partnership Council into the Creative Nova Scotia Leadership Council (CNSLC), the partnership body between the Department and the cultural sector to “facilitate the development, preservation and promotion of the arts and culture”.⁹ CNSLC will have some role in setting the strategic directions and programs of the Department and thus will influence these budgetary items. The [Status of the Artist](#) legislation, enacted in early 2012, has essentially no negative or positive budgetary impact.

⁷ Department of Communities, Culture and Heritage, Statement of Mandate, 2012-2013, 3.

⁸ Communities, Culture and Heritage, [Arts and Culture Five-Point Plan](#),

⁹ Communities, Culture and Heritage, [Creative Nova Scotia Leadership Council](#), 4.

The Arts Nova Scotia Transition Committee Report,¹⁰ tabled in 2011, is being implemented during the 2012-13 fiscal budget year. The Report made recommendations on the mandate and operations of [Arts Nova Scotia](#), programs that should be administered by it, and funding levels for those programs. The report advocated inclusion of programs not managed by the former Arts Council of Nova Scotia, and recommended an increase in funding of existing programs because current levels fall far short of community need. The 2012-13 budget does not contain an increase for this purpose, but, unlike most departments, there are no cuts to funding.

The [Archives, Museums, Libraries Nova Scotia](#) division budget was affected in three ways: 1) transfer of community museums operating and project funding to the Culture and Heritage Development division, 2) inclusion of Archives and Libraries in the division, and 3) transfer of infrastructure operating costs to Nova Scotia Transportation and Infrastructure Renewal (the department responsible for all other provincial government buildings). This enables Archives, Museums, Libraries Nova Scotia to focus on government-run operations in this sphere, recognizing the convergence in these services and programs. Programs will, however, remain at status quo levels, and staffing in this section is reduced by about 11 FTEs. Another concern regarding the frozen budget is that inflation remains unaddressed.

With regard to the stand-alone cultural agencies, the Nova Scotia Museums Complex has branches throughout the province that play a role in community employment, and it and the other two services, the [Provincial Library](#) and the [Nova Scotia Archives](#), are seen as contributing to the creative economy in other ways besides jobs. The Provincial Library continues to provide a direct program interface with municipal libraries.

The [Art Gallery of Nova Scotia](#) (AGNS) likewise has an unchanged budget from the previous year. The other part of the 'good news' for 2012-13 is that Transportation and Infrastructure Renewal is absorbing building operations costs, enabling about \$450,000 to be reinvested into acquisitions and programming.

[Artists in Schools](#) funding (provided in part by the Department of Education) remains intact. While only \$150,000, it is matched almost dollar-for-dollar by Culture and Heritage Development and the AGNS to ensure continuity of programming.

Impact on Cultural Industries

The budgetary landscape for Nova Scotia's Cultural Industries is as varied as the industries themselves.

[Film Nova Scotia](#), an arms-length agency under the Department of Economic and Rural Development and Tourism, endures a one percent 'back-to-balance' budget cut to administration and operations in this fiscal year, but otherwise maintains its programming dollars. 2012-13 is the second year of an innovative partnership with the [EastLink TV Independent Production Fund](#) to fund local TV production content. Film Nova Scotia administers the [Nova Scotia Film Industry Tax Credit](#) (NSFITC)¹¹ on behalf of the Department of Finance, and has maintained the attractive 50 and 65 percent tax credit structure which contributes largely to the success of the Nova

¹⁰ Communities, Culture and Heritage, [Arts Nova Scotia Transition Committee, Report](#) to the Minister of Communities, Culture and Heritage, October 18, 2011,

¹¹ Government of Nova Scotia, [Crown Corporation Business Plans for the fiscal year 2012- 2013, Film Nova Scotia Business Plan 2012-2013](#), 123.

Scotia-based industry – one that is disproportionately large for the provincial population of less than one million.

Film Nova Scotia also supports the developmental programs of Atlantic Filmmakers Cooperative, Centre for Art Tapes, and Nova Scotia College of Art and Design (NSCAD), and these programs retain the status quo.

Digital Animations of Nova Scotia (DANS) had its advocacy rewarded in late 2011 with the introduction of a [Digital Media Tax Credit](#) (DMTC), and now benefits from the promotion of this program. DANS does, however, have a challenge in re-attracting talent that was lost to this industry in the province prior to 2011, and is working with Film Nova Scotia on a strategy to address this and other industry-specific issues.

The music Industry is supported by the Culture and Heritage Development division of Communities, Culture and Heritage through two specific programs: the [Emerging Music Business Program](#), and the [Export Development Program for Music](#), the latter administered by Music Nova Scotia (the industry association). The 2012-13 Budget retains these programs at the 2011-12 levels.

Book publishing is also supported by a program administered by the Culture and Heritage Development division of the CCH; [Assistance to Book Publishers](#). This fund remains static at its 2007 level.

Reaction of the cultural community

Overall, reaction to this budget by the culture community has been positive, some regarding it with guarded optimism. Most consider the fact that the culture budget held its own during a time of general cuts as a sign of recognition of the sector. Others think that true support will only be shown if the government follows through with a commitment towards real dollar growth in the next several years' cultural budgets.

Cautious optimism also surrounds the apparent engagement by government in understanding the sector, and nurturing its potential contributions towards a creative economy - above and beyond cultural industries - as a way to address both job creation and growth of the GDP. Apparent recognition that arts and heritage are key contributors to economic drivers such as tourism, corporate development and education is welcome.

The film industry is hopeful current trends will continue through the 2012-13 year, and if so, will result in small but sure growth. Concerns remain around the digital animations industry redevelopment during a time of slow economic growth. The publishing industry remains unconvinced of government's commitment to its growth, due to a frozen budget being spread thinner and thinner over time coupled with a lack of other policies and programs that other cultural industries utilize to encourage growth, such as tax credits.

Mixed feelings also surround the future potential for increased partnerships with non-traditional arts-funding departments and the private sector. While it sounds good on paper, the cultural community is cognizant that departments with pared-down budgets and staffing will require huge innovative leaps of faith to engage in cultural undertakings. On the corporate front, Nova Scotia's relatively small business community is acknowledged as supportive of the sector, but faces a tsunami of requests for support due to growth and competition from within and beyond the cultural community. Some within culture fear that government will have expectations that the

sector become more creative in accessing non-government funding, thus investing more resources (and creativity) in this activity than in achieving organizational mandates.

Future Health of the Cultural Sector

The plans surrounding the 2012-13 arts, culture and heritage budget will, as much as the budget, determine the impact of this year's funding. This is especially pronounced with the newly organized Communities, Culture and Heritage department. Expectations about the creative economy and its potential implications on the future of Nova Scotia can only be realized through sector-driven, intelligent investments over a period of years. 2012-13 could be considered year one of this investment, and it will require government steadfastness.

Should an increased need to leverage private sector monies to match government investments be critical for success, there may be challenges ahead. More incentives, and partnership programs may be required to enable the sector to ramp-up to greater levels of non-government fundraising and sponsorship.

A potentially critical impact on the Nova Scotia culture sector could result from the future of [Nova Scotia College of Art and Design](#) (NSCAD University). Recent expansion of the University's campuses led to deficit budgets, and NSCAD was challenged during 2011 and 2012 by the provincial government to bring its budget in line. A [government report](#) recommended that the University alter its budget in an effort to bring it into balance. Future options in this struggle include merger with another higher education institution. Many in the sector see this as the undoing of a 125 year-old, globally recognized institution that has and continues to contribute greatly to creativity and the creative workforce, both as employer and producer of talent in Nova Scotia and beyond. Some consider its independent survival as a foundational piece in the health of Nova Scotia's future economy.

In addition to creative higher learning, the level of investment in core artistic and creative development (artistic renewal, creation, production, innovation) will resonate within the creative economy. It will be critical for government to balance commercial economic indicators with social and community values.

Infrastructure (bricks and mortar) challenges must also be addressed through strategic planning, and investment. Better distribution and quality of purpose-built facilities could improve creation and production and exhibition / performance venues. These include film sound stages, performing arts, visual arts and crafts space, museums and live / work studios; all of which will be critical to enable long term health and growth of the sector.

Communities, Culture and Heritage is seemingly more open than ever to input from the community regarding programming and funding, but until this is felt at the grassroots level and across the sector – where funding has been far too minimal for far too long - many in the culture sector will consider the impact of this budget as a glass half-full.

Supplementary Documentation

Government of Nova Scotia

Provincial Real GDP Growth: 0.5% (2011)

Federal Government Transfers: 32.1%

Provincial Population: 921,727 (2011)

Government of Nova Scotia

Main Estimates

General Revenue Fund¹² Department Expenses (in thousands of dollars)			
Department and Service	2011-2012 Estimate	2011-2012 Forecast	2012-2013 Estimate
Agriculture	61,115	63,907	63,949
Communities, Culture and Heritage	55,100	54,694	58,949
Community Services	985,084	976,845	977,924
Economic and Rural Development and Tourism	125,610	117,539	187,353
Education	1,135,237	1,130,023	1,112,830
Energy	30,462	30,055	29,568
Environment	27,582	26,994	26,385
Finance	36,007	34,407	38,990
Fisheries and Agriculture	8,462	8,338	8,799
Health and Wellness	3,768,259	3,758,800	3,861,513
Justice	302,036	289,086	306,723
Labour and Advanced Education	345,211	341,532	346,208
Assistance to Universities	384,792	388,068	347,619
Natural Resources	92,845	99,897	95,685
Public Service	178,938	169,843	174,314
Seniors	1,881	1,889	1,871
Service Nova Scotia and Municipal Relations	274,761	260,764	275,909
Transportation and Infrastructure Renewal	420,362	412,415	421,617
Restructuring Costs	111,019	98,501	198,724
TOTALS	8,344,763	8,272,597	8,534,646

¹² Budget 2012, [Estimates and Supplementary Detail](#), The Honourable Graham Steele, Minister of Finance, 1.5.

Government of Nova Scotia

Department of Communities, Culture and Heritage¹³

(In thousands of dollars)

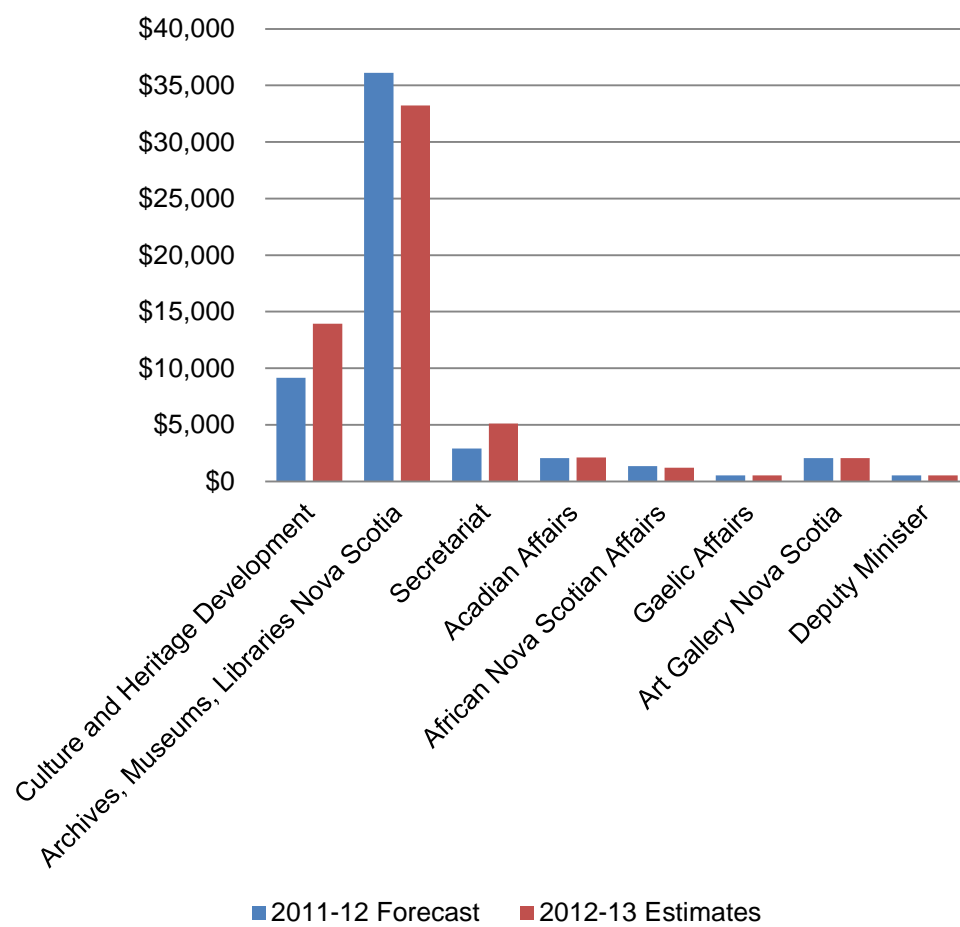
Division/Branch	Description	2011-12 Forecast Expenses	2012-13 Estimates Expenses	Difference Dollar Value	Difference Percentage
Culture and Heritage Development	The branch assists the heritage and cultural sector by investing in community based programs, awarding grants, and supporting economic growth.	9,167	13,926	4,759	51%
Archives, Museums, Libraries Nova Scotia	Provides funding to the province's cultural, heritage and information resources.	36,101	33,239	(2,862)	-7.9%
Secretariat	Provides corporate administrative support by evaluating the sector, planning and developing policy.	2,909	5,098	2,189	75%
Acadian Affairs	Responsible for administering government programs and services that meet the needs of the Acadian and French language population.	2,050	2,100	50	2.4%
African Nova Scotian Affairs	Responsible for administering government programs and services that promotes understanding and education of the province's African heritage.	1,361	1,212	(149)	-10.9%
Gaelic Affairs	Promotes the province's linguistic and cultural Gaelic heritage.	534	506	(28)	-5.2%
Art Gallery of Nova Scotia	Provincial art gallery	2,046	2,046	-	-
Office of the Minister and Deputy Minister		526	538	12	2.2%
Total		54,694	58,665	3,971	7.3%

¹³ Budget 2012, [Estimates and Supplementary Detail](#), The Honourable Graham Steele, Minister of Finance, 4.1.

Government of Nova Scotia

Department of Communities, Culture and Heritage

Changes to Expenditures (in \$ 000)



Government of Nova Scotia

Department of Communities, Culture and Heritage

Departmental Staffing Figures¹⁴

Department of Communities, Culture and Heritage	Funded Full Time Staff (Equivalents)	
	2011-12	2012-13
Division/Branch		
Office of the Minister and Deputy Minister	3.9	4.0
Culture and Heritage Development	17.8	19.5
Archives, Museums, Libraries Nova Scotia	158.9	147.4
Secretariat	15.8	43.8
Acadian Affairs	9.9	11.0
African Nova Scotian Affairs	11.5	10.6
Gaelic Affairs	5.0	5.0
Total	222.8	241.3

¹⁴ Budget 2012, [Estimates and Supplementary Detail](#), The Honourable Graham Steele, Minister of Finance ,4.3.

Government of Nova Scotia

Department of Communities, Culture and Heritage

Cultural and Heritage Development Division

Investing in our Future¹⁵	
Sector	Programs, Grants and Awards
Art Nova Scotia Funding and Awards	Grants to Individuals Grants to Organizations and Small Groups Grand-Pré Prize Portia White Prize Nova Scotia Art Bank Nova Scotia Masterworks Art Award Nova Scotia Talent Trust
Creative Nova Scotia Leadership Council Awards	Community Arts and Culture Recognition Award Established Arts Recognition Awards
Community Funding	Community Jobs and Facilities Improvement Fund Strategic Development Initiative
Culture Funding	Assistance to Book Publishers Cultural Activities Program Emerging Music Business Program Export Development Program for Music Gaelic Language in the Community Program Industry Growth Program, Operating Assistance to Cultural Organizations
Heritage Funding	Community Museum Assistance Program Heritage Property Grants Nova Scotia Museum Research Grants Program Provincial Archival Development Program
Cultural Opportunities for Youth	Youth Programs

Note: The Programs and Grants in bold are mentioned in the Analysis of Nova Scotia's budget.

¹⁵ Communities, Culture and Heritage, [Investing in Our Future](#)

Arts Nova Scotia

In 2011 the Arts Nova Scotia Transition Committee Report recommended the creation of Arts Nova Scotia. Arts Nova Scotia is an independent eleven member council created to allocate funding directly to artists in the province.¹⁶ The Transitional Committee Report recommended the following levels of funding to the programs in the Council's jurisdiction:

At minimum, the following program funds should be allocated to Arts Nova Scotia¹⁷	
Grants to organizations and small groups	\$456,675
Individual artist grants	\$692,500
Art Bank program	\$39,931
Operating Assistance to Producers	\$1,097,000
Operating Assistance to Presenters (estimate)	\$149,000
Portia White Prize funding	\$25,000
Total estimated program funding, based on 10/11 funding levels	\$ 2,460,106

Department of Education

Artists in Schools Program

The program is partially funded by the Department of Education but also receives funding from the Department of Communities, Culture and Heritage. The program is administered by several of the Cultural Federations of Nova Scotia (non-profit service organizations): Writers Federation of Nova Scotia, Theatre Nova Scotia, and Visual Arts Nova Scotia, as well as non-profit classical music presenter, Debut Atlantic, and Art Gallery of Nova Scotia. The various programs offered within Artists in Schools include programs in schools and art education in other venues including the Art Gallery of Nova Scotia. The following chart shows the funding distribution for 2012:¹⁸

Program	Department of Education	Department of Communities, Culture and Heritage
ArtReach	\$25,000	(Through AGNS)
ArtsSmart	\$25,000	\$30,000
Debut Atlantic	\$25,000	(operating assistance)
PAINTS	\$25,000	\$20,000
Perform!	\$25,000	\$20,000
Writers in the Schools	\$25,000	\$20,000

¹⁶ Communities, Culture and Heritage, [Arts Nova Scotia Board Appointments](#).

¹⁷ Communities, Culture and Heritage, [Arts Nova Scotia Transition Committee, Report to the Minister of Communities, Culture and Heritage](#), October 18, 2011,

¹⁸ Education, [2012-20122 Artists in Schools Programs](#).

Government of Nova Scotia

Department of Economic and Rural Development and Tourism

Film Nova Scotia

Film Nova Scotia's mission is, "to grow Nova Scotia's audiovisual industry with our partners by stimulating investment and employment and by promoting Nova Scotia's producers, productions, locations, skills, and creativity in global markets."¹⁹ The Crown Corporation operates under the *Film Nova Scotia Act*, Bill No. 42. Film Nova Scotia is responsible for administering the Nova Scotia Film Industry Tax Credit.

	Budget 2011-12 (\$)	Forecast 2011-12 (\$)	Budget 2012-13 (\$)
Contributions			
Nova Scotia Government	3,096,000	3,095,700	3,063,200
EastLink TV Independent Production Fund			745,200
Recovery of equity investments and development loans	150,000	165,000	150,000
Other income	40,000	78,125	120,000
Interest income	6,000	12,000	10,000
Interest income – EastLink TV Independent Production Fund			6,000
Total contributions	3,292,000	3,350,825	4,094,900
Disbursements			
Programming	2,133,845	2,160,545	2,045,000
Interest income – EastLink TV Independent Production Fund			750,000
Administrative	776,055	780,055	814,900
Advertising and Marketing	382,100	410,225	485,000
Total Disbursements	3,292,000	3,350,825	4,094,900
Net balance	0	0	0

¹⁹ Government of Nova Scotia, [Crown Corporation Business Plans for the fiscal year 2012- 2013, Film Nova Scotia Business Plan 2012-2013](#), 145.

Government of Nova Scotia

Department of Finance

Tax Credits

Nova Scotia Film Industry Tax Credit is for Canadian film corporations with a permanent establishment in the province and who spend at least 25% of their salary budget on provincial residents. The tax credit is valued up to 50% of eligible salaries with a possible additional 10% bonus based on the location of the film and a 5% bonus for producers who frequently film in Nova Scotia. This tax credit is administered by Film Nova Scotia.²⁰

Digital Media Tax Credit is for Canadian companies with a permanent establishment in the province which create interactive digital media for the purpose of educating, informing or entertaining. The refundable tax credit is worth 50% of eligible salary costs paid to provincial residents or 25% of the total expenditure in Nova Scotia. There is an additional Regional Bonus for projects created outside of Halifax.²¹

²⁰ Finance, [Nova Scotia Film Industry Tax Credit](#).

²¹ Finance, [Digital Media Tax Credit](#).



NEW BRUNSWICK

Counting on Renewal

Analysis of the 2012-13 New Brunswick Budget from
the Perspective of the Arts, Culture and Heritage

Angela Birdsell

2013

Counting on Renewal

The 2012-13 New Brunswick Budget from the Perspective of the Arts, Culture and Heritage

Analysis by Angela Birdsell

Budget Highlights

- No major changes in cultural budget.
- Primary attention focused on provincial [Cultural Policy Renewal](#) exercise to be completed in 2013.

Context

New Brunswick has a population of 751,171¹, with an economy based in forestry, fisheries, food production, manufacturing, refining and to some extent, minerals, along with tourism and public sector employment. New Brunswick is Canada's only bilingual province with a francophone population of 33 % of the total population². Forty percent of New Brunswickers live in the three

cities of Saint John, Moncton and Fredericton and their bedroom communities, with the remainder dispersed in smaller cities and towns across the province. New Brunswick's incidence of low income is below the national average³ (provinces with large urban centres tend to have higher incidences of low income). New Brunswick's literacy rate is however, among the lowest in the country⁴.

The Progressive Conservative government of David Alward is entering the third year of its mandate. Since the formation of the new government in September 2010, the (then) Department of Wellness, Culture and Sport under Minister Trevor Holder, was re-organized in March 2012, to include tourism and become the Department of Culture, Tourism and Healthy Living. Minister Holder announced a renewal process for the 2002 Cultural Policy in May 2012. In September 2012, the Government initiated a second restructuring as part of a cabinet shuffle, resulting in the [Department of Tourism, Heritage and Culture](#), still under Minister Holder, and the creation of a new Department of Healthy and Inclusive Living.

Overall, there has been a 24% growth in cultural spending by consumers in New Brunswick from 1997 to 2008. On a *per capita* basis, cultural spending by New Brunswickers ranks eighth in the country at \$747 per resident for a total of \$540 million spent on cultural goods and services, or 3% of total consumer spending⁵. This indicates a 3.6 to 1 return on the \$150 million invested in culture in New Brunswick by all levels of government in 2008.

Outside of Quebec, Canadian municipalities have only recently begun to invest in culture, increasing cultural spending by nearly 20% since 1990 across Canada. By 1997-1998, municipalities were responsible for 27% of public investment in culture, with libraries as the

¹ According to the 2011 census, New Brunswick's population of 751,171 in 2011 was up from 729,997 in 2006, a 2.9% increase.

² CBC News, February 12,

³ HRDC, n.d. Indicators of Low Income Incidence. NB has 5.5% low income incidence. British Columbia is the highest with 11.5% LII, and PEI with the lowest (3.9%).

⁴ HRDC, n.d. Learning - Adult Literacy. On a scale of 5, with 1 as the lowest, level 3 indicates the ability to function well in Canadian society. Only 44% of New Brunswick's population holds a level 3 literacy or above, the lowest percentage in the country except for Nunavut.

⁵ Hill Strategies, November 2010a. Courtesy: N. Folster. Drawn from Statistics Canada's *Survey of Household Spending*. Per capita calculation based on previous census figures of population of 729,000.

largest recipient of that spending.⁶ In New Brunswick, however, the situation is different. **Table 1⁷** shows New Brunswick's municipal cultural spending *per capita* vis-à-vis the national average, a figure that is the second lowest in Canada.

Table 1

2008 Per Capita Public and Consumer Spending on Culture in New Brunswick Relative to the National Average

Province	Federal government	Provincial government	Municipal government	All levels of government	Consumer
NEW BRUNSWICK	\$84	\$106	\$31	\$221	\$747
AVERAGE	\$122	\$92	\$82	\$296	\$822

This is likely attributable in part, to New Brunswick's small and widely dispersed population. Despite comparatively favorable provincial investment in culture, below-average municipal support may render it difficult for New Brunswick artists, arts and heritage institutions and regional cultural initiatives to compete for funding at the federal level. For example, New Brunswick accounts for 2.24 % of Canada's population of 34 million, yet its [level of support from the Canada Council for the Arts in 2011-2012](#) (\$2.3 million) accounted for only 1.59 % of the Canada Council's grant allocations of \$ 143.6 million⁸.

Canada Council grant allocations are peer-assessed on the basis of artistic merit, not allocated by region. The shortage of municipal funding in New Brunswick and, perhaps, the percentage of provincial cultural budgets actually allocated to artists and arts organizations, along with the absence of one major metropolitan nucleus that spawns and nurtures creativity and innovation, could all be underlying reasons why New Brunswick creators have difficulty competing federally on artistic merit alone. The potential for a Canada Council strategic investment in New Brunswick, similar to the [Alberta Creative Development Initiative](#)⁹ could positively impact New Brunswick's creative competitiveness at the federal level.

Provincial spending through the (now) Department of Tourism, Heritage and Culture (DTHC), on culture alone, that is to say, through the Arts and Heritage Branches, is approximately \$10 million.¹⁰ This investment is broken down as follows:

➤ **Arts Branch - \$5 million**

Arts Branch allocations include \$1.2 million for arts organizations, 65% for arts production and presentation organizations and 35% for arts service organizations.

⁶ The Canadian Encyclopedia, n.d.

⁷ Statistics Canada, May 2011, and [Hill Strategies Research](#), November 2010b. Courtesy: N.Folster.

⁸ [Profiles of Canada Council Funding to Artists and Arts Organizations: National Overview, Provincial and Territorial Profiles 2011-12](#), p. 33

⁹ [ACDI](#), was a Canada Council strategic investment in Alberta from 2007 – 2011, developed to address funding disparities in the province relative to national counterparts.

¹⁰ Figures were obtained by the author from the Department of THC, and indicate an average over three years from 2010 – 2013. Budget allocations have remained relatively consistent over this period.

Funding for these groups is allocated through a peer-reviewed process within the Branch. Of the balance, cultural industries development and community arts development together receive about \$2 million, with the remainder of about \$1.8 million divided among [artsnb](#) (the provincial arm's length agency that administers funding to artists), the [Beaverbrook Art Gallery](#), and program support (administrative overhead).

➤ **Heritage Branch - \$3 million**

The Heritage Branch budget includes grants to museums across the province of about \$1 million (33%) with the remainder of about \$2 million going to programs that support archeology and toponomy (14%), historic sites (14%) and other program support and administrative overhead, (39%).

➤ **New Brunswick Museum - \$ 2 million**

The [New Brunswick Museum](#) is a crown agency that receives an annual operating grant from the Department in the amount of roughly \$2 million. Annual expenditures on programs and activities are also supported in part, by other government departments or branches (Government Services, Natural Resources, Tourism) in varying amounts annually.

➤ **Tourism Branch - \$5 million**

The Tourism Branch of THC is responsible for over 50% of the Departmental budget. Tourism provides close to \$5 million annually to heritage sites such as [Kings Landing Historical Settlement](#), [Le Pays de la Sagouine](#), and the [Village Historique Acadien](#) collectively. The Branch also supports parks, beaches, and campgrounds, many of which are involved in cultural tourism initiatives as part of cultural tourism marketing strategies¹¹.

Other New Brunswick departments, such as Economic Development, support on an *ad hoc* basis cultural industries initiatives such as the [NB Digital Media Development initiative](#) (\$4 million), and cultural institutions such as the [Atlantic Ballet](#), the [Beaverbrook Art Gallery](#), [l'Association acadienne des Artistes Professionnels du Nouveau-Brunswick](#) (Aaapnb), and the [New Brunswick Youth Orchestra's Sistema](#) as activities that demonstrate economic return or contribute to social development. The Department of Education supports [artists or cultural agents](#) in schools, programs related to the book policy, and other cultural programs. As lead partner, with the Ministry of Tourism, Heritage and Culture, the Aaapnb and the Fédération des Jeunes francophones du Nouveau-Brunswick also supports the [ArtsSmart](#) program, presented in close to 100 schools of the five francophone schoolboards across the province. The Department of Post-Secondary Education and Labour (PETL) supports the [New Brunswick College of Craft and Design](#), an important cultural training centre, and the Atlantic Lotteries Corporation provides an annual allotment of \$700,000 to artsnb for grants to artists.

New Brunswick invested approximately \$14.7 million in its [Public Library Services](#) in 2011-2012, through PETL. This investment supports the literary arts through readings, book launches, book fairs, book mobiles, and other activities. Through the Department of Government Services, New Brunswick provides \$2.8 million to the [Provincial Archives](#) – a

¹¹ Well known for its spectacular landscapes, the Bay of Fundy high tides, many untouched natural environments and highly identifiable regional pockets of cultural activity, New Brunswick's tourism strategy focuses on four theme areas of; beaches, tides, lakes and rivers, and Acadian culture.

resource for researchers, writers, musicians, filmmakers, gallery and museum curators, and educators. Genealogical research has also been identified as a cultural tourism opportunity.

Impact of the Budget

The impact of the 2012-13 budget is overshadowed by an initiative with much greater significance for the cultural sector – the [New Brunswick Cultural Policy Renewal](#). Since the announcement of the *Cultural Policy Renewal*, the budget for the Department has been maintained at previous levels, with the exception of a modest increase to wellness and sport programs.

It has been ten years since the first cultural policy for New Brunswick was adopted in 2002. The aim of the *Cultural Policy Renewal*, launched in August 2012, is to review objectives set in the 2002 Cultural Policy and to outline new priorities and objectives for the cultural sector over the next five years, taking stock of the shifting economic and technological environment, demographics and other realities that have emerged since 2002. As part of the Renewal, the government of New Brunswick has committed to undertake an analysis of total expenditures on culture through all departments and branches. The renewed policy will also take into account initiatives such as the [2009 Global Strategy for the Integration of Arts and Culture into Acadian Society](#), led by the Association acadienne des artistes professionnels du Nouveau-Brunswick. This comprehensive report resulted from a collective analysis over several years, of major issues facing the cultural sector in the Acadian community.

The Renewal exercise has four key areas of focus: Culture in Everyday Life, including access to culture, awareness, and education; Artists, Arts Organizations and Cultural Professionals; New Brunswick's Collective Heritage, and Culture and the Economy. The government committed to reviewing existing policy and program areas such as cultural industries strategy, governance and infrastructure of cultural organizations, the [New Brunswick Book Policy](#), sustainable funding issues, and First Nations conservation and awareness. It will also examine new policy areas such as a public art policy, the economic status of the artist, human resources and training needs, culture in wellness and social development, and cultural economic development.

The *Cultural Policy Renewal* includes input from an external Working Group along with public consultations, targeted roundtable discussions and consultation with other government departments with a stake in the cultural policy recommendations. The target date for completion of the renewed cultural policy is early 2013.

Reaction of the cultural community

With cultural budgets remaining untouched pending the outcome of the policy renewal, the cultural community has adopted a “wait and see” attitude towards the budget. Public input to date through the policy consultations has however, identified a number of key themes:

Heritage

- The Community Museums Network, an outcome of the 2002 Cultural Policy, has been largely successful in promoting community museums in all regions of the province, and the community would like the network maintained or enhanced.
- The province has significant and pressing infrastructure issues, particularly related to collections conservation and management within provincial museums and galleries.

- As well as preserving and re-purposing historic buildings, New Brunswick must build the heritage of the future, through more contemporary architecture, public art and innovative design.

The arts

- Outlying communities are committed to cultural development and seek tools to foster, enjoy and promote local artists and cultural activities in their regions.
- Respondents would like a mechanism to explore and make recommendations on the economic status of the artist.
- The community strongly recommends that the province adopt a public art policy, in which 1% of the budget of provincial public building projects is invested in art.
- The cultural community has identified the need for greater collaboration in order to reduce administrative duplication and overhead in arts service organizations.

Diversity

- New Brunswick has a distinct dual language identity. However, many expressed that culture is not just about language, but encompasses traditions from diverse founding cultures and from newcomers to the province.

Education and social development

- New Brunswick needs to further augment and integrate the role of arts and heritage in education and lifelong learning programs.
- Arts and heritage activities can play a social development role in promoting self-esteem and fostering a sense of inclusiveness. Culture can serve to combat poverty, bullying and delinquency and can contribute to wellness and lifelong learning -critically important given New Brunswick's illiteracy rates and poverty issues.

Economic development and tourism

- Key arts and heritage institutions in New Brunswick have a mandate to serve three urban centres, not only one, and they have indicated that there are insufficient resources to effectively carry out this activity.
- Many feel that New Brunswick could more meaningfully explore the role of culture in its tourism strategy.
- New Brunswick's unique cultural and geographic attributes and its creative workforce could, if strategically exploited and enhanced by targeted initiatives, help build New Brunswick's creative economy.

Future health of the sector

The last point demonstrates what may be a through-line of the renewed cultural policy – that is, how New Brunswick can lever its strengths to increase the share of the creative sector in its economy. New Brunswick may first need a more accurate measure of both the direct and indirect impacts of culture on its economy, and a mapping process, to support the development of a strategic plan.

Despite the potential for growth in the creative sector however, the community is no doubt keenly aware of New Brunswick's serious and looming budget deficit (for example, 30% hold-back to school district budgets was announced by the government in early November 2012, pending further budget analysis). Obviously there is significant concern about the potential impact of the deficit not only on cultural programs, but on all government programs. It will be

interesting to learn how the cultural policy strategically balances the potential for the cultural sector, relative to the real fiscal challenges facing New Brunswick.

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Supplementary Documentation

Government of New Brunswick

Real GDP Growth: 0.0% (2011)

Revenue from Federal Transfers (percent of total): 36.8%

Population: 751,171 (2011)

Government of New Brunswick

Main Estimates¹²

(In thousands of dollars)

Department	2012-13 Estimate	2011-12 Forecast
Agriculture, Aquaculture and Fisheries	39,983	46,519
Culture, Tourism and Healthy Living	51,272	48,411
Economic Development	105,401	88,306
Education and Early Childhood Development	1,071,133	1,060,618
Energy	2,920	2,995
Environment and Local Government	150,587	154,470
Executive Council Office	23,605	21,058
Finance	19,165	18,926
General Government	608,764	632,397
Government Services	59,457	58,248
Health	2,583,815	2,542,690
Invest New Brunswick	14,637	2,975
Justice and Attorney General	63,286	61,336
Legislative Assembly	26,173	21,151
Natural Resources	112,724	111,112
Office of the Premier	1,655	1,565
Post-Secondary Education, Training and Labour	588,302	565,599
Public Safety	142,290	133,426
Service of the Public Debt	672,000	668,000
Social Development	1,051,925	1,013,020
Transportation and Infrastructure	273,273	284,068
Total	7,662,367	7,536,889

¹² Government of New Brunswick. 2012

Government of New Brunswick

Department of Culture, Tourism and Healthy Living

Main Estimates

(In thousands of dollars)

Division	2012-13 Estimate	2011-12 Forecast	Difference Dollar Value	Difference Percentage
Administration	2,581	814	1,767	217.4%
Marketing Development and Operations	26,798	27,819	(1,021)	-3.7%
Culture	10,048	10,021	27	0.3%
Healthy Living	10,095	8,607	1,488	17.3%
Total	49,522	47,411	2,111	4.5%

Special Purpose Accounts

(In thousands of dollars)

Program	2012-13 Estimate	2011-12 Forecast
Parlee Beach Maintenance	55	97
Viscount Bennett Trust Fund	10	10
Arts Development Trust Fund	700	700
Sports Development Trust Fund	500	500
Historic Places	0	8
Go NB – Taking Action Through Sport	0	290
Total	1,265	1,605

Culture

Program Expenditures
(In thousands of dollars)

Program	Purpose	2012-13 Program Estimates
Arts	To support artistic communities and develop cultural industries including music, book publishing, craft and audiovisual production.	4,813
Heritage	To promote and preserve heritage resources.	3,004
New Brunswick Museum	To preserve, display and promote the province's natural and human history.	2,231
Total		10,048

Government of New Brunswick

Grants and Funding Programs¹³

Heritage	Regional Fairs Grant School Fairs Grant Conservation Grant Property Tax Abatement for Heritage Properties Museums – Collection Inventory Grant, Exhibition & Activities Grant, Operations Grant, Profession and Organizational Development Grant Historical Society – Operations Grant Fine Art Conservation Grant
Cultural Industries	New Brunswick Multimedia Initiative Promotional Travel Assistance Short Film Venture Strategic Initiative Fund Book Publishers Operations Business and Professional Development for Publishers Book Publishing (Periodicals) Aboriginal Book Publishing Business and Professional Development Literary Translation Independent Booksellers – Technology Development Strategic Initiative Fund Fine Craft
Arts	New Brunswick/Quebec Cultural Cooperation Grant Program New Brunswick Touring and Presenting Grants Program – Presenters' Component New Brunswick Touring and Presenting Grants Program – Touring Component Professional Development for Arts Organizations and Associations Professional Production and Presentation Arts Organizations - Professional Funding Service-based Arts Organizations - Operational Funding Strategic Initiative Fund Local/Regional - Arts Festivals Local/Regional - Literary Promotion Artist-in-Residency School Program Presenting by Invitation for Non-Professional Artists Art Bank – Acquisition, Exhibition and Loan Program

¹³ Government of New Brunswick. 2012.

New Brunswick Cultural Policy Renewal

The provincial government is working to update the current policy from 2002. A Cultural policy Working Group has been created to consult with stakeholders and the general public.

Focus Areas	Policy Considerations and Questions to Stakeholders ¹⁴
Culture in Everyday Life	What trends have emerged in cultural awareness, access and education in the past ten years? Within the context of current fiscal realities, what are the new or more immediate priorities in this sector? Is there anything else that should be considered in the promotion of culture in our everyday lives?
Artists, Arts Organizations and Cultural Professionals	What has changed in ten years for artists, arts organizations and arts professionals? Within the context of current fiscal realities, what are the new or more immediate priorities in this sector? Is there anything else that should be considered in the province's policy around artists, cultural professionals and cultural infrastructure?
Our Collective Heritage	What has changed in the past ten years in natural and built heritage? Within the context of current fiscal realities, what do you feel are new or more immediate priorities for this sector? Is there anything else that the Province should consider with regards to heritage? How do you think the heritage programs and services should be delivered?
Culture and the Economy	What new developments in culture and the economy have emerged in the past ten years? Within the context of current fiscal realities, what are the most immediate priorities for this sector? What else should the province consider in terms of the relationship between culture and the economy?

¹⁴ Government of New Brunswick. 2012b.

<http://www.gnb.ca/0131/PolCul/CulturalPolicyBackgroundDocument.pdf>

Government of New Brunswick

Department of Economic Development

Digital Media Development Program (DMDP)

Overview	To foster the provincial video game sector by investing in a company's ability to develop Intellectual Property. ¹⁵
Eligibility	To be eligible the company must have a principal office in New Brunswick, develop games for entertainment or serious gaming and have annual revenues of less than \$20 million.
Level of Funding	Eligible companies can apply for a rebate of 30% of the salary costs of provincial employees up to \$500,000 per year.

Department of Education and Early Childhood Development

Artist-In-Residency School Program

(In partnership with the Department of Tourism, Heritage and Culture)

Program Overview	The program funds collaborations between artists and schools to meet the objectives of the fine arts curriculum. ¹⁶
Eligibility	Including but not limited to Music Dance Theatre arts Literature Plastic arts Media arts including film and video
Level of Funding	Schools are eligible for up to \$3,000 per artist in resident. Each school district is limited to four artists per academic year.

¹⁵ Government of New Brunswick. 2012c.
http://www2.gnb.ca/content/gnb/en/departments/economic_development/services/services_renderer.201273.html

¹⁶ Government of New Brunswick. 2012d.

Government of New Brunswick

Department of Post Secondary Education and Labour

Select Program Estimates

(In thousands of dollars)

Public Library Services

New Brunswick College of Craft and Design

Program	2012-13 Expenditure Estimates
New Brunswick Public Libraries	
New Brunswick Library Service	15,006
Revenues from Public Library	(240)
Sub total	14,766
Post Secondary Affairs	
Post Secondary Affairs	9,456
New Brunswick Community Colleges*	94,255
Sub Total	103,711

* This figure includes funding for all community colleges in New Brunswick, of which the New Brunswick College of Craft and Design is one.

Department of Government Services

Select Services Estimates

(In thousands of dollars)

Provincial Archives

Service

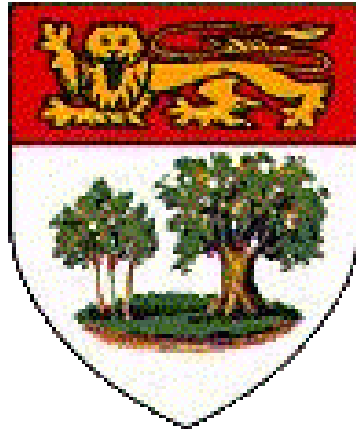
Service	2012-13 Service Expenditure
Administration	2,242
Translation Bureau	1,413
Distribution, Printing and Copying Services	319
Procurement	1,430
Provincial Archives	2,837
Marketing and Web Design	679
Total	8,920

Canada Council for the Arts

Grant Funding 2011-12¹⁷

	Funding by the Canada Council	% of total funding	Residents as % of total Canadian population
Alberta	\$ 9 635 427	6.71%	10.89%
British Columbia	\$ 19 766 321	13.77%	13.14%
Manitoba	\$ 6 757 213	4.71%	3.61%
New Brunswick	\$ 2 278 833	1.59%	2.24%
Newfoundland and Labrador	\$ 1 673 032	1.17%	1.54%
North-West Territories	\$ 303 642	0.21%	0.12%
Nova Scotia	\$ 4 284 225	2.98%	2.75%
Nunavut	\$ 403 930	0.28%	0.10%
Ontario	\$ 47 050 063	32.77%	38.39%
Prince Edward Island	\$ 382 940	0.27%	0.42%
Quebec	\$ 47 217 778	32.89%	23.61%
Saskatchewan	\$ 3 335 929	2.32%	3.09%
Yukon	\$ 479 225	0.33%	0.10%
	\$ 143 568 558	100%	100%

¹⁷ Canada Council for the Arts, [Funding to artists and arts organizations 2011-12, National Overview](#), p. 33.



PRINCE EDWARD ISLAND

Short-term Gain

Analysis of the 2012-13 Prince Edward Island
Budget from the Perspective of Arts, Culture and
Heritage

Annette Campbell

2013

Short-term Gain

The 2012-13 Prince Edward Island Budget from the Perspective of Arts, Culture and Heritage

Analysis by Annette Campbell

Budget Highlights

- PEI 2014 grant program announced to mark the 150th anniversary of the Charlottetown Conference.
- Slight decreases for PEI Museum and Heritage Foundation.
- Subsidies for book publishers eliminated.

Context

The smallest province in the nation both by geographic size and population, Prince Edward Island is most decidedly a “have-not” province. Its population currently stands at 140,204¹ and it is fairly evenly divided between urban and rural dwellers. With its primary industries of farming, fishing and tourism, all mainly seasonal endeavors, and 40% of the provincial revenue coming from federal transfer payments, PEI has an unquestionably low fiscal capacity.

Premier Robert Ghiz’s Liberals have just entered the second year of a four-year term, with the next election slated for October 5, 2015. They have promised to balance the provincial budget by 2014, through a combination of revenue and expenditure measures, most notably through the introduction of a new Harmonized Sales Tax (HST) and spending cuts in all departments of 3 to 5 %, with the noteworthy exceptions of the Departments of Health and Education.² The 2012 Speech from the Throne outlined four priority areas: economic growth, fiscal balance, education and health. Neither Speech from the Throne nor the Budget Address made any reference to arts or heritage, and references to culture were limited to mentions of the name of the “Department of Tourism and Culture” and the maintenance of the province’s only French School Board as a commitment to French culture on PEI.³

Culture shares its portfolio with Tourism, one of the major industries in the province, which tends to dominate the Department’s focus. In addition, funding for arts, cultural and heritage activities is dispersed across government, with other departments dealing with small pieces of the puzzle. For example, [Culture PEI](#), the Cultural Human Resources Sector Council, receives funding from [Skills PEI](#), and the [PEI Craft Council](#) and the [Island Media Arts Coop](#) both receive some funding through [Innovation PEI](#). Each of these agencies falls under the auspices of the Department of Innovation and Advanced Learning,⁴ whereas arts funding directed toward children (i.e. ArtsSmarts) is partially administered through the Department of Education.⁵

Cultural activities are an important part of life on the Island and a major source of economic stimulus, contributing as much to the provincial economy as the lobster fishing industry.⁶ Yet the population does not necessarily see the benefit in supporting these endeavours with public dollars. This is especially true in times of fiscal uncertainty. On March 31, 2012, the provincial

¹ Statistics Canada, 2011.

² CBC, April 24, 2012.

³ Government of PEI, 2012.

⁴ Government of PEI, 2012.

⁵ ArtsSmarts, 2005.

⁶ The IRIS Group, 2006.

deficit was \$74,913,000 and the overall debt was \$1.7 billion.⁷ Cuts were being made to many public services, including health care (i.e. temporary closing of emergency rooms in rural areas),⁸ and education (closing smaller schools, amalgamating school boards).⁹ At times like this, Islanders, like most Canadians, do not have a big appetite for what many see as luxury item spending in arts, culture and heritage.

The 2012-13 Budget came down at a time when the arts and cultural industries were truly struggling. In the six to eight months prior to the tabling of the Budget, there were a number of signs that financially, matters were not good in the sector. There were numerous lay-offs at important arts organizations,¹⁰ and two prominent performing venues, the [Confederation Centre of the Arts](#) and the cultural centre [The Guild](#), had to close their doors for several weeks to make their year-end fiscal targets.¹¹ The [PEI Arts Council](#) had to cut staff and its level of support to outreach programs.

Impact of the Budget

When the budget was tabled in April 18, 2012, it was not clear how the dust would settle in the arts, heritage and cultural industries. On paper, there appeared to be reason for optimism. The [Department of Tourism and Culture](#) forecasted a 16% increase in its overall expenditures from the previous year, despite a concurrent 9.4% decrease in revenue over the same time period. The [Culture, Heritage and Libraries](#) division of the Department forecasted a 35% increase in its spending from the year before: from \$ 4,046,700 in 2011-12 to \$5,462,000 in 2012-13. The majority of this increase is in the line item for “Grants,” which increased by 42.9%: from \$3,244,800 in 2011-12 to \$4,637,700. This single line item, “Grants”, covers the Department’s disbursement to large arts organizations such as the PEI Council of the Arts and [Music PEI](#) (which in turn provide grants to individual artists), as well as its direct support to smaller arts organizations, and special Ministerial initiatives. The [PEI Museum and Heritage Foundation](#), one of the Province’s main conduits of heritage support, reported as a separate section of the Department’s budget, forecasted a decrease of 2.53% : from \$1,154,200 in 2011-12 to \$1,124,900 in 2012-13.

Without a breakdown of the considerable amount of Departmental cultural spending under the rubric “Grants”, it was impossible for cultural workers reading the Budget in April 2012 to determine how the document would affect them. The confusion only grew in the following months. Within two months of the tabling of the Budget, the Department eliminated its subsidies for book publishers¹² and the PEI Council of the Arts announced that it would be moving from two granting deadlines per year to one.¹³ The question on the ground remained: where was the increased cultural spending going?

The answer became clearer with the announcement of the [PEI 2014 Fund](#). In 2014, PEI will mark the 150th anniversary of the 1864 Charlottetown Conference, the first meeting where our nation’s founders gathered to discuss Confederation. The *PEI 2014 Fund* has been established to support the celebration of this event. The fund aims to “raise awareness of the Sesquicentennial across the province, encourage community participation and ownership of the

⁷ Auditor General of PEI, 2012.

⁸ CBC, September 7, 2012.

⁹ Government of PEI, 2012.

¹⁰ Walker, 2012.

¹¹ The Buzz, 2011.

¹² CBC, , June 18, 2012.

¹³ PEI Council of the Arts, 2012.

2014 celebration, enhance PEI's identity as the Birthplace of Confederation, and provide economic impact and increase tourism visitation".¹⁴ This funding is not only for historical or cultural events, but can also be used to support the hosting of conferences, symposia, or dialogue series. The *PEI 2014 Fund* will provide three levels of funding: small grants up to \$2,014, midsize grants from \$2,015 to \$25,000 and large grants from \$25,001 to \$250,000. The Provincial Government has committed \$5 million to the *PEI 2014 Fund* over the next two years, at least a portion of which will come from the Department of Tourism and Culture.¹⁵

Reaction by the cultural community

While there was little reaction to the budget itself, there was a definite buzz in the Island's cultural community about the *PEI 2014 Fund*. By the end of 2012, information sessions were underway in communities across the province, and organizations were busy planning their pitches for a piece of the pie. What is unclear is how this windfall will help the cultural sector in the long term. There is already talk of 2017, the 150th anniversary of Canadian Confederation, and how there might be an extension of the PEI 2014 idea, but there are no real indications that this will actually occur. It is also noteworthy that PEI did not join Confederation until 1873, which leaves a true provincial celebration of the 150th anniversary until 2023. The PEI 2014 committee is encouraging the creation of legacy projects but these must be completed before the end of December 2014. All of these factors indicate a temporary rise in specific project-directed provincial cultural spending over the next two years with a probable return to historic levels after the fact.

Future health of the cultural sector

Generally speaking, targeted public spending on one-time initiatives such as the *PEI 2014 Fund* is not healthy for sectors that are under-funded to begin with, as organizations increase their capacity to meet the demands of the project and then are left with unrealistic expectations about future support. Typically, longer-term capacity building funding is preferable, but it is distinctly less glamorous and politically rewarding than large, visible projects that capture the voters' imagination. It is possible that a showcase of Island creativity will ignite the public's passion in support of cultural industries, but it is just as likely that such spending, in the shadow of cuts to other public services, will create a backlash.

In the end, after the two years of increased cultural spending have passed, the province will be into the next election cycle, and it will fall to another government to chart the future course of publicly-supported arts, culture and heritage on Prince Edward Island.

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¹⁴ PEI 2014 Inc, 2012.

¹⁵ PEI 2014 Inc, 2012.

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Supplementary Documentation

Government of Prince Edward Island

Real GDP Growth: 1.6% (2011)

Revenue from Federal Transfers (per cent of total): 39.9%

Population: 140,204 (2011)

Government of Prince Edward Island

Main Estimates¹⁶

(Dollar Value)

Department	2012-13 Budget Estimate	2011-12 Budget Forecast	2011-12 Budget Estimate
Agriculture and Forestry	37,531,900	43,976,100	38,644,400
Community Services and Seniors	93,133,800	98,847,700	92,057,700
Interministerial Women's Secretariat	424,900	435,200	435,600
Education and Early Childhood Development	2 29,270,100	225,380,200	226,703,000
Island Regulatory and Appeals Commission	1,358,300	1,400,300	1,400,300
Environment, Labour, and Justice	60,071,700	59,217,600	56,993,800
Executive Council	8,856,400	9,166,800	9,377,700
Finance, Energy and Municipal Affairs	65,306,300	66,050,200	67,888,200
Council of Atlantic Premiers	188,400	188,400	188,400
Employee benefits	64,760,600	54,496,700	38,942,800
General Government	7,758,900	4,256,300	3,506,800
P.E.I. Energy Corporation	543,800	553,500	553,500
Fisheries, Aquaculture and Rural Development	10,307,100	12,735,000	13,394,800
Employment Development Agency	5,731,800	5,943,100	5,328,100
Health and Wellness	12,935,900	12,988,000	13,591,700
Health PEI	542,717,500	521,161,600	518,100,100
Innovation and Advanced Learning	123,483,700	125,743,700	121,502,100
Innovation PEI	22,320,200	21,813,000	23,423,000
P.E.I Lending Agency	(2,615,300)	1,686,700	2,589,200
Tourism and Culture	9,943,000	8,549,300	8,614,300
Tourism PEI	15,534,400	16,702,200	15,114,500
Transportation and Infrastructure Renewal	102,421,500	111,464,100	113,093,800
Auditor General	1,770,100	1,752,700	1,752,800
Legislative Assembly	4,860,300	6,071,500	6,311,500
P.E.I Public Service Commission	7,696,400	7,965,800	8,112,100
Economic Measures	-	-	(5,000,000)
Program Expenditures	1,426,311,700	1,418,545,700	1,382,620,200
Interest charges on Debt	109,900,700	104,537,600	108,106,300
Operating Expenditure	1,536,212,400	1,523,083,300	1,490,726,500

¹⁶ Government of PEI, 2012.

Government of Prince Edward Island

Department of Tourism and Culture

Main Estimates¹⁷ (Dollar Value)

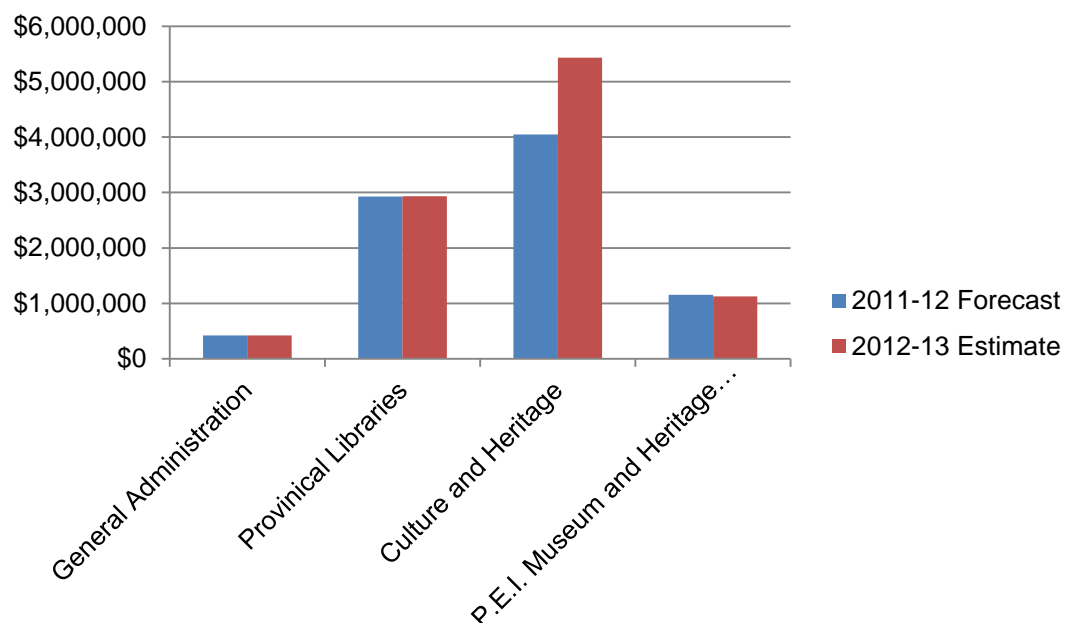
Branch	2012-13 Estimate	2011 -12 Forecast	Difference Dollar Value	Difference Percentage
General Administration	420,200	421,600	(1,400)	-0.33%
Provincial Libraries	2,935,900	2,926,800	9,100	0.31%
Culture and Heritage (Total)	5,462,000	4,046,700	1,415,300	35.0%
Grants	4,637,700	3,244,800	1,392,900	42.9%
P.E.I. Museum and Heritage Foundation (Total)	1,124,900	1,154,200	(29,300)	-2.5%
Grants	55,500	100,000	44,500	-44.5%
Total	9,943,000	8,549,300	1,393,700	16.0%

¹⁷ Government of PEI, 2012.

Government of Prince Edward Island

Department of Tourism and Culture

Changes to Expenditures



Grants and Funding Administrators

Prince Edward Island Council of the Arts is primarily funded by the Department of Tourism and Culture. The Council is partially responsible for administering arts programs including ArtsSmart and LEAP (Learning Elders Arts Program) as well as a series of grants for individual artists. The Council offers three grant programs; [Professional Development Grants](#), [Creation/Production Grants](#) and [Dissemination/Presentation Grants](#).¹⁸

Community Cultural Partnership Program is administered directly by the Department of Tourism and Culture to fund community organizations who promote heritage and culture in the province.¹⁹

Island Media Arts Cooperative is funded by a range of sources including the Canada Council for the Arts and the National Film Board. The Department of Tourism and Culture's Cultural Partnership Program has given funding to specific projects including the Island Media Arts Festival.²⁰

¹⁸ PEI Arts Council, 2012.

¹⁹ Government of PEI, Department of Tourism and Culture, Community Cultural Partnership Program, 2012.

²⁰ Island Media Arts Cooperative, 2012.

Music PEI since 1998 Music PEI has administered funding to the Island's music industry on behalf of the Department of Tourism and Culture. Music PEI is responsible for three grant programs; [Emerging Music Program](#) (up to \$1,500 per applicant), [Export Development Program](#) (up to \$3,000 per applicant) and the [Career Investment Program](#) (\$16,000 two year program).²¹

Department of Innovation and Advanced Learning

Skills PEI administers provincially funded work experience and training programs. SkillsPEI was implemented to take up and expand upon Service Canada/Human Resources and Skills Development Canada's programs.²²

Expenditure Estimates

(Dollar Value)

Branch	2012-13 Estimate	2011-12 Forecast
Departmental Management	1,857,400	1,470,500
Skills PEI	29,293,400	30,776,400
Post-Secondary and Continuing Education	92,332,900	93,496,800
Total	123,483,700	125,743,700

Innovation PEI

Innovation PEI support's the provincial economy by investing in industries with the greatest amount of potential growth. The program is currently targeting aerospace, bioscience, information technology, financial services and renewable energy. There are programs within the service that give assistance to local craftspeople and artists on Prince Edward Island including the Craft Development Program and Craft Education Award Program.²³

Expenditure Estimates

(Dollar Value)

Branch	2012-13 Estimate	2011-12 Forecast
Corporation Management	835,300	720,900
Business Development	20,876,900	20,736,600
Biofoodtech	608,000	355,500
Total	22,320,200	21,813,000

²¹ Music PEI, n.d.

²² SkillsPEI, 2012.

²³ Innovation PEI, n.d.

Innovation PEI Programs

Craft Development Program assists provincial craftspeople by partially funding costs to support the sector's economic vitality. Provincial craftspeople can apply for funding to cover the costs of research and development, skill development and marketing including the costs associated with attending tradeshows. The program covers 75% of costs up to \$1,000.²⁴

Craft Education Award Program full time craft students are eligible to receive up to \$5,000 to cover the costs of tuition, books and materials related to their educational pursuits. Students can also apply for summer work placements. Innovation PEI will cover 75% of the student's hourly salary to a maximum of \$8.40 per hour.²⁵

Department of Education

ArtsSmarts PEI is the provincial branch of the national arts education program. The program is delivered in conjunction with the Department of Education, the Department of Tourism and Culture, the Prince Edward Island Council of the Arts, the Confederation Centre of the Arts, Commission Scolaire de Langue Française, the Western School Board, The Eastern School Board, the PEI Craft Council, the University of Prince Edward Island, the Capital Commission of PEI, the Federation culturelle de l'I.P.E, the Atlantic Technology Centre and the Eptek Centre.²⁶

²⁴ Innovation PEI, n.d.a.

²⁵ Innovation PEI, n.d.b.

²⁶ P.E.I. Arts Council, 2012.

PEI 2014 Fund

PEI 2012 Inc. is a not-for-profit organization leading the planning and execution of the 150th anniversary celebration of the Charlottetown Accord in 2014. Currently, the Provincial Government of Prince Edward Island funds the organization, but it is looking for additional major sponsors. The Board of Directors and Advisory Committee are comprised of local and provincial government officials, historians, artists, and entrepreneurs.²⁷

Type of Grant	Value	Purpose	Eligible Applicants
Small Grants with a Bold vision	Up to \$2,014	For projects that cultivate participation in the Sesquicentennial and inspire creativity in communities throughout PEI	Arts and cultural organizations Community service groups Tourism associations Heritage and museum organizations Service organizations Sports organizations School organizations Municipalities Libraries Business improvement associations Civic community centre organization Cultural community centres
Midsized Grants that Capture the Imagination	Between \$2,015 and \$25,000	Projects that unite individuals and celebrate PEI's creative voice, history and heritage.	Incorporated not-for-profit organizations Incorporated organizations whose primary function is to benefit the community
Large Grants to Inspire all of us	Between \$25,001 and \$250,000	For projects that dream big, speak to the importance of the 2014 celebration, and inspire our nation	Incorporated not-for-profit organizations Incorporated organizations whose primary function is to benefit the community

²⁷ PEI 2014 Inc, 2012.



QUEBEC

A Year of Upheavals

Analysis of the 2012-13 and 2013-14 Quebec Budget
from the Perspective of Arts, Culture and Heritage

Diane Saint-Pierre

2013

A Year of Upheavals

The Quebec 2012-13 and 2013-14 Budgets from the Perspective of Arts, Culture and Heritage

Analysis by Diane Saint-Pierre, Professor and Researcher, Institut national de la recherche scientifique (INRS Urbanisation, Culture Société)

Budgets Highlights

2012-13 Budget (March 2012)

- Small increase of 0.7% for the Ministry of Culture.
- Conseil des arts et des lettres du Québec (CALQ): additional \$4.5 million over 3 years.
- \$60 million for the next 8 years to the Fonds du patrimoine culturel québécois.

2013-14 Budget (November 2012)

- 2.1% increase for the Ministry of Culture.

2013-14 Expenditure Budget (tabled on December 6, 2012)

- \$631 million to the Ministry of Culture (= 1 % of total Québec government expenditures).
- Frozen budget for CALQ.
- Budget increases for several public agencies, including \$1.8 million (+2.3 %) for Bibliothèque et Archives nationales du Québec (BANQ) and \$1.6 million (+2.6 %) for the Société de développement des entreprises culturelles (SODEC).

Context

It must be said right at the beginning that the current commentary refers to the 2012-13 budget presented in March 2012 by the Liberal Minister of Finance, Raymond Bachand. But this analysis also takes into account the budget presented on November 20, 2012 by the current PQ Minister of Finance and the Economy, Nicolas Marceau, further to the September 4 election of the Parti Québécois, after nine years in Opposition. This budget, for 2013-14, has been presented in lieu of the normal spring budget as “necessary” to implement measures to allow the Quebec government to balance the budget in 2013-14¹.

Heavily criticized by Opposition members, including former Liberal Minister Bachand, the PQ budget was finally adopted by a majority of one vote thanks to the fact that 22 Liberal members deliberately stayed away from the National Assembly at the time of the vote. The official Liberal Opposition, led by an interim leader, decided not to defeat the 100-day old minority PQ government of Premier Pauline Marois and provoke another election.

Before turning our attention to the significance of those two budgets for the cultural sector, it is necessary to give a brief overview of the main events of the last year, which was full of dramatic twists and turns.

In terms of the economy, 2012 was still marred by the sustained public debt crisis in Europe, in the wake of the 2008 international economic and financial crisis. Such impacts are important even if the Canadian economy has generally performed better than most developed economies, including its main trading partner, the USA. In the context of this major international crisis, the Quebec government adopted an economic stimulus strategy which brought it from balanced budgets in 2008-09 to a deficit situation the following year. Since 2009, the Quebec Liberal government had set itself the objective of restoring a balanced budget by 2013-14, and this

¹ Québec, Ministère des Finances et de l'Économie, *Communiqué de presse*, November 5, 2012.

commitment has been renewed by the PQ government. In 2010, Liberal Finance Minister Raymond Bachand published a detailed *Plan to balance the budget*, in which he set at \$12.3 billion “the amount of financial efforts Quebec had to make over four years to attain a balanced budget”²(TRANSLATION).

2012 is also a year of major political and social crises in Quebec, including growing opposition by citizens’ groups to public management of the energy file (shale gas, hydroelectricity, wind energy, etc.), but also to Premier Jean Charest’s ambitious plan to develop northern Quebec, the famous “[Plan Nord](#)”; and students’ strikes against university tuition fee hikes that lasted for months and occasionally degenerated into violent clashes with police, particularly in Montreal. This difficult social and political context has led to growing levels of cynicism amongst the Quebec population towards political and public institutions. This cynicism is increasingly fed by the shocking revelations of the *Investigation Commission on collusion and corruption in the construction industry*³. These revelations focus directly on the municipal levels of government and the granting of public contracts, but they also throw light on the importance of organized crime, fiscal evasion and secret financing of political parties. Such astonishing revelations affect all Quebec politicians. In short, 2012 was characterized by considerable upheaval but also by a series of spectacular resignations, notably by the mayors of Quebec’s two largest cities, Montréal and Laval.

On September 4, 2012, Quebecers went to the polling stations for an early election, with opinion polls putting main political parties, the Quebec Liberal Party (PLQ) and the Parti Québécois (PQ) “neck and neck”⁴. After three mandates at the helm of the province, Premier Jean Charest and his PLQ lost to Pauline Marois, leader of the PQ, who however only managed to get a minority government. The day after the election, Jean Charest resigned and the PLQ launched a leadership race.

It was in this difficult economic, political and social context, but also with an eye on a possible anticipated election, that Liberal Finance Minister Raymond Bachand presented his third budget to the National Assembly on March 20, 2012. A number of political observers and editorialists called the budget “defensive” or “electoralist”⁵. In tabling his autumn budget, the PQ Finance Minister Nicolas Marceau explained that the new government’s decisions were due to the fact that Minister Bachand’s budget had underestimated expenses and overestimated revenue for the current year⁶. The new government’s budget nonetheless confirmed the objective of a balanced situation by 2013-14. This is a risky undertaking since the PQ budget contains a number of unpopular measures calling for increased contributions on the part of individuals, as well as cuts in public expenditures in several departments, public institutions and government agencies. As for the cultural sector, at least in the fall of 2012, it seemed that it would be hit less by cuts than the new Minister for Culture and Communications, Maka Kotto⁷, had feared just a few weeks

² Québec, *BUDGET 2012-13, Discours sur le budget*, March 20, 2012 : 5.

³ Already in September 2011, a Léger Marketing survey was reporting on the level of cynicism of Quebecers and on disenchantment towards the system, with 77 % of respondents saying they felt that “it was necessary to hold a public inquiry which the Charest government keeps refusing despite the number of demands for it” (TRANSLATION, TVA News, September 16, 2011). After months of public pressure, the Commission of Inquiry finally got going in May 2012, with a mandate to report in the fall of 2013.

⁴ Mathieu Bélanger, *Le Droit*, August 15, 2012.

⁵ See the article by Alec Castonguay in *L’actualité.com*, March 20, 2012, or in *Le Devoir.com*, La Presse canadienne, March 19, 2012.

⁶ Ibid. See also Maxime Bertrand’s report, *Radio-canada.ca*, October 5, 2012.

⁷ Michel Dolbec, La Presse canadienne, *Huffingtonpost.ca*, November 7, 2012.

before. However, in January 2013, things seem to have changed, at least for some: according to *Le Devoir*, major cultural infrastructure projects must be put on the back burner, the Culture Minister saying, “We have a difficult eighteen months ahead of us”.⁸ But let us not get ahead of ourselves!

Analysing the Bachand budget (2012-13) and the Marceau budget (2013-14)

The **2012-13 Bachand budget** contains 12 broad objectives concerning the development of Quebec’s economy and society, accompanied by an array of initiatives (see *Supplementary Documentation* below)⁹. Worthy of note: the particular insistence on the necessity to bring public expenses under control and maintain the objective of balancing the budget by 2013-14; to “make the most” of Quebec’s natural resources, notably through the “[Plan Nord](#)”; to implement a variety of measures to develop the economy (employment, training, business support), with special attention given to some target groups (youth, immigrants, seniors, low or middle-income families, future pensioners). The budget also aims at consolidating Quebec’s North-American leadership regarding sustainable development (notably through the new [Plan d’action sur les changements climatiques 2013-2020](#)). And last, in the area of tourism and culture, the document includes a series of measures aiming at promoting Quebec as a tourist destination, at supporting the protection and exploitation of cultural heritage, the dynamism of Montréal as a metropolis, of Quebec City as the national capital, and of all regions in general.

As can be seen in **Table 1**, Minister Bachand’s *2012-13 Budget* shows a significant increase of government revenue (5.9 %) over expenses (3 %), forecasting a smaller deficit than initially announced (\$ 589 million) and considerably smaller than the 2011-12 deficit (\$ 2.5 billion). In his **2013-14 Budget**, PQ Finance Minister Nicolas Marceau maintains the objective of a \$ 1.5 billion budgetary balance for 2012-13 set by the previous Liberal government but he adds to it the accounting impact of \$ 1.8 billion linked to the decision to shut down the Gently-2 nuclear plant (a one-time loss for Hydro-Quebec)¹⁰. To “manage a budget shortfall of \$ 1.6 billion identified in September 2012¹¹, the Marceau 2012-13 revised budget puts forward a number of measures which include raising some specific taxes (tobacco and alcohol¹²) and imposing restraints on all government departments and corporations (rigorous control and reduction of expenditure); additional contributions from public corporations, including Hydro-Quebec (some 2,000 jobs abolished through attrition) as well as a reduction of some fiscal expenditures.

According to the Marceau budget for 2013-14, revenues should grow by close to \$ 3.5 billion (5 %) and expenses by \$ 1.8 billion (3 %). But the Marois government intends to limit the increase in expenses to 1.8 % in 2013-14, “a first in 15 years”¹³. This means that while the budgets for health, education¹⁴ and families increase significantly, several ministries will have to foot the bill.

⁸ Frédérique Doyon, *Le Devoir*, January 21, 2013.

⁹ Québec, Ministère des Finances, *Pour une économie forte. Budget en un coup d’œil*, 2012.

¹⁰ Necessary upgrading would have cost \$ 4.3 billion. Québec, Ministère des Finances et de l’Économie, Novembre 2012, *Plan budgétaire. BUDGET 2013-14*, p. A-10.

¹¹ This shortfall is attributed “on one hand to the impact on revenue of lower economic growth than originally forecast and on the other hand to the previous government’s commitments putting pressure on public expenses” (TRANSLATION). *Ibid.* p. A-4.

¹² Also worth mentioning, an increase in electricity rates for individuals and a new level of taxation for people with incomes over \$100,000 (taxation rate goes from 24% to 25.75 %).

¹³ Tommy Chouinard, *La Presse.ca*, November 21, 2012.

¹⁴ The Health budget will be increased by 3.4 % (for a total of \$ 31.3 billion). Two main points to underline concerning Education, the second largest government expenditure budget after Health: the cancellation of

Thus the ministry of International Relations will absorb a reduction of 14% (\$ 19.7 million) and Natural Resources will shrink by 22 % (\$ 115 million approx.). The ministry of Employment and Social Solidarity gets a \$ 121.3 million cut (- 1.1 %) and the Executive Council's budget loses \$ 27.3 million (- 4.7 %). Finance gets a \$ 58.6 million cut and Transport loses \$ 10 million¹⁵. But the Ministry of Culture and Communications, gets an increase of 2.1 % and its budget now represents 1 % of the Quebec government budget¹⁶. Finally, Minister Marceau expects a budget surplus exceeding \$ 1 billion in 2013-14, which will be deposited in the [Fonds des générations](#)¹⁷.

TABLE 1
Quebec Government: Budget Summary
Fiscal years 2011-2012¹, 2012-13 and 2013-14
(in \$ million)

	2011-2012 <i>Bachand Budget</i>	2012-13 <i>Bachand Budget</i>	Difference (↑ or ↓ in %)	2012-13 Revised data : <i>Marceau Budget</i>	2013-14 <i>Marceau Budget</i>	Difference (↑ or ↓ in %)
REVENUE²						
Generated revenue	50,364	53,598	↑ 6.4	53,192	56,215	↑ 5.7
Federal transfers	15,175	15,797	↑ 4.1	15,705	16,145	↑ 2.8
Total revenue	65,539	69,395	↑ 5.9	68,897	72,360	↑ 5.0
EXPENSES²						
Program expenses	-61,384	-62,642	↑ 2.0	-62,642	-63,791	↑ 1.8
Debt servicing	-7,452	-8,237	↑ 10.5	-7,917	-8,601	↑ 8.6
Total expenditure	-68,836	-70,879	↑ 3.0	-70,559	-72,392	↑ 2.6
TOTAL CONSOLIDATED ENTITIES	1,145	1,195	---	1,241	1,471	---
Contingencies	-300	-300	---	-200	-400	↓ 100.0
One-time write-off – Closing down of Gentilly-2 nuclear plant	---	---	---	-1 805	---	---
DEFICITS (SURPLUS)	-2,452	-589	↓ 80.0	-2,426	1,039	↓ 57.2
Payments to the <i>Fonds des générations</i> ³	-848	-911	---	-879	-1,039	---
BUDGETARY BALANCE⁴	-3 300	-1 500	↓ 54,5	-1 500	---	---

(1) *Budget 2012-13* identifies these as “preliminary results”.

(2) Corresponds to revenue and expenses of the Consolidated Funds.

(3) The *Fonds des générations* was set up in June 2006 by the *Loi sur la réduction de la dette ET INSTITUANT LE FONDS DES GÉNÉRATIONS (L.R.Q. chapitre R-2.2.0.1)*.

(4) Solde budgétaire as defined in the *Loi sur l'équilibre budgétaire* (L.R.Q. chapitre E-12.00001).

SOURCES : Québec, Ministère des Finances, *BUDGET 2012-13, Discours sur le budget, prononcé à l'Assemblée nationale par M. Raymond Bachand, ministre des Finances, le 20 mars 2012*, p. 41-42; Québec, Ministère des Finances et de l'Économie, Novembre 2012, *Plan budgétaire. BUDGET 2013-14*, p. A-21.

tuition hikes announced by the previous government and cuts of \$ 150 million to School Boards. For a complete overview, see the report on *Radio-Canada.ca*, Wednesday November 21, 2012 at 21:33.

¹⁵ *Ibid.* See also *Le Devoir.com* and *La Presse canadienne*, November 20, 2012.

¹⁶ *Culture Montréal*, November 20, 2012.

¹⁷ Created in June 2006, this fund has for objective to reduce the Quebec debt burden, which would have gone “from \$ 129.1 billion on March 3, 2003 to \$ 183.4 billion on March 31, 2012, an increase of nearly \$ 54.3 billion over nine years.” (TRANSLATION) Québec, Ministère des Finances et de l'Économie, Novembre 2012, *Plan budgétaire. BUDGET 2013-14*, p. D-14.

Impact of the Bachand Budget (March 2012) on the cultural sector

In his *2012-13 Budget Speech*, Minister Bachand underlined the fact that over the preceding nine years, the Liberal government had increased its support to the Quebec cultural sector from \$ 572 million in 2003-04 to some \$ 770 million in 2012-13¹⁸. In 2013-14, the budget for the Ministry of Culture and Communications itself would reach \$ 631 million while the Quebec government's total expenditures would total \$ 72.4 billion¹⁹.

Total program expenditures of \$ 664.1 million in 2012-13 were forecast for the [Ministry for Culture, Communications and the Status of Women](#)²⁰, which represents 1.06 % of the Quebec government's total program expenses (\$ 70.9 billion)²¹, and an increase of 0.7 % (+ \$ 4.9 million) relative to 2011-12. One must add that activities and programs of other ministries (Education, Municipal Affairs, and Tourism) also include cultural funding.

Without the benefit, at the time of writing this, of having the *Annual financial report for 2012-13*, **Table 2** presents projected expenditures of the Ministry of Culture, Communications and the Status of Women for 2011-12, for a total of \$ 683.8 million compared to actual of \$ 659 million for the preceding year, (an increase of 3.7 %). This Table has the advantage of giving the breakdown for public agencies and corporations reporting through the Minister of Culture (see also *Supplementary Documentation* below). While their budgets fall in total or in part under the Ministry, those organizations operate at arm's length and publish their own annual reports.

These “likely” expenses for 2011-12 are spread between four main components (or programs) : \$ 50.9 million for management (7.4 %), including the budget for the [Centre de conservation du Québec](#) and for the [Commission des biens culturels du Québec](#) (Program 01); \$ 597.6 million (87.5 %) – compared to \$ 578.5 million in 2010-11 – for a variety of programs and initiatives to support culture, communications and state agencies (Program 02); \$ 25.5 million (3.7 %) for the three organizations related to the [Charte de la langue française](#) (Program 03); and \$ 9.8 million (1.4 %) for the two organisations dealing with the Status of Women (Program 04)²². With regard to culture, the Bachand 2012-13 Budget stated that this sector remains “an important component of the Quebec economy” (TRANSLATION). The dynamism of the cultural sector and the place occupied by Quebec cultural industries in international markets are supported by a series of measures under two of the twelve broad objectives set by the government (see *Supplementary Documentation*).

¹⁸ Québec, Ministère des Finances, *BUDGET 2012-13, Discours sur le budget 2012-13*, p. 35.

¹⁹ Québec, Conseil du trésor. Décembre 2012. *Budget des dépenses 2013-2014*, p. 19.

²⁰ Since the election of the PQ government in September 2012, the Ministry has gone back to its former name of Culture and Communications.

²¹ The Quebec government's expenses remain focused mainly on the ministry of Health and Social Services (\$ 30, 1 billion) and Education, Recreation and Sport (nearly \$ 16 billion). Québec, Ministère des finances, *BUDGET 2012-13, Discours sur le budget 2012-13*, p. 44.

²² Since the election of the Parti québécois, the minister in charge of the Secrétariat à la politique linguistique is responsible for the Quebec language policies and the three organisations created under the *Charte de la langue française* (the [Office québécois de la langue française](#), the [Conseil supérieur de la langue française](#) and the [Commission de toponymie](#)), while responsibility for the Status of Women has been transferred to the Ministry of Labour, Employment and Social Solidarity.

TABLE 2
Main components of the expenditure budget
Quebec Ministry of Culture, Communications and the Status of Women 2011-2012
(in \$ million and in % of the total budget of the Ministry)

Four main programs	\$ M	%
Program 01 – TOTAL – Internal management, Centre de conservation du Québec et Commission des biens culturels du Québec	50.9	7.4
• Internal management and support	48.2	7.0
• Centre de conservation du Québec	2.2	0.3
• Commission des biens culturels du Québec	0.5	0.1
Program 02 – TOTAL – Support to culture, communications et State agencies	597.6	87.5
• Support program	167.0	24.4
• Conseil des arts et des lettres du Québec (CALQ)	88.7	13.0
• Bibliothèque et Archives nationales du Québec (BANQ)	77.0	11.3
• National Museums (Musée de la civilisation, Musée des Beaux-arts de Montréal, Musée national des Beaux-arts du Québec et Musée d'art contemporain)	66.8	9.8
• Société de développement des entreprises culturelles	68.5	10.1
• Société de télédiffusion du Québec (Télé-Québec)	59.1	8.6
• Conservatoire de musique et d'art dramatique	29.4	4.3
• Société de la Place des arts de Montréal (SPAM) et Société du Grand théâtre de Québec (SGTQ)	41.1	6.0
Program 03 – TOTAL – Charte de la langue française	25.5	3.7
• Office de la langue française	22.0	3.2
• Coordination of linguistic policy	2.2	0.3
• Conseil supérieur de la langue française	1.3	0.2
Program 04 – TOTAL – Status of Women Agencies	9.8	1.4
• Conseil du statut de la femme	4.0	0.6
• Secrétariat à la condition féminine	5.8	0.8

SOURCE : Québec, *Rapport annuel de gestion 2011-2012* du Ministère de la Culture, des Communications et de la Condition féminine du Québec, 53-55 .

Similar to the commitments and investments made in Quebec City in 2008 for its 400th anniversary, the Bachand Budget promised \$ 125 million to the celebrations of Montréal's 375th anniversary in 2017. This special allocation would be for a number of infrastructure projects in the metropolis that will "underline its distinctive image and increase its reputation as a tourist destination" (TRANSLATION). Among the projects mentioned are renovations to the Biodome, improvements to the Botanical Gardens and to the Insectarium (for a total investment of \$ 45 million), as well as improvements to Jean Drapeau Park, including the creation of a walkway along the Saint Lawrence River (\$ 35 million). The budget also refers to the construction of a new pavilion for the [Musée des beaux-arts de Montréal](#) (\$ 18.5 million) to host "the most important private art donation ever made in the history of museums in Quebec"²³, (TRANSLATION) as well as tourism infrastructure at the St-Joseph Oratory (\$ 26.4 million). The Finance Minister also promises an investment of \$ 30 million in Quebec City to build a new

²³ Isabelle Paré (b), *Le Devoir.com*, March 21, 2012.

theatre, the [Théâtre Le Diamant à Québec](#), a \$ 60 million project promoted by stage director Robert Lepage which has received the support of the Mayor of Quebec City from its inception²⁴.

The 2012-13 Bachand Budget promised to put \$ 60 million each year for the next eight years in the [Fonds du patrimoine culturel québécois](#). This fund was set up in 2006-07 with an initial amount of \$ 100 million²⁵. The additional disbursement of \$ 60 million aims at supporting a greater number of municipalities and MRCs²⁶ interested in enhancing the touristic value of Quebec heritage buildings. Additional money was also promised for museums, particularly with regard to renovations or the organisation of new permanent exhibitions. Eleven million dollars over three years was dedicated to the promotion of Quebec museums²⁷, and an additional amount of \$ 4.5 million, also spread over three years, was allocated to the [Conseil des arts et des lettres du Québec](#) (CALQ), essentially to support professional dance companies, “which enjoy an international reputation”. Finally, distribution of Quebec digital cultural products was promised a \$ 20 million budget over the next five years to implement a digital strategy for culture²⁸. The 2012-13 Bachand budget also included the improvement of tax credits applicable to the production of musicals.

Reactions of the cultural community to the Bachand Budget

Given the economic, social and political context described previously, as well as the growing expectation that there would soon be an election, the Bachand Budget was received as an attempt to contain dissatisfaction, “with the obvious objective of creating a favourable context for the election” (TRANSLATION). According to Denis Lessard from the newspaper *La Presse*, “the Minister sprinkles millions of dollars on a multitude of small initiatives aimed at target audiences, from amateur sport to the St-Joseph Oratory, not forgetting tourism or fashion”²⁹ (TRANSLATION).

[Culture Montréal](#) applauded the various measures “to strengthen Montréal’s cultural competitiveness, notably through the investments linked to the city’s 375th anniversary, the injection of an additional five million dollars in support of cultural festivals and the \$ 2.5 million granted to museums”³⁰ (TRANSLATION). However, Culture Montréal’s Executive Director Anne-Marie Jean regretted the fact that the budget did not include measures to stimulate citizen participation in culture, particularly following the adoption by the Quebec government of [Agenda 21 pour la Culture](#)³¹.

²⁴ See *Le Soleil*, June 7, 2012.

²⁵ Based in part on revenue coming from the tax on tobacco, the *Fonds du patrimoine culturel québécois* has several components, the first four having been in operation since September 2006 and the fifth one since January 2012. Having access to multi-year funding, applicants can better plan their projects. Ministère de la Culture et des Communications du Québec, 2012, “*Fonds du patrimoine culturel québécois*”.

²⁶ In Quebec, a MRC or “Municipalité régionale de comté” is a group of municipalities on the same territory which form an administrative entity as defined by the *Loi sur l’organisation territoriale municipale* ((L.R.Q., chapter O-9).

²⁷ There are 192 museums accredited by the Quebec Ministry of Culture, spread all over the province. Québec, *Le Discours du budget, 2012-13*, p. 35-36.

²⁸ Québec, *Pour une économie forte. Budget en un coup d’ŒIL – Budget 2012-13*, p. 14.

²⁹ Denis Lessard, *La Presse*, March 20, 2012.

³⁰ Geneviève Bouchard, *Le Soleil*, March 21, 2012.

³¹ *Ibid.* See also the section *Supplementary documents* in the annexes

In the newspaper *Le Devoir*, Isabelle Paré noted the Quebec cultural community's surprise that the 2012-13 budget "gives the lion share to infrastructure investments", particularly in favour of the metropolis and of some cultural industries, while artists and cultural organisations got only "crumbs" (TRANSLATION)³². Similar reaction from the [Mouvement pour les arts et les lettres](#) (MAL), a coalition of some 12,000 artists, writers and cultural workers. While the organization welcomed some positive aspects of the Bachand budget, notably with regard to heritage buildings, museums and digital technology, the MAL spokesperson, writer Stanley Péan, denounced the small increase to the Quebec Arts Council's budget (+ \$ 4.5 million): "We welcome the fact that this will benefit the dance sector but the Council's budget remains too low in comparison with demand [...]. Ten years ago, the Council gave grants to 40% of applicants, now this proportion has shrunk to 28 %. This increase does not meet the shortfall"³³ (TRANSLATION).

As for cultural industries, the [Société de développement des entreprises culturelles](#) (SODEC) – one of the three pillars for cultural development in Quebec, along with the Ministry of Culture and the [Conseil des arts et des lettres du Québec](#) (CALQ) – welcomed the addition of \$ 20 million spread over five years to implement a digital strategy, including \$ 100,000 dedicated to the digitization of cinemas³⁴. This amount would be added to the \$ 9 million spread over three years that were granted in the previous provincial budget (2011-2012).

Future impacts for the cultural sector: the Marceau 2013-14 Budget and the appropriations for Culture and Communications

The 2013-14 Budget of PQ Minister Nicolas Marceau provoked generally mixed comments, those of the cultural milieu being quite unanimous on its lack of clarity. While the sums dedicated to culture and communications will grow by some \$ 13 million in the next fiscal year (an increase of 2.1% for a total of \$ 631 million³⁵), some commentators denounce what they call "artistic vagueness"³⁶. Of particular concern is how this increase will be allocated: Bastien Gilbert, the new spokesperson for the [Mouvement pour les arts et les lettres](#) (MAL), wondered if the budget for the Conseil des arts et des lettres (CALQ) will be protected. Similar concerns were voiced by the [Société des musées québécois](#), "where people wonder if supplementary funding will be given to the various Quebec institutions which are underfunded."³⁷ (TRANSLATION). In fact, at the time of writing this analysis, not enough details were known about the Marceau budget for stakeholders in the cultural sector to react.

Radio-Canada underlined the fact that "one of the electoral commitments of the Parti Québécois with regard to culture is included in the budget, namely the refundable tax credit for children's physical and cultural activities." (TRANSLATION) But a look at the 2013-2013 budgetary allocations available at the time of writing this analysis shows that other elements of the PQ election platform seem to have been set aside in the context of budget reductions³⁸: no mention

³² Isabelle Paré (a), *Le Devoir*, March 21, 2012.

³³ Geneviève Bouchard, *Le Soleil*, March 21, 2012.

³⁴ Isabelle Paré, *Le Devoir*, March 22, 2012.

³⁵ Kevin Dougherty, *Montrealgazette.com*, November 21, 2012.

³⁶ "flou artistique", *Radio-Canada.ca*, Thursday November 22, 2012 at 1:12 pm

³⁷ *Radio-Canada.ca*, Wednesday November 21, 2012 at 10:18 am

³⁸ When main estimates were presented on December 6, 2012, the Minister for Culture and Communications Maka Kotto mentioned the important support for the creation and domestic and international distribution of Quebec culture. He said, "Accordingly, operating support for cultural organisations and support for citizens' access to performing halls, libraries, museums and community

of the \$ 5 million for the promotion of Quebec culture abroad, nor of the promised substantial budget increases for the three government agencies, CALQ (+ \$10.5 million), SODEC (+ \$ 8 million) and Télé-Québec (+ \$10 million)³⁹.

In closing, **Table 3** presents Quebec Treasury Board 2013-14 budget allocations for the Culture and Communications portfolio⁴⁰, compared to those of the current fiscal year. While the program related to *Charte de la langue française* now falls under the ministry for Immigration and Cultural Communities, those budget appropriations have been added to this table because of their importance over the past 35 years as components of Quebec cultural policy⁴¹. This program's objectives are to ensure the distribution, the development, the respect for and the promotion of French as the official language of Quebec as well as the coordination of government policies and activities in this respect.

TABLE 3

Budget allocations for the Ministry of Culture and Communications and for the *Charte de la langue française*, 2012-13 and 2013-14
(in \$ 000 and %)

MINISTRY OF CULTURE AND COMMUNICATIONS	2013-14 \$ 000	2012-13 \$ 000	Difference (↑ ou ↓ in %)
TOTAL of budgets for 2013-14	635,662.3¹	625,773.9	↑ 1.6²
Programs 01– Total	63,598.5	59,203.6	↑ 7.4
1. Internal management and support	60,594.3	56,175.1	↑ 7.9
2. Centre de conservation du Québec	2,414.7	2,429.6	↓ 0.6
3. Conseil du patrimoine culturel du Québec	589.5	598.9	↓ 1.6
Program 02 – Total – Support for culture, communications and government agencies	572,073.4	566,579.9	↑ 1.0
1. Cultural activities and communications	166,644.4	166,031.0	↑ 0.4
2. National Museums (Musée de la civilisation, Musée des Beaux-arts de Montréal, Musée national des Beaux-arts du Québec and Musée d'art contemporain)	67,127.3	68,785.3	↓ 2.4
3. Société de la Place des arts de Montréal and Société du Grand théâtre de Québec	19,993.4	18,138.4	↑ 10.2
4. Société de développement des entreprises culturelles (SODEC)	64,193.7	62,569.3	↑ 2.6
5. Société de télédiffusion du Québec (Télé-Québec)	59,760.8	58,463.5	↑ 2.2
6. Conseil des arts et des lettres du Québec (CALQ)	86,674.2	86,574.2	↑ 0.1
7. Bibliothèque et Archives nationales du Québec	78,474.1	76,683.0	↑ 2.3
8. Conservatoire de musique et d'art dramatique du Québec	29,205.5	29,335.2	↓ 0.4

media are maintained in all regions of Quebec". (TRANSLATION) Quebec. Gouvernement du Québec, December 7, 2012.

³⁹ Radio-Canada.ca, Wednesday November 21, 2012 at 10:18 am

⁴⁰ At the time of writing, such appropriations had just been adopted by the Quebec National Assembly.

⁴¹ See *Politique culturelle du Québec* (Saint-Pierre, 2003, 2011)

CHARTRE DE LA LANGUE FRANÇAISE DU QUÉBEC			
TOTAL of budgets for 2013-14	28,955.6	27,826.6	↑ 4.1
1. Coordination of language policy	1,688.6	1,690.7	↓ 0.1
2. Office québécois de la langue française	24,718.3	23,334.1	↑ 5.9
3. Conseil supérieur de la langue française	1,400.7	1,446.1	↓ 3.1
4. Provision to increase budgets for activities promoting French (upon authorization by Treasury Board)	1,148.0	1,355.7	↓ 15.3
<p>1. To the expenditures of \$ 631 million forecast for the Ministry in 2013-14 one must add \$3.8 million to pay the debt, for a total of \$ 635.7 million. For details, see document quoted below, p. 69.</p> <p>2. The 2.1% increase in the ministry's expenses is derived from the 2013-14 forecast expenditures (\$ 631 million) and the "likely" 2012-13 expenditures (\$ 618.1 million).</p> <p>Source : Québec, Conseil du trésor, Décembre 2012, <i>Budget des dépenses 2013-14, Crédits des ministères et organismes pour l'année financière se terminant le 31 mars 2014</i>, p. 69-74, 135-139</p>			

According to these figures, the total budget for the Ministry for Culture and Communications will grow by 2.1 % (nearly \$ 10 million)⁴² while those for the *Charte de la langue française* should grow by 4.1% (slightly over \$ 1.1 million). The main increases are : management and support within the ministry (+ 4.5 million, i.e. + 7.9%); [Société de la Place des arts de Montréal](#) and [Société du Grand théâtre de Québec](#) (+ 1.8 million, i.e. + 10.2%); [Bibliothèque et Archives nationales du Québec](#) (BANQ) (+ 1.8 million, i.e. + 2,3%); [Société de développement des entreprises culturelles](#) (SODEC, + 1.6 million, i.e. + 2.6%); [Office québécois de la langue française](#) (+ 1.4 million, i.e. + 5.4%). On the other hand, the [Conseil du patrimoine culturel du Québec](#) sees its budget cut by 1.6 %; the National Museums by 2.4%; and the [Conservatoire de musique et d'art dramatique du Québec](#) and the Conseil supérieur de la langue française are equally reduced by 0.4% each.

The 2013-14 budget of the [Conseil des arts et des lettres du Québec](#) (CALQ) is essentially frozen with an increase of only 0.1% (\$ 100,000). Set at \$ 86.7 million for 2013-14, the CALQ's budget is the largest of all government agencies and programs dedicated to culture, arts and heritage. According to CALQ President and CEO Yvan Gauthier, what matters most is that "the budget includes specific investments targeting dance (\$ 1.2 million), the development of digital platforms (\$ 500,000) and the promotion of Quebec culture internationally (\$ 2.5 million)"⁴³ (TRANSLATION). However, *Le Devoir* has recently reported that the government intends to cut by half the CALQ's [Mécénat Placements Culture Program](#), which provides matching funding for donations to cultural organizations.⁴⁴ Given this and the freeze in CALQ's budget and the PQ's election promise to augment its allocation by several million dollars, we can be sure that the reaction of the cultural community will not be long in coming.

⁴² The reason this percentage differs from the 1.6 % included in Table 3 is that it is derived from the 2013-14 forecast expenditures (\$ 631 million) and the "likely" 2012-13 expenditures (\$ 618.1 million) Québec, Conseil du trésor, Décembre 2012, *Budget des dépenses 2013-2014*, p. 10.

⁴³ *CNW Telbec*, December 7, 2012.

⁴⁴ Frédérique Doyon, *Le Devoir*, January 30, 2013.

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Supplementary Documentation

Government of Quebec

Real GDP Growth: 1.9% (2011)

Revenue from Federal Transfers (percent of total): 22.8%

Population: 7, 903,001

Quebec March 2012, 2012-13 Budget (Liberal Government)

Main Estimates
(In millions of dollars)

Program Spending Ministry	2012-13 Forecast	2011-12 Forecast
Municipal Affairs and Regions	1,724.8	1,762.9
Agriculture, Fisheries and Food	1,067.6	1,068.4
National Assembly	117.6	116.1
Treasury	997.8	1,004.4
Executive Council of Quebec	379.3	368.8
Culture, Communication and the Status of Women	664.1	677.9
Sustainable Development, Environment and Parks	211.7	204.0
Economic Development, Innovation and Export Trade	960.3	890.1
Education, Recreation and Sport	15,975.5	15,541.1
Employment and Social Solidarity	4,278.0	4,255.9
Families and Seniors	2,450.6	2,386.9
Finances (excluding debt service)	154.1	173.8
Immigration and Cultural Communities	299.3	303.9
Justice	751.3	696.5
Officers of the National Assembly	79.8	77.5
International Relations	115.9	111.7
Natural Resources and Wildlife	548.7	546.5
Health and Social Services	30,120.8	29,140.5
Public Security	1,200.9	1,162.9
Tourism	135.8	138.6
Transportation	751.7	848.6
Labour	31.4	32.0
Anticipated Lapsed Appropriations	-375.0	-225.0
Total (Without Debt Servicing)	62,642.0	61,284.0

**The 12 main objectives of the Bachand 2012-13 Budget
March 2012**

1. Control public finances

- Maintain the objective of a balanced budget for 2013-14
- Ensure rigorous management of public finances
- Reduce Quebec's public debt
- Put \$ 1.2 billion in the [Fonds des générations](#) in 2012-13 to reduce the debt

2. Exploit the wealth coming from natural resources and implement the [Plan Nord](#)

- Take equity partnerships in enterprises exploiting the resource
- Develop the mining potential of the territory
- Maximize natural resources' potential
- Continue the development of the [Plan Nord](#)

3. Consolidate Quebec's leadership in sustainable development

- Remain a leader in the fight against climate change
- Implement the [Plan d'action 2013-20](#), the second phase of the plan on climate change

4. Rely on the full potential of Quebec's workforce

- Keep experienced people (55 years old +) at work
- Support access to a first job (youth and immigrants)
- Ensure success through appropriate training
- Create retirement plans accessible to all

5. Ensure success through appropriate training

- Invest \$ 361 M over three years through the commission of workplace partners to create a culture of life-long training and skill development
- Invest \$ 60 M to update specialized equipment and the availability of professional training

6. Retirement plans accessible to all

- Create new voluntary RRSP programs so that 2 million Quebecers can access a collective retirement regime (available as of January 1, 2013)

7. Make our economy serve our values

- Improve the supply of social and community housing
- Support community organizations and day care centres
- Support sports activities

8. Support the development of our enterprises

- Increase by \$ 1.3 billion the capital accessible to Quebec enterprises (natural resources, risk capital, cooperatives and social economy enterprises, tourism, green technologies)
- Stimulate exports
- Increase the competitiveness of the food sector

9. Grow old at home

- Implement the [Plan d'action 2012-2017 VIEILLIR CHEZ SOI](#) to broaden the supply of services aimed at improving the quality of life of elders. The plan will

- ensure an increase of investments reaching close to \$ 900 million by 2016-17
- Favour living at home through fiscal measures
- Favour an active community life for elders
- Improve housing conditions for elders

10. Promote Quebec's tourism

- Set up within [Investissement Quebec](#) a new division, IQ TOURISME, to invest \$ 465 M in the tourism industry over a period of five years
- Dedicate \$ 85 M to innovative projects aimed at increasing the competitiveness and the performance of the Quebec tourism industry
- Establish a tax credit to speed up the modernisation of tourist accommodation in the regions
- Dedicate \$ 35 M over two years to the development and maintenance of equipment and territories under the jurisdiction of the [Société des établissements de plein air du Quebec](#) (SÉPAQ)

11. The strength of Quebec culture

- Support the knowledge, protection, exploitation and transmission of our cultural heritage through adding \$ 60 M to the [Fonds du patrimoine culturel québécois](#) (FPCQ) (Quebec Cultural Heritage Fund)
- Dedicate \$ 11 M over three years to the promotion of museums in all Quebec regions
- Add \$ 4.5 M over three years to the budget of the Conseil des arts et des lettres du Quebec (CALQ)
- Invest \$ 20 M to support the distribution of Quebec digital cultural products

12. Favour the dynamism of Montréal, Quebec City and all regions

- Celebrate Montréal's 375th anniversary in 2017 (\$ 125 M for infrastructure projects : renovations of the Biodôme, Botanical Garden and the Insectarium; improvements to the Jean-Drapeau Park; building of a new pavilion at the Musée des beaux-arts de Montréal (\$ 18,5 M); tourist facilities at St-Joseph Oratory)
- \$ 30 M for the building of [Théâtre Le Diamant](#) in Quebec City, the national capital
- Create green belts around the larger cities (\$ 60 M)
- Invest an additional \$164.5 M over five years in the [Fonds de développement régional](#) (FDR), for a total of \$ 300 M over five years and additional support to the [centres locaux de développement](#) (CLD) for a total budget of \$ 361 M over five years.

Investing in Culture

Québec 2012-13 Bachand Budget (March 2012)

Budget increase commitments of \$41.1 million over three years

(In millions of dollars)

Measure	2012-13	2013-14	2014-15	Total
Investment of \$60 million through the Quebec Cultural Heritage Fund	5.5	5.5	5.5	16.5
Increased Support for Museums	2.5	-	-	2.5
Creation of a State-Museum component to the Mécénat Placements Culture program	1.0	1.5	2.0	4.5
Increased operating assistance for the McCord Museum and the Stewart Museum	1.0	1.5	1.5	4.0
Additional support for the Conseil des arts et des lettres du Québec	1.5	1.5	1.5	4.5
Enhanced operating assistance for community media	1.0	1.0	1.0	3.0
Introduction of a tax credit for the production of multimedia events or environments staged outside Quebec	1.3	1.8	1.8	4.9
Rise in the cap on the production tax credit musical comedies	0.3	0.3	0.3	0.9
New pavilion for the Montreal Museum of Fine Arts	-	-	-	-
Broadening of the support for certain French-language film or television production	0.1	0.1	0.1	0.3
Construction of the Theatre Le Diamant in Quebec	-	-	-	-
Total	14.2	13.2	13.7	41.1

Note: The Figures have been rounded off so the total may not correspond to the total indicated.

Source: Quebec Budget 2012-13, March 2012, G. 112

Quebec 2012-2013/2013-2014 Marceau Budgets
(November 2012)

Main Estimates

Program Spending (In millions of dollars)	Estimate 2013-14 PQ
Ministry	
Municipal Affairs and Regions	1,567.7
Agriculture, Fisheries and Food	1,061.9
National Assembly	119.5
Treasury	954.5
Executive Council of Quebec	551.1
Culture and Communication	631.0
Sustainable Development, Environment, Wildlife and Parks	273.1
Education, Recreation and Sport	10,205.4
Employment and Social Solidarity	4,225.2
Higher Learning, Research, Science and Technology	6,337.0
Families	2,474.4
Finance and Economy (excluding debt service)	713.1
Immigration and Cultural Communities	327.3
Justice	811.5
Officers of the National Assembly	82.4
International Relations, Francophonie and External Trade	121.5
Natural Resources	405.1
Health and Social Services	31,258.3
Public Security	1,231.3
Transportation	709.0
Labour	30.7
Anticipated Lapsed Appropriations	-200.0
Savings to be made by Subsidized Consolidated Entities	-100.0
Total (Without Debt Servicing)	63,791.0

Quebec 2012-2013/2013-2014 Marceau Budgets
(November 2012)

Summary of Budgetary Transactions

Forecasts for 2013-14
(millions of dollars)

Budgetary Revenue	
Own-Source Revenue	56,215
Federal Transfers	16,145
Total	72,360
Budgetary Expenditure	
Program Spending	-63,791
Debt Service	-8,601
Total	-72,392
Consolidated Entities	1,471
Contingency Reserve	-400
Surplus	1,039
Deposits of dedicated revenues in the Generations Fund	-1,039
Budgetary Balance	-

Note: The term *Budgetary Revenue* refers to revenues and expenditures within the general fund. The term *Budgetary balance* refers to the definition used in the *Balanced Budget Act*.

Source: Quebec Budget 2013-14, November 2012.

2013-14 Marceau Budget at a Glance November 2012

1. A government close to families

- A new progressive and fair health contribution (4.4 million Quebecers will not pay the contribution and will see a reduction in their fiscal burden)
- Cancellation of the increase in the price of heritage electricity
- Refundable tax credit for physical, artistic and cultural activities for young people
- The tuition hike has been cancelled
- Creation of 28,000 new reduced-contribution childcare spaces by 2016-2017
- 3,000 social, community affordable housing units will be built

2. A government that takes action by focusing on private investment

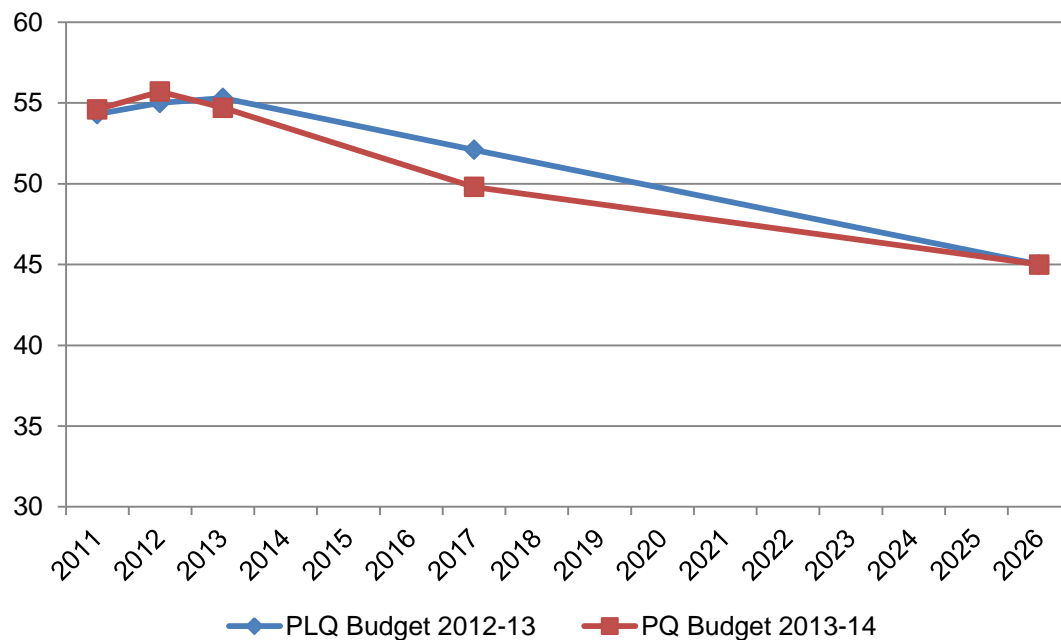
- A 10-year tax holiday to encourage businesses to invest in projects in Quebec is being introduced: the THI
- The tax credit for investments is being extended until 2017 and enhanced for certain resources regions
- Creation of the Banque de développement économique du Québec, which will generate leverage for all regions of Quebec through;
 - i. The regionalized development fund, which will have an annual budget of at least \$500 million for regional development initiatives
 - ii. Two funds, totaling \$250 million, to support the Mauricie and Centre-du-Québec regions and the Asbestos region
- Sector-based actions
 - i. A \$200-million fund will be created for transportation electrification and green technology development
 - ii. Businesses in the biopharmaceutical sector will benefit from measures to foster their development and job creation in Quebec

3. A responsible government

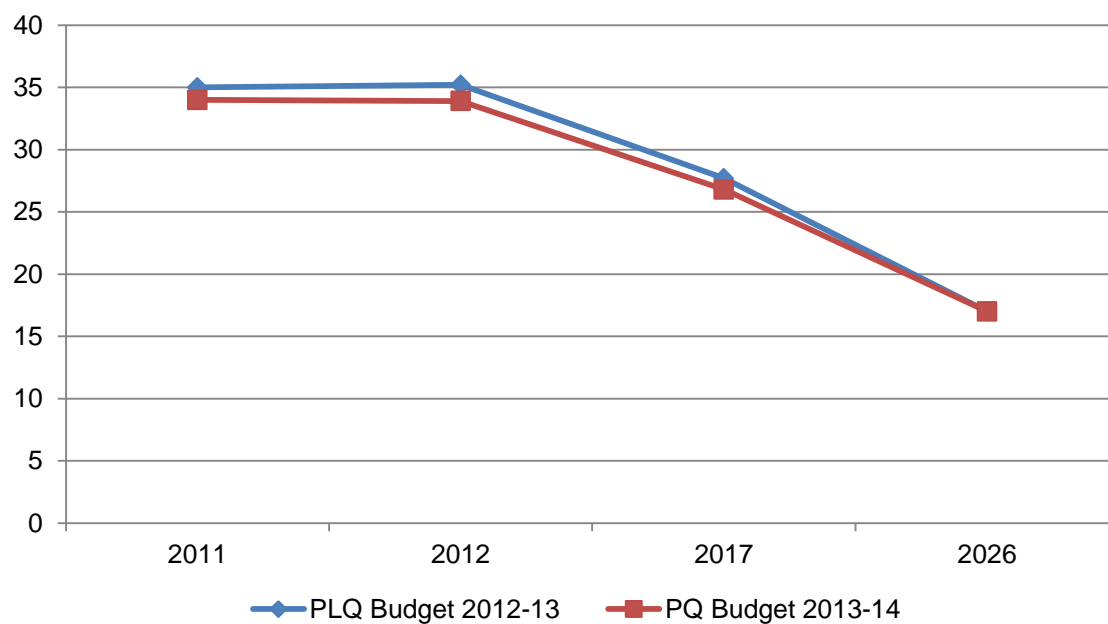
- Strict control of spending, growth in program spending will be limited to 1.8% in 2013-14 and 2.4% in 2014-15
- Additional contributions by government corporations, Hydro-Québec, the Société des alcools du Québec and Loto-Québec will have to expenditure reductions
- Additional revenue-generating measures:
 - i. Specific tax on tobacco will be raised by 50 cents per pack
 - ii. Specific tax on alcoholic beverages will be increased. (Beer 3 cents per bottle, wine 17 cents per bottle and spirits 26 cents per bottle)
 - iii. The contributions of financial institutions will be raised and extended until March 31st, 2019
- Improved management of infrastructure projects
- Debt reduction plan
 - i. The government will maintain the objective of reducing the gross debt to 45% of the GDP and reducing the debt representing accumulated deficits to 17% of the GDP by 2026
 - ii. New diversified sources of revenue will go into the Generations Fund

Comparison of Budget Commitments to Reducing the Debt Projections

Gross Debt, As a percentage of GDP



Debt Representing Accumulated Deficits, As a percentage of GDP



Sources: Budget 2012-13, March 2012; Budget 2013-14, November 2012.

Québec Ministry of Culture and Communications

Organizations and public agencies in the portfolio of the Quebec Ministry of Culture and Communications

Beyond the ministry, the Minister's portfolio includes the following :

- Bibliothèque et Archives nationales du Québec (BAnQ)
- Conseil du patrimoine culturel du Québec (ancienne Commission des biens culturels du Québec) (CPCQ)
- Conseil des arts et des lettres du Québec (CALQ)
- Conservatoire de musique et d'art dramatique du Québec (CMADQ)
- Musée d'art contemporain de Montréal
- Musée de la civilisation
- Musée national des beaux-arts du Québec
- Régie du cinéma
- Société de développement des entreprises culturelles (SODEC)
- Société de la Place des Arts de Montréal
- Société de télédiffusion du Québec
- Société du Grand Théâtre de Québec

Reporting directly to the Minister

- Centre de conservation du Québec (maintenance and promotion of the cultural heritage)

Note: In the 2012-13 Budget, the Ministry includes the Status of Women in the portfolio.

Source : Québec, Ministère de la Culture et des Communications,
<http://www.mcc.gouv.qc.ca/index.php?id=18>

Quebec Agenda 21 for Culture

Principles and Objectives

Part 1 – Cultural Action from a Sustainability Perspective

Culture is a vehicle for meaning, identity, values, and community.

1. Recognize and promote Quebec's cultural identity by protecting and developing its tangible and intangible heritage in all its forms throughout the territory.
2. Promote the role of artists, cultural professionals, and creators from all fields as standard bearers for the renewal of Quebec's cultural identity and vectors for the diversity of its cultural expressions. Support cultural creation, production, and presentation throughout Quebec, protecting freedom of expression and encouraging all social actors to take responsibility for the sustainable development of Quebec's cultural sector.
3. Ensure that French, as Quebec's official language, remains the common language of public life for Quebecers of all origins, in a manner respectful of Quebec's English-speaking and cultural communities as well as the First Nations and Inuit.
4. Recognize the cultural specificity of the First Nations and Inuit, as well as the contribution of their cultures, knowledge, and traditions to Quebec's cultural identity. Promote awareness, protection, transmission, and development of these cultures within their communities and throughout Quebec.
5. Foster cultural development among citizens as well as access to and participation in cultural activities. Encourage amateur cultural activities and cultural mediation. Include citizens in the cultural policy development process at all levels. Treat cultural activities as an opportunity for learning and building citizenship.

Part 2 – Culture and Society

Culture is a vector for democracy, intercultural dialogue, and social cohesion.

6. Promote the importance of the arts and culture in all educational institutions, both within the curriculum and as part of extracurricular activities.
7. Recognize the role of culture as a vector for social cohesion. Highlight the work of artists and citizens whose cultural activities contribute to the social and economic development of their communities.
8. Foster, through the arts and culture, intercultural dialogue between Quebecers. Increase opportunities for interaction between Quebec society and artists of all horizons in order to promote integration and inclusion. Combat intolerance, discrimination, and racism.
9. Integrate culture into municipal family policies and make cultural facilities more accessible to families. Promote the same integration of culture into social policies and improve access to cultural facilities for disadvantaged groups.
10. Promote the role of culture as a determining factor for health. Make space for art at health and social services institutions. Increase partnerships between artists, cultural organizations, and this sector.

Part 3 – Culture and the Economy

Culture is a catalyst for creativity, economic development, and wealth creation.

11. Recognize and promote culture as a driver of sustainable economic development at the local, regional, and national levels. Highlight the economic impact of Quebec culture.

Create new models of economic support for culture and for promoting patronage. Encourage cultural entrepreneurship in all of its forms. Support Quebec's cultural presence on the international stage and make it a part of local and regional economic planning.

12. Build on the power of the arts and culture to drive excellence in other sectors of economic activity such as land-use planning, tourism, marketing, and the use of information technologies.
13. Foster business support for culture's role in development by championing collaboration and the pooling of resources between the culture and business communities, both for the benefit of business projects and the development of the culture economy.
14. Develop and promote creativity by making culture a part of innovation policy and by supporting the adaptation of the arts and literature sector and culture industries to the Internet and digital age.

Part 4 – Culture, Territory, and Environment

Culture is a compass for land-use planning and development.

15. Recognize culture's role as a source for practices, knowledge, and traditions that help protect and stimulate biological and cultural diversity. Take the territory and the environment into consideration as part of every culture endeavor.
16. Recognize and promote regional artistic expression and cultural specificities by encouraging diversified, locally anchored production to avoid cultural standardization.
17. Recognize and respect the close link between culture and territory among the First Nations and Inuit. Support the development and preservation of traditional knowledge and customs.
18. Acknowledge that our natural heritage must be protected for its cultural significance as well as its ecological and economical value.
19. Take culture into consideration when developing policies for environmental protection, including impact studies for major projects.
20. Incorporate cultural issues into land-use planning and development processes in order to enhance quality of life for citizens, foster a sense of belonging, and create a more attractive environment.
21. Improve the cultural quality of public spaces through astute heritage development, significant use of public art, and distinctive architecture, design, and landscapes. Integrate the life cycle concept into landscape and facility design.

Source: [Agenda 21 for Culture](#)



ONTARIO

No Mortal Blows but Few Silver Linings

Analysis of the 2012-13 Ontario Budget from the
Perspective of the Arts, Culture and Heritage

Monica Gattinger

2013

No Mortal Blows but Few Silver Linings

The 2012-13 Ontario Budget from the Perspective of the Arts, Culture and Heritage

Analysis by Monica Gattinger, Associate Professor, School of Political Studies, University of Ottawa

Budget Highlights

- Ontario Arts Council and Trillium Foundation spared cuts.
- Ministry of Tourism, Culture and Sport budget cut by 3.5% or \$42.3 million over next three years.
- All provincial cultural institutions will see budget cuts of 1% in 2012-13 and 2% per year in 2013-14 and 2014-15.

Context

The Ontario government's 2012 budget was crafted under challenging economic, fiscal and political conditions. The provincial economy was hit hard by the global recession of 2008-09 and continuing economic uncertainty thereafter, both of which have exacerbated underlying weaknesses in the province's manufacturing sector, the traditional economic motor of the province. While Ontario's real GDP has recovered from the 2008-09 recession, by 2011-12, the province's fiscal position had grown increasingly bleak, with the provincial deficit (\$15.3 billion) and debt (\$237.6 billion) comprising, respectively, 2.4% and 37.2% of provincial gross domestic product. Adding to this challenge, modest economic growth projections dampened expectations for

future government revenues. This situation began to focus attention squarely on public expenditures and how to reduce government spending. In addition to these trying economic and fiscal realities, the government also faced the political challenge of being in a minority position. In the 2011 provincial election, the Liberal Party secured only 53 of the 107 seats in the provincial legislature, while the Progressive Conservative Party won 37 seats and the New Democratic Party 17¹.

Against this backdrop, the government asked Don Drummond, former federal finance official and chief economist at TD Bank, to analyze the province's fiscal situation and advise it on expenditure and revenue measures to put its fiscal house in order. The '[Drummond Report](#)', released in February 2012, included over 350 recommendations, all of which Drummond warned needed to be implemented in order to return the province to a balanced budget by 2017/18. His recommendations included cutting or delaying implementation of the Liberals' much-loved full-day kindergarten program, eliminating close to 10,000 teaching jobs and another 10,000 non-teaching jobs in schools, eliminating the 10% Ontario Clean Energy Benefit rebate on electricity bills, increasing user fees, and reining in spending on key provincial dossiers (notably health and education).

Given the extent and severity of the Drummond report recommendations and the Liberals' minority status in the legislature, the 2012 budget was a much-awaited document. [Strong Action for Ontario: 2012 Ontario Budget](#), laid out a much less ambitious plan than Drummond recommended – the government retained its commitment to full day kindergarten, for example, committed to no tax increases and emphasized education, health care and job creation – but it did announce plans to reduce planned spending to the tune of \$17.7 billion over the 2012-13 to

¹ A September 2012 by-election saw the NDP gain one seat and the Progressive Conservatives lose one.

2014-15 period, with the intention of balancing the budget by 2017-18. It is important to note, though, that of this total, only \$4.9 billion represents *actual* cuts to program spending – the remainder come from reductions in *planned spending increases* (\$6.8 billion) and public sector wage freezes to doctors, teachers and other public sector workers (\$6 billion).

The budget's addendum, [Report on Expense Management Measures](#), details the \$4.9 billion in program cuts, which affect virtually all government portfolios. The expense management measures target three themes: 'removing overlap and duplication,' 'more efficient and effective delivery models,' and 'focusing on core business.'² As noted below, the cultural sector was not spared from this process – but neither did it sustain cuts greater than its fair share of the burden. Major reductions to planned spending increases and compensation include freezing planned cuts to corporate income and business education taxes, delaying or cancelling major infrastructure and capital projects, and public sector pay freezes and job cuts.

The budget bill represented a confidence vote for the minority Liberal government, and a good deal of wrangling between provincial parties ensued. The Progressive Conservative party stated from the outset that it would not support the budget on the grounds that it did not do enough to reduce spending and create jobs. This left the NDP in the position of deciding whether or not the government would fall. Andrea Horwath, leader of the provincial NDP, stated that she did not want to force an election, but at the same time, demanded the budget bill be amended to include increased taxes on the richest of Ontarians as well as a number of additional social and health care measures. While the McGuinty government was initially cool to NDP demands, it ultimately amended the bill, notably by increasing taxes for Ontarians with annual incomes over \$500,000. The amended budget bill passed, with the Liberals voting for, the Progressive Conservatives against, and the NDP abstaining.

Impact of the Budget

Going into Budget 2012, the cultural sector had some reason to be cautiously optimistic that the sector would not be unduly targeted for expenditure reductions. The McGuinty Liberals have tended to be supportive of the cultural sector, recognizing its inherent value to society both economically and socially. Over the course of their time in office (2003-present), the government has invested in the sector, increasing the budget of [the Ontario Arts Council](#) and the [Ontario Trillium Foundation](#) to unprecedented levels (\$60 million and \$120 million, respectively), increasing funding to many of the province's cultural institutions, broadening tax credits for audiovisual production, and focusing a number of its investment attraction efforts on the cultural sector. In this context, the sector had reason to hope that the government would try to preserve these gains.

A close reading of the budget shows that there was reason for optimism: the government did not deal a mortal blow to the cultural sector, but neither did it spare arts, cultural industries and heritage from expense management measures. The [Ministry of Tourism, Culture and Sport](#) was hit with cuts and reorganization of programs across all three expense management themes: removing overlap and duplication (- \$11.0 million over three years), increasing efficiency and effectiveness in delivery methods (- \$3.3 million over three years) and focusing on core business (- \$28.0 million over three years), for a total of \$42.3 million in spending cuts. The declines are distributed annually as follows: \$7.1 million in 2012-13, \$12.3 million in 2013-14, and \$22.9 million in 2014-15. In total, they constitute a reduction of roughly 3.5% from the Ministry's total annual funding of \$1.2 billion in 2011-12.

² Government of Ontario, 2012a, p.1.

The Ministry's cultural programming was hit in a number of areas. Virtually all provincial cultural institutions will see their budgets decline over the next three years. In 2012-13, the following organizations will absorb budget cuts of 1%: the [Art Gallery of Ontario](#), the [Royal Ontario Museum](#), the [Ontario Science Centre](#), [Science North](#), the [McMichael Canadian Art Collection](#), the [Ontario Heritage Trust](#), and the [Royal Botanical Gardens](#). The total cut for 2012-13 is \$900,000³. Going forward, the cuts increase to 2% per year in 2013-14 (\$1.9 million) and continue at that level in 2014-15. All told, these organizations will sustain a collective cut of \$4.7 million to their budgets over three years.

In addition, the expenditure reduction process will see four granting programs consolidated into a single offering: the Museum and Technology Fund, the International Cultural Initiative and the Creative Communities Prosperity Fund will be consolidated into the [Cultural Strategic Investment Fund](#). The [Entertainment and Creative Cluster Partnerships Fund](#) will also sunset one year early to reduce expenditures. These changes account for \$11.0 million of the \$42.3 million in cuts to the Ministry over the next three years (\$3.0 million in 2012-13, \$4.0 million in 2013-14 and \$4.0 million in 2014-15).

The government also cut almost one quarter of the funding it had previously committed to the [Luminato Festival](#), the largest arts festival in the province: \$1.5 million in 2012-13 and \$2.0 million in 2013-14, for a total reduction of \$3.5 million on an initial four-year \$15 million commitment.

As for tourism programming at the Ministry of Tourism, Culture and Sport, seven tourist information centres will be closed as the government moves to direct more of its support for tourism to the Internet. This move accounts for a total of \$3.3 million in reduced spending over three years (\$0.3 million in 2012-13, \$1.5 million in 2013-14 and \$1.5 million in 2014-15). The [Ontario Tourism Marketing Partnership Corporation](#) will also 'streamline' its operations to reduce ongoing expenditures by \$0.9 million in 2012-13, \$1.1 million in 2013-14 and a further \$1.4 million in 2014-15, for a total ongoing cut to the organization of \$3.4 million. In addition, tourism agencies will not see any increases for capital renewal, for a 'savings' of \$1.7 million in 2014-15.

One silver lining for the sector was the government's decision to spare the Ontario Arts Council and the Ontario Trillium Foundation from cuts – both organizations will retain their funding levels (\$60 million and \$120 million, respectively). Tax credits for the audiovisual sector also remained largely unchanged as did a key program for the museums sector (the [Community Museum Operating Grants Program](#)). But the fate of [TVOntario](#), the provincial broadcaster, remains unclear: it has been told it will need to look for new funding sources to reduce its dependence on government funding. This may well prove challenging given current economic conditions and indeed, the impact is already being felt: in November 2012, TVOntario announced it was cutting its budget by \$2 million, eliminating up to 40 staff positions and cancelling a number of programs (*Saturday Night at the Movies*, *Allan Gregg in Conversation* and *Big Ideas*).

Reaction of the cultural community

The cultural community is understandably upset by the cuts, but as Janice Price, CEO of Luminato stated, 'Who can be surprised? Given all the reports, everybody's had to take some cuts. The province . . . has been very clear that everyone's going to have to share the burden and we understand that.'⁴

³ The cuts listed here also include funding reductions to the St. Lawrence Parks Commission.

⁴ As cited in [Adams, *The Globe and Mail*, March 28 2012](#).

Future health of the cultural sector

Since passage of the budget, the political context has become even more uncertain: in October 2012, Dalton McGuinty announced his decision to step down as Liberal Party leader and premier of Ontario and prorogued the legislature until his successor can be chosen. It is not clear at the time of writing (January 2013) whether the new premier, Kathleen Wynne, will be able to continue to govern with a minority.

The new premier has recalled the legislature for February 19: we will then see what approach the government will take to Budget 2013 – notably, whether the cuts announced for 2013-14 and 2014-15 in Budget 2012's [Report on Expense Management Measures](#) will be implemented. Should an election be called, there may well be a new party in power in 2013, which would have its own ideas about addressing Ontario's fiscal challenges, including ways of approaching the cultural sector. If the Progressive Conservatives come to power, this could well prove worrisome for the sector given that culture is unlikely to figure among the party's political priorities. The NDP may be more supportive of the sector – but even here, there are no guarantees.

Regardless of the political outcome, it is safe to say that so long as Ontario's fiscal situation remains weak, the cultural sector will continue to be affected by budget-cutting measures, and will need to remain both persistent and creative in its efforts to impress upon the government the importance of public support for the sector.

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Supplementary Documentation

Government of Ontario

Real GDP Growth: 1.8% (2011)

Revenue from Federal Transfers (percent of total): 19.4%

Population: 12,851,821 (2011)

Government of Ontario

Main Estimates, Operating Expenses⁵

(Dollar Value)

Ministry	2012-13 Estimates	2011-12* Estimate
Aboriginal Affairs	71,955,514	71,021,214
Agriculture, Food and Rural Affairs	674,214,614	701,307,314
Attorney General	1,626,525,414	1,552,454,014
Cabinet Office	27,287,914	27,299,714
Children and Youth Services	4,144,666,814	4,010,623,914
Citizenship and Immigration	222,416,487	168,761,087
Community and Social Services	10,003,206,114	9,770,169,314
Community Safety and Correctional Services	2,262,036,587	2,208,994,587
Consumer Services	20,426,014	20,384,014
Economic Development and Innovation	950,082,587	335,554,387
Education	24,047,466,014	23,080,587,787
Energy	1,165,263,414	1,210,416,214
Environment	327,404,814	355,627,914
Finance	12,355,155,814	11,646,966,414
Francophone Affairs, Office of	5,113,200	5,478,800
Government Services	2,556,885,514	2,429,233,414
Health and Long-Term Care	47,672,147,160	46,325,872,960
Health Promotion and Sport	-	423,243,414
Infrastructure	77,456,314	88,081,914
Labour	282,755,087	174,584,214
Lieutenant Governor, Office of the	1,359,100	1,359,100
Municipal Affairs and Housing	663,944,687	673,922,987
Natural Resources	485,533,514	403,454,014
Northern Development and Mines	309,281,814	403,094,014
Premier, Office of the	2,761,161	2,761,161
Research and Innovation		635,704,014
Tourism, Culture and Sport	816,636,528	554,692,628*
Training, Colleges and Universities	7,440,215,714	6,942,620,614
Transportation	1,098,078,014	1,057,076,414
Total	119,310,275,922	117,343,297,664

⁵ Government of Ontario, 2012c, [Operating: Summary of Total including Consolidation and Other Adjustments](#).

* In the 2011-12 Main Estimate calculation the Ministry of Tourism, Culture and Sport did not include Sport or the Ontario Cultural Media Tax Credits. In the 2012-13 Main Estimates the revised 2011-12 Main Estimate includes Sport, Recreation and Community Programs and Ontario Cultural Media Tax Credits in the calculation.

Government of Ontario

Ministry of Tourism, Culture and Sport⁶

Operating Expense	2012-13 Estimate	2011-12 Estimate	Difference Dollar Value	Difference Percentage
Ministry Administration Program	8,888,800	7,504,800	1,384,000	18.4%
Tourism Program	166,478,300	171,861,900	(5,383,600)	-3.1%
Sport, Recreation and Community Program	48,915,000	50,056,600	(1,141,600)	-2.3%
Culture Program	241,967,200	250,924,400	(8,957,200)	-3.6%
Ontario Trillium Foundation Program	120,001,000	120,001,000	-	-
Ontario Seniors' Secretariat	4,019,500	4,841,100	(821,600)	-17.0%
Ontario Cultural Media Tax Credits	226,238,700	230,238,700	(4,000,000)	-1.7%
Statutory Appropriations	128,028	128,028	-	-
Sub Total	816,636,528	835,556,528	(18,920,000)	-2.3%
Capital Expense				
Ministry Administration Program	2,000	2,000	-	-
Tourism Program	1,000	1,000	-	-
Tourism and Culture Capital Program	52,041,700	160,721,200	(108,679,500)	-67.6%
Culture Program	1,000	1,000	-	-
Statutory Appropriations	4,000	4,000	-	-
Sub Total	52,049,700	160,729,200	(108,679,500)	-67.6%
Ministry Total Operating and Capital	1,105,928,928	1,214,743,128	(108,814,200)	-9.0%

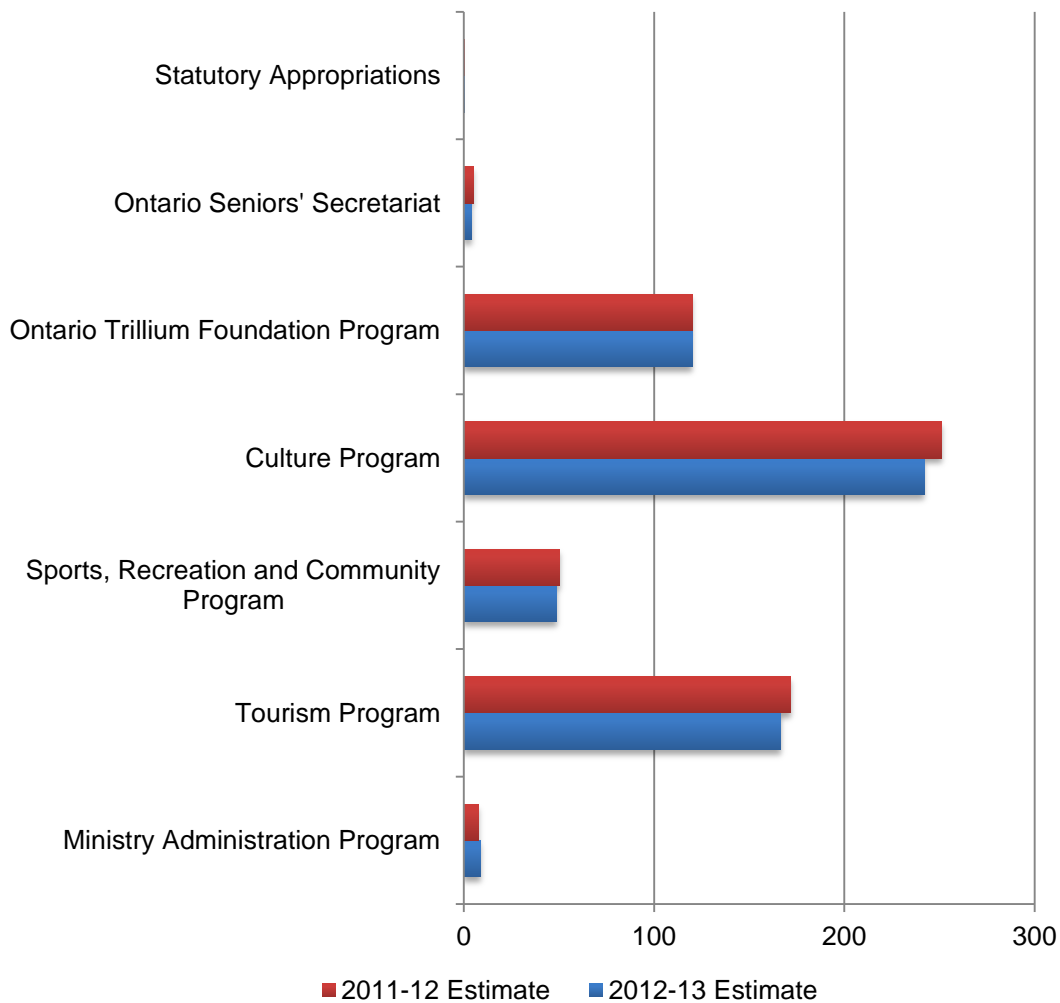
⁶ Government of Ontario, 2012c, Ministry of Tourism, Culture and Sport – [The Estimates, 2012-13 – Summary](#).

Government of Ontario

Ministry of Tourism, Culture and Sport

Changes to Operating Expense Expenditures

(In millions of dollars)



Government of Ontario

Culture Programs, Operating Expenses⁷

(Dollar Value)

Culture Program	2012-13 Estimates	2011-12 Estimates
Salaries and Wages	10,482,100	9,581,500
Employee Benefits	950,700	950,700
Transportation and Communication	430,600	430,600
Services	3,123,100	1,336,700
Supplies and Equipment	379,400	379,400
Transfer Payments		
Arts Sector Support	14,620,800	22,780,800
Heritage Sector Support	8,320,100	8,320,100
Libraries Sector Support	25,969,100	24,169,100
Cultural Agencies Support	2,048,500	2,048,500
Art Gallery of Ontario	20,970,700	21,182,500
McMichael Canadian Collection	3,109,400	3,140,800
Ontario Arts Council	59,937,400	59,937,400
Ontario Media Development Corporation	23,950,300	25,750,300
Ontario Heritage Trust	4,075,000	4,116,200
Ontario Science Centre	19,189,300	19,383,100
Royal Botanical Gardens	3,760,500	3,798,500
Royal Ontario Museum	27,242,600	27,517,800
Science North	6,708,500	6,776,300
Southern Ontario Library Service	2,694,600	2,694,600
Ontario Library Service North	1,505,500	1,505,500
Cultural Community Support	2,500,000	2,500,000
Total	241,967,200	250,925,400

⁷ Government of Ontario, 2012c, [Culture Program, Vote 3805](#).

Government of Ontario

Tourism Program⁸

(Dollar value)

	2012-13 Estimates	2011-12 Estimates
Salaries and Wages	13,067,600	11,954,400
Employee Benefits	1,645,700	1,592,000
Transportation and Communication	520,100	681,100
Services	9,869,600	3,872,900
Supplies and Equipment	736,900	862,900
Transfer Payments		
Grants in Support of Tourism Investment Development	7,950,000	19,230,000
Grants in Support of the Festival and Event Attractions and Support Program	19,792,000	19,792,000
Grants in Support of Tourism Regions	58,750,000	65,000,000
Ontario Tourism Marketing Partnership Corporation	41,510,200	42,762,800
Ontario Place Corporation	5,510,000	-
St. Lawrence Parks Commission	7,126,200	7,271,400
Total	166,478,300	171,861,900

⁸ Government of Ontario, 2012c, [Tourism Program Vote 3802](#).

Government of Ontario

Ontario Cultural Media Tax Credits⁹

(Dollar value)

	2012-13 Estimates
Ontario Book Publishing Tax Credit	2,762,500
Ontario Computer Animation and Special Effects Tax Credit	14,984,300
Ontario Film and Television Tax Credit	105,000,000
Ontario Interactive Digital Media Tax Credit	13,707,200
Ontario Production Services Tax Credit	89,000,000
Ontario Sound Recording Tax Credit	784,700
Total	226,238,700
2011-12 Estimate	230,238,700
2010-11 Actual	239,238,740

Grants

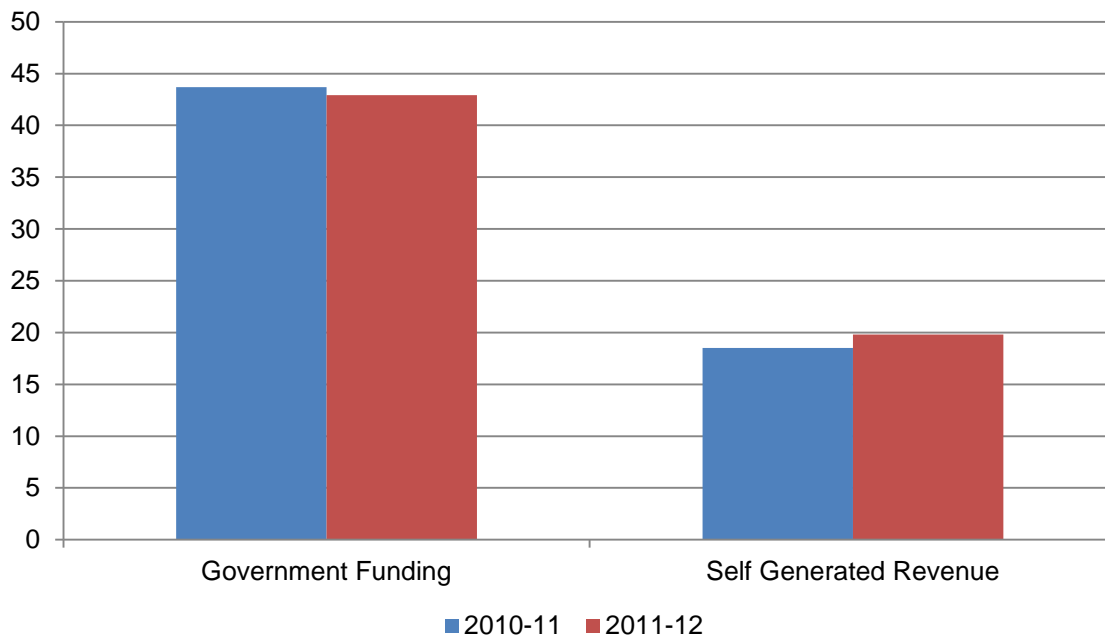
[Cultural Strategic Investment Fund](#) provides financial assistance to arts, culture or heritage organizations and libraries for specific projects. The organization must be nonprofit, academic or a statutory body with a focus on culture or eligible for funding under the *Public Libraries Act* and have existed in Ontario for at least a year to be eligible.

[Community Museum Operating and Pay Equity Grants](#) provides eligible museums with operating funds.

⁹ Government of Ontario, 2012c, [Ontario Media Tax Credits – Vote 3808](#).

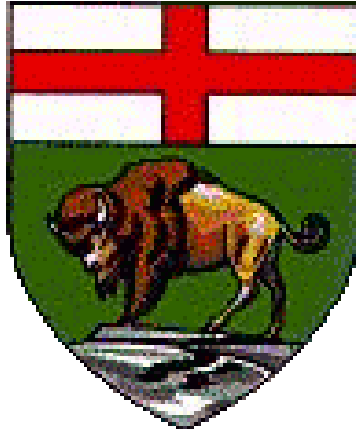
TV Ontario

Revenue¹⁰ (In millions of dollars)



Government Funding	Self Generated Revenue
In 2011-12 the government contributed \$42.9 million to TVO, a 1.8% decrease from the previous year	In 2010-11 TVO generated \$19.8 million in revenue, a 6.7% increase from the previous year
Decrease of \$468,000 in operating grants	Increase of \$1.1 million in revenue from the Independent Learning Centre
Decrease of \$335,000 in capital project funding	

¹⁰ TVOntario. *Annual Report 2012*. Pg 21.



MANITOBA

Caught in the Federal Freeze

Analysis of the 2012-13 Manitoba Budget from the
Perspective of Arts, Culture and Heritage

Joy Cohnstaedt

2013

Caught in the Federal Freeze

The 2012-13 Manitoba Budget from the Perspective of Arts, Culture and Heritage

Analysis by Joy Cohnstaedt, Professor Emerita and Senior Scholar, York University

Budget Highlights

- Most departmental budget lines remain stable.
- Historic Resources budget grant assistance declines slightly.
- Major concerns expressed by cultural community about the potential effect of federal budget cuts.

Context

The majority of Manitoba's people live in southern communities, with Winnipeg (Canada's eighth largest metropolitan area)¹ home to 60% of the province's population of 1,208,268. It is one of Canada's most culturally diverse provinces. Approximately 15% of the population is Aboriginal.² Those of English and French heritage represent about one third of the population, while over one-half of citizens are of other origins. At the provincial level Manitoba is officially bilingual. The New Democratic Party has led the province since 1999, following a decade under the Progressive Conservative Party.

The economic prospects for Manitoba in 2012-2013 are encouraging. Population, housing starts and employment are up. Primary economic activities of manufacturing, agriculture, retail, investment and natural resources are increasing.³ Nonetheless, Manitoba is one of Canada's six "have-not" provinces.

Manitoba's gross domestic product (GDP) is less than the average of its sister provinces. In 2012-2013 it is estimated that Manitoba will receive \$1.671 billion in transfer payments from the Government of Canada to help equalize the province's capacity to generate tax revenue.⁴ The reduction of poverty and the promotion of social inclusion have continued to be a concern of successive NDP governments. This means that the cultural sector must demonstrate its value to the economy and compete for attention with the pressing needs of education and health, for example.

The Manitoba department of Culture, Heritage and Tourism⁵ is the lead department for the cultural sector. Comprised of culture, heritage and tourism programs, it is also responsible for public library services, communications (including translation), the Archives of Manitoba and the Legislative Library. The arts branch encourages and supports the development and the sustainability of the arts; arts-based and cultural industries; as well as community-based initiatives through consultation, grants, training and policy development. Subventions are provided by the department to arm's length agencies, including the Manitoba Arts Council⁶ and

¹ Wikipedia. [List of census metropolitan areas \(accessed October 15, 2012\).](#)

² Canada. [Human Resources and Skills Development Canada \(accessed October 15, 2012\).](#)

³ Manitoba. [Manitoba Economic Highlights \(accessed October 29, 2012\).](#)

⁴ Canada. [Department of Finance \(accessed October 15, 2012\).](#)

⁵ Manitoba. [Manitoba Culture, Heritage and Tourism, \(accessed October 15, 2012\).](#)

⁶ Manitoba. [Manitoba Arts Council, \(accessed October 15, 2012\).](#)

the Heritage Grants Advisory Council⁷ as well as the Manitoba Film and Sound Recording Development Corporation (also known as Manitoba Film and Music)⁸.

Since Manitoba's founding in 1870, its arts, cultural and heritage institutions have helped build and sustain the province's social and economic infrastructure. In 1985, the Canada-Manitoba Economic and Regional Development Sub-Agreement (ERDA) on communications and cultural enterprises recognized the economic potential of the province's cultural infrastructure, estimated in 2009 to be nearly 4% of Winnipeg's GDP.⁹ Under the Canada-Manitoba Economic Partnership Agreement, periodic support has been provided to the creative industries. In 2008-09, for example, money was allocated to the recording industry through the province's economic portfolio.

Impact of the budget

With the exception of Historic Resources, where there has been a modest decline in grant assistance estimates, all departmental budget lines are relatively stable.¹⁰ In addition, Manitoba Finance has maintained the Cultural Industries Printing Tax Credit, Book Publishing Tax Credit, Film and Video Production Tax Credit, Interactive Digital Media Tax Credit, Cost of Salaries Tax Credit and the Cost of Production Tax Credit.¹¹ There have been some relatively minor reductions in the cultural budget due to various transfers. The Multiculturalism Secretariat along with its responsibility for the coordination and implementation of the *Multiculturalism Act* was transferred to Immigration and Multiculturalism (\$808,000). At the conclusion of joint management of the design and development of the Waabanong Anishinaabe Interpretive and Learning Centre the sum of \$1,602,000 was transferred to the department of Infrastructure and Transportation. The Centre is a tourism initiative focusing on the cultural and natural heritage of the Anishinaabe people who reside on the East side of Lake Winnipeg. A transfer of \$340,000 was also made to the department of Education for partnerships between the Manitoba Arts Council and Healthy Living for arts education projects and community arts for all ages.

Manitoba's cultural sector is dependent on relatively significant support from federal sources. As a "have-not" province, Manitoba is inevitably affected when the federal government reduces its funding of arts, culture and heritage or when funding does not keep up with growth in the sector. Manitoba does not have the resources to make-up for the difference. In fiscal year 2012-13, the Department of Canadian Heritage's budget was cut by \$46.2 million, potentially impacting the core funding of cultural organizations. Telefilm Canada, the National Film Board and Canadian Broadcasting Corporation (CBC) have been cut by 10% over three years. Those cuts will also negatively affect the cultural sector in Manitoba at least to some degree.¹²

Partnerships among the various players in Manitoba are long-standing. Creativity and the commercialization of culture in Manitoba is encouraged through the economic envelopes of the federal and provincial governments, as well as by the Canada Council for the Arts and the Department of Canadian Heritage. Tax base provincial revenue is supplemented by the

⁷ Manitoba. [Manitoba Culture, Heritage and Tourism Heritage Grants Advisory Council](#), (accessed October 15, 2012).

⁸ Manitoba. [Manitoba Film and Music](#), (accessed October 15, 2012).

⁹ [Hill Strategies](#). (accessed October 15, 2012).

¹⁰ Manitoba. [2012 Manitoba Estimates of Expenditure and Revenue](#) (accessed October 15, 2012).

¹¹ Manitoba. [Manitoba Business Facts](#) (accessed October 15, 2012).

¹² Canadian Broadcasting Corporation Manitoba, [What the budget means for Manitoba arts and culture](#), (accessed October 15, 2012).

Manitoba Lotteries Corporation. The [Manitoba Arts Council Act](#) encourages it to cooperate with other organizations having similar objectives, particularly the Canada Council for the Arts.¹³ In addition, Manitoba's private sector, foundations and other non-profit organizations help sustain the cultural sector. Further assistance to arts and culture comes from the Local Government department through its support for recreation and library technology.¹⁴

A current project, the construction and operation of the Canadian Museum for Human Rights, is a case in point. The private sectors, the federal and provincial governments, including Manitoba crown corporations, the city of Winnipeg, and the Ontario government, along with individual donors have combined their efforts to cover the capital costs. In addition, the federal and provincial governments have provided loan guarantees. Because this is a national museum, the federal government will assume operational costs.¹⁵

These initiatives illustrate that the budget of the lead department is not the only source of support for the arts and culture sector. It means that members of the arts and culture sector must be attuned to the government's current priorities in other areas if they are to find new opportunities. The challenge in the arts and culture sector is to stabilize undertakings, even if this means downsizing, and at the same time to exploit new opportunities for growth in a province that has flat-lined its support to the sector.

Reaction by the cultural community

"Members of the cultural sector in Manitoba are pleased by the province's positive response to the sector's needs in its current 2012-13 budget," said Thomas Sparling, Executive Director, Arts and Cultural Industries Association of Manitoba (ACI). With federal cuts to the Canadian Conference of the Arts, Cultural Human Resources Council, Statistics Canada, the CBC and the Department of Canadian Heritage, pan-Canadian support of culture is seriously threatened Sparling said, although it is not yet clear, he added, what impact federal budget cuts might have. What is clear is that the trend elsewhere of "declining support from foundations and the private sector has reached us too". He suggested that the cultural community needs to learn how to be more proactive in a digital age in leveraging increased resources and identifying new opportunities. Sparling hopes to partner with the province in formulating strategies.¹⁶

In the wake of the budget, the creative community and the community at large established the Manitoba Arts and Cultural Alliance (MACA) in 2012 to advance the arts, culture and heritage through increased participation. MACA will serve as an advocate by bringing the community's concerns and issues to decision-makers and to the general public.¹⁷

Future health of the cultural sector

Manitoba has a long history of stabilizing cultural organizations and encouraging new directions. However, few organizations – the Canadian Human Rights Museum, for example – are safe from a reduction in funding. The non-profit, member-based ACI, established to promote infrastructure development, training and sustainability, as well as other organizations, must continue to help guide the cultural sector in Manitoba.

¹³ Manitoba. [The Arts Council Act \(accessed October 15, 2012\)](#).

¹⁴ Manitoba. [Manitoba Local Government website \(accessed October 15, 2012\)](#).

¹⁵ Wikipedia. [Canadian Museum for Human Rights \(accessed October 15, 2012\)](#).

¹⁶ Private conversation with author.

¹⁷ Manitoba. [Manitoba Arts and Cultural Alliance](#). (accessed October 15, 2012).

Organizations with sizeable debts, such as the Manitoba Theatre for Young People¹⁸, may need Manitoba Arts Council or government intervention, if they are unable to stabilize their operations. The cultural community will have to maintain a watching brief on all members' efforts to address declining incomes due to a reduction in earned revenues (whether tax based or not).

Given Manitoba's tradition of partnerships among the provincial, municipal and federal governments, and in-depth consultation and participation in the development of policies, such as the first ERDA sub-agreement on culture, there is room for optimism about the benefits of a co-operative approach as promoted by the Manitoba Arts and Cultural Alliance. The cultural community will need to be realistic and continue to lobby all levels of government. At the same time, it must take into account the needs of individual creators—such as writers and visual and performing artists. The essence of creativity in the cultural sector is collaboration between individual creators and cultural enterprises for the benefit of society as a whole.

¹⁸ Canadian Broadcasting Corporation. [Manitoba Theatre for Young People faces financial crisis](#) (accessed October 29, 2012).

Supplementary Documentation

Government of Manitoba

Real GDP growth: 2.0% (2011)

Federal Government Transfers (Percentage of Total Revenues): 28.1%

Population: 1,208,268 (2011)

Government of Manitoba

Main Estimates:¹⁹

(in \$ 000)	2012/13 Expenditure Estimate	2011/12 Forecast	2011/12 Budget Estimate
Sector/Department			
Health and Healthy Living	5,152,175	4,924,143	4,978,327
Education	2,321,894	2,246,235	2,248,421
Family Services	1,076,845	1,060,070	1,001,313
Community, Economic and Resource Development	2,179,070	2,125,544	2,066,507
Legislative Assembly	40,181	54,870	55,284
Executive Council	2,827	2,827	2,827
Civil Service Commission	21,643	21,243	21,643
Culture, Heritage and Tourism	61,350	61,455	61,350
Employee Pensions and Other Costs	16,933	12,156	15,817
Finance	68,081	69,840	72,009
Immigration and Multiculturalism	38,818	38,843	38,843
Justice	460,873	455,150	426,263
Sport	11,970	11,970	11,970
Enabling Appropriations	40,671	35,902	42,080
Other Appropriations	72,175	804,008	60,151
Debt Servicing Cost	258,000	247,000	257,785
Program Portfolio Management Reviews	(128,000)		
Total	11,695,506	12,171,256	11,360,590

Note: In 2012-13 the Manitoba Lotteries Commission is expected to contribute \$346,000,000 in revenue to the province.

¹⁹ Government of Manitoba. [2012 Manitoba Estimates of Expenditure and Revenue](#), The Honourable Stan Struthers, Minister of Finance. (accessed October 25, 2012)

Government of Manitoba

Department of Culture, Heritage and Tourism

Main Estimates²⁰

(In thousands of dollars)

Branch	2012-13 Estimate	2011-12 Estimate	Difference Dollar Value	Difference Percentage
Administration and Finance	2,440	2,440	-	-
Culture, Heritage and Tourism Programs				
Grants to Cultural Organizations	9,737	9,737	-	-
Manitoba Arts Council	8,405	8,405	-	-
Heritage Grants Advisory Council	411	411	-	-
Arts Branch	9,198	9,178	20	0.2%
Public Library Services	7,150	7,114	36	0.5%
Historic Resources	2,891	2,967	(76)	-2.6%
Tourism Secretariat	1,384	1,384	-	-
Travel Manitoba*	7,113	7,113	-	-
Sub Total	46,907	46,907	-	-
Information Resources				
Communications Services Manitoba*	4,440	4,407	33	0.7%
Translation Services*	2,016	2,016	-	-
Archives of Manitoba*	4,012	4,012	-	-
Legislative Library	1,420	1,420	-	-
Sub Total	11,848	11,855	(7)	-0.1%
Costs Relating to Capital Assets	155	148	7	4.7%
Total	61,350	61,350	-	-

*Less Recoverable

²⁰ Manitoba. [2012 Manitoba Estimates of Expenditure and Revenue](#), The Honourable Stan Struthers Minister of Finance (Accessed October 25, 2012)

Government of Manitoba

Culture, Heritage and Tourism Organizational Layout

(As of April 1st, 2012)

Department

Minister				
Deputy Minister				
Culture and Heritage Programs	Provincial Services	Tourism Secretariat	Communications Services Manitoba	Administration and Finance
Major Agencies	Translation Services		Public Affairs	
Arts Branch	Legislative Library		Advertising and Program Promotion	
Public Library Services Branch	Archives of Manitoba		Creative Services	
Historic Resources	Information and Privacy Policy Secretariat		News Media Services	
			Media and Production Procurement	
			Business Services	

Boards and Agencies

Manitoba Arts Council	Manitoba Heritage Council	Manitoba Centennial Centre Corporation	Public Library Advisory Board	Manitoba Film Classification Board
Manitoba Film and Sound Recording Development Corporation	Heritage Grants Advisory Council	Centre culturel franco-manitobian	Travel Manitoba	Venture Manitoba Tours

Government of Manitoba

Important Agencies

Manitoba Arts Council Since 1965 MAC has worked along side the provincial government to provide artists with grants, awards, support and education. In 2012-13 MAC's provincial appropriation was \$8,405,000 for grant assistance. MAC awards grants in many areas including visual arts, performance and touring, publishing, arts education, (ArtsSmarts and Artists in Schools), Aboriginal art, and general operating costs for community organizations.²¹ The provincial government committed an additional \$200,000 to the Artists in Schools program in 2012-13.²²

2011-12 ArtsSmarts Program Results²³

ArtsSmarts Manitoba	ArtsSmarts Portage
15 Projects	15 Projects
970 Students	800 Students
22 Artists	9 Artists
73 Teachers	45 Teachers

Heritage Grants Advisory Council The Council consists of 14 members with expertise in Manitoba's heritage, archaeology, ethnic composition, history and industries. The Council is responsible for advising the Minister in the allocation of funds from the Heritage Grants Program. The provincial government gave the Advisory Council \$411,000 for grant assistance in 2012-13.²⁴

Manitoba Sound and Recording Development Corporation Also known as Manitoba Film and Music, the Sound and Recording Development Corporation is funded by the Department of Culture, Heritage and Tourism and is responsible for the well being of the industry in Manitoba. Their responsibilities include allocating grant funding, administering relevant tax credits, and promoting Manitoba as a place for film and music production.²⁵

²¹ [Manitoba Arts Council](#). Home (Accessed October 25, 2012)

²² Manitoba. Budget 2012: [Thousands More Youth to Have Access to Successful Role-Model Programs](#) April 20, 2012 (Accessed October 25, 2012)

²³ ArtsSmart. [Annual Report 2011](#) (Accessed October 25, 2012)

²⁴ Manitoba. [Culture, Heritage and Tourism. Heritage Grants Advisory Council](#) (Accessed October 25, 2012)

²⁵ [Manitoba Film and Music](#). (Accessed October 25, 2012)

Government of Manitoba

Department of Finance

Tax Credits¹

Cultural Industries Printing Tax Credit awards eligible Manitoba based printers a 15% refund off the printing costs of Canadian authored non-periodical publications.

Book Publishing Tax Credit is worth 40% of eligible labour costs up to \$100,000 per publisher per year. There is an additional 10% environmental bonus for books published on recycled material. The tax credit is administered by the Canada Revenue Agency.

Film and Video Production Tax Credit is valued at 45% of eligible salaries for film or video production in Manitoba. There are additional bonuses for companies who frequently film in Manitoba and appoint Manitobans to prominent roles in the productions. The current terms of the tax credit will be in place until March of 2014. This Tax Credit is administered by the Manitoba Sound and Recording Development Corporation.

Interactive Digital Media Tax Credit is valued at 40% of the salaries paid to provincial residents in the development of approved interactive digital media projects. The tax credit is limited to \$500,000.

Cost of Salaries Tax Credit is worth 45% of eligible salary costs for hiring Manitobans. There are additional bonuses for projects with a producer from Manitoba, and are filmed outside of Winnipeg or frequently film in the province.

The Cost of Production Tax Credit - Entitled film producers are eligible for a 30% refund of qualifying expenditures in Manitoba including labour.

¹ Manitoba. Finance. [Corporate Tax Credit](#) (Accessed October 25, 2012)

Government of Manitoba

Immigration and Multiculturalism

Multiculturalism Secretariat

The Multiculturalism Secretariat is guided by the [Manitoba Multiculturalism Act](#) to uphold the province's diverse cultural make up. The Secretariat is responsible for funding community events and promoting respect for all cultures in Manitoba.

Main Estimates²

(In thousands of dollars)

	2012-13 Estimates of Expenditure	2011-12 Estimates of Expenditure
Salaries and Employee Benefits	290	290
Other Expenditures	109	109
Financial Assistance and Grants	419	409
Total	818	808

Cross Departmental Arts Education Programs

Department of Education
 Department of Culture, Heritage and Tourism
 Department of Healthy Living, Youth and Seniors

[Arts Education Access Program](#) - Provides grants to fund non-profit community organizations with youth programming. Eligible applicants can receive up to \$10,000 in funding for art programs in conjunction with schools and educational facilities.³

[After School Arts Enrichment Program](#) - Non-profit community organizations are eligible for up to \$5,000 in funding for arts programs intended for school aged children and youth without access to similar programs.⁴

² Manitoba. [2012 Manitoba Estimates of Expenditure and Revenue](#), The Honourable Stan Struthers Minister of Finance (Accessed October 25, 2012)

³ Manitoba. Education. [Arts Education Access Program](#) (Accessed October 25, 2012)

⁴ Manitoba. Education. [After School Arts Enrichment Program](#) (Accessed October 25, 2012)

Canadian Museum for Human Rights

The Canadian Museum for Human Rights will be a national museum located in Winnipeg, Manitoba opening in 2014. The Museum's mission is, "to explore the subject of human rights, with special but not exclusive reference to Canada, in order to enhance the public's understanding of human rights, to promote respect for others, and to encourage reflection and dialogue."⁵

Statement of Operations

(In thousands of dollars)

Three months ended June 30	2012	2011
Revenue		
Other income	7	15
Total Revenue	7	15
Expenses		
Museum content and program	1,147	1,046
Permanent building and temporary accommodation	348	301
Stewardship and corporate management	1,283	1,120
Total expenses	2,778	2,467
Excess of expenses over revenue before parliamentary appropriations	(2,771)	(2,452)
Parliamentary appropriations	2,874	2,095
Excess of revenue over expenses (expenses over revenue) after parliamentary appropriations	103	(357)

⁵ Canadian Museum for Human Rights. [Mandate and Values](#) (Accessed October 28, 2012)



SASKATCHEWAN

Activating Families, Idling Program Production

Analysis of the 2012-13 Saskatchewan Budget
from the Perspective of Arts, Culture and
Heritage

Sue Stewart

2013

Activating Families, Idling Program Production

The 2012-13 Saskatchewan Budget from the Perspective of Arts, Culture and Heritage

Analysis by Sue Stewart

Budget Highlights

- Saskatchewan Film Employment Tax Credit eliminated.
- Non-refundable Film/TV and Digital Tax Credit introduced.
- Canada-Saskatchewan Production studio to be repurposed.
- Active Families Benefit increased by \$3 million.
- Heritage allocation slightly up; culture allocation slightly down.
- Saskatchewan Arts Board budget flat-lined.

Context

The Saskatchewan Party began its second mandate in 2011 with a landslide victory, having ousted the New Democratic Party in 2007. Although the Sask Party, as it is commonly known, recruited its members from the provincial Liberals as well as the Progressive Conservatives, Premier Brad Wall is seen by some as Stephen Harper's most ardent disciple.

Since 2007, the province has gone from "have-not" to "have", owing mostly to increased exploitation of its natural resources of uranium, potash, oil and gas, with the encouragement of favourable government policy. The boom has

brought with it an influx of population to the larger urban centres, both executives and workers, and a precipitous rise in property values. Low-end rentals are being converted wholesale into high-end condominiums and, coupled with an entrenched resistance to rent control, this has meant that many lower-income families and individuals have been forced to move. A corresponding rise in conspicuous consumption has Saskatoon boasting more cars than people, as of 2010.¹ Joni Mitchell's "pave paradise and put up a parking lot" may prove prophetic for her own home town!

As usual, the boom has not meant an equal distribution of benefits to all citizens. Socially, the lack of stability has placed the province, notably Saskatoon and Regina, among the most dangerous places in Canada for violent crime², abetted by persistent racial tension. In 2003, Aboriginal youth in Saskatchewan were already 30 times more likely to be incarcerated than non-Aboriginal youth. The most recent figures available show an increase in absolute numbers of crimes for Regina and Saskatoon, while they were dropping in most other Canadian cities.³ In addition, in 2008 Saskatchewan was among the provinces and territories with the highest rates of obesity in the country.⁴

In response to these problems, the Wall government introduced its own [Active Families Benefit](#) in 2009. It is a provincial version of a similar federal program, a tax credit for individuals of \$150 per child to encourage active participation in culture and sports and

¹ Hutton, 2010.

² Statistics Canada. 2012.

³ Munch, 2012. .

⁴ Public Health Agency of Canada. 2011.

thus promote fitness and improve their quality of life. The current guidelines raise the maximum age of eligible children to 17 in 2012 and 18 in 2013.⁵

The province's public administrators, at all levels, have finally recognized that playing team sports enhances leadership, cognitive skills and social integration, along with its physical benefits. The documented benefits of arts-related activities are generally less known, but include improved academic performance and critical thinking, tolerance, and social bonding, especially for at-risk youth.⁶

Impact of the Budget

During the Wall government's first mandate, the Ministry of Culture, Youth and Recreation was re-styled as [Tourism, Parks, Culture and Sport](#), and in May 2012, post-budget, its name was shortened to Parks, Culture and Sports. (The budget documents for 2012-2013 still refer to Tourism, Parks, Culture and Sports.) The Ministry is responsible for the arts and heritage sectors, along with their agencies and major institutions. There are distinct budget categories for Culture and Heritage.

The 2012-2013 budget for the Ministry shows an increase of slightly more than 3% in total expenditures for the five major categories of Tourism, Parks, Sports, Heritage and Culture. However, there have been significant shifts of funds among those categories. The reallocation favours sports, tourism and parks, with increases of 89%, 17%⁷ and 11%, respectively, while heritage is increased by only 0.5%.

The culture category, the only one to receive a reduction, is cut by 0.8%, which is attributable to a reduction in *Culture Operations Support* for the Ministry's own internal operations. The [Saskatchewan Arts Board](#) is flat-lined, despite increased responsibilities.

While culture operations have been reduced by 20% over last year, heritage operations are receiving an increase of 17%. However, at the same time, heritage institutions like [Wanuskewin](#), an Aboriginal-run World Heritage Site, are also flat-lined.

The *Active Families Benefit*, which is slotted within the Culture category although it also funds sports, receives a \$3 million increase. This brings its line allocation to \$12 million, or 41% of the total for culture overall. The increase also corresponds exactly to the reduction for the same period in the [Saskatchewan Film Employment Tax Credit](#) (FETC).

The announced elimination of the film tax credit (FETC) drew attention nation-wide, with the result that it was rapidly replaced by a non-refundable credit, the Film/TV and Digital Tax Credit (FTDC), which also takes in digital art forms. The FETC, created by an Act of the Legislature in 1998, will have its last intake of applications at the end of 2014. In the meantime, its allocation for the current year has been cut by over 36%.

Elsewhere, the ministry has cut in half the amount for the [Building Communities](#) program, which supports the renewal of recreational and cultural facilities. On the other hand, the budget introduces an annual \$2,500 Community Rink Affordability Grant to

⁵ Government of Saskatchewan, Parks, Culture and Sport. n.d.

⁶ Government of the Northwest Territories. 2006.

⁷ This represents the combined increase for Tourism Initiatives and Tourism Saskatchewan.

offset the cost of operating indoor rinks. In many rural communities, the local arena also serves as a community centre and performing arts venue.

Reactions of the cultural community

Widespread protest followed the announcement of the termination of the Film Employment Tax credit. Mark Wihak, an award-winning filmmaker and Head of Media Production and Studies at the University of Regina, sums up the impact of losing the FETC as follows: "...[A]s this is a rebate program, for the government to save \$8 million means that up to \$50 million in film production revenues from outside the province will not be spent in Saskatchewan, a generation of skilled talent will leave the province and the significant production infrastructure built up in the past 20 years will sit unused."⁸

On 30 October 2012, the day the arts community staged a "ghost walk" in Saskatoon and Regina symbolizing the impact of losing provincial support, SaskFilm and the Saskatchewan Chamber of Commerce released a report based on a commissioned review of the FETC by an auditor. The study concludes that the program cost the government \$1.3 million per year, rather than the estimated \$3 - \$8 million, and generated revenues of \$44.5 million annually, on average. The Chamber's CEO has charged the provincial government with "a substantial lack of sector-specific knowledge and policy transparency" concerning the program cut.⁹ The government's reaction has been to refuse to reinstate the film tax credit, according to CBC News.¹⁰

A survey of the film community conducted by the [Saskatchewan Motion Picture Industry Association](#) in summer 2012 shows that fully 55% of respondents plan to relocate outside the province. Along with the loss of income and work resulting from the elimination of the FETC, respondents cited "a loss of faith in the government and feeling insulted by comments made about the industry" as their reasons for leaving.¹¹

In another development, the University of Regina announced that it is eliminating its 20-year-old BFA degree in Theatre and Performance and rolling courses into the BA program.¹² When this restructuring is added to the FETC cut, the prospects for Saskatchewan's actors, performers and producers look rather bleak.

Some arts organizations and individuals have been quick to take advantage of the potential presented by the Active Families tax credit by offering classes and courses for children and teens, as well as adults. For example, the province's French-language professional theatre company, [La Troupe du Jour](#), has stepped up both its offerings and its marketing efforts for age-appropriate drama classes.

Saskatchewan Arts Board (SAB) administrators were largely relieved to have been spared a cut. The SAB has been struggling for a number of years with an increased range of responsibilities associated with being assigned, in 2007, the administration of funding for cultural industries, festivals and province-wide cultural organizations. The

⁸ Wihak, 2012.

⁹ Saskatchewan Chamber of Commerce, 2012.

¹⁰ Canadian Broadcasting Corporation, 30 October 2012.

¹¹ SMPA Newsletter. 2012.

¹² Graney, 2012.

transfer was accompanied by a budget top-up that almost doubled its funds but was mostly withdrawn the following year. More recently, the SAB has explored the possibility of creating efficiencies in program delivery by restructuring and combining programs.

Future health of the sector

One aspect of the government's response to the FETC backlash is a plan to "repurpose the Canada-Saskatchewan Production Studio for [all] creative industries to use," in particular for digital production.¹³ The production facility in Regina is the largest in the Prairies, and it was the pride and joy of the film community and its proponents. Of interest is the possibility that the Sask Party will invest in the kind of digital technology that would be useful to cultural industries like book publishing, with its pressing need for technological support in marketing and distribution as well as production.

Parents must pay tuition or registration fees if they want to take advantage of the Active Family Benefits tax program. This implies that they have sufficient disposable income to enroll their children in organized programs and purchase the related supplies and equipment. It is precisely children in families who cannot afford it who are at greatest risk of joining gangs, engaging in criminal activity and adopting an unhealthy lifestyle. Knowing this, the province's most successful reintegration programs for at-risk youth have been offering their programming for free, with public and private support. But public support for that kind of programming is increasingly hard to obtain, at both federal and provincial levels.

The prospects for professional production also look less promising if arts organizations are forced to shift part of their activities to lessons or classes for children and youth, in order to derive benefit from the Active Families tax rebate.

In its Mission Statement, the Ministry of Parks, Culture and Sport presents as its first priority to "promote a creative arts and cultural community that is vibrant, sustainable, internationally recognized and valued by our residents." But it gives the biggest slice of its pie to parks. In the meantime, Saskatchewan residents are hungry for culture. In its reaction to the 2012-13 budget, the [Saskatchewan Arts Alliance](#) noted: "The recent Hill Strategies Statistical Insights report shows that all Saskatchewanians 15 or older (99.8%) participated in at least one of the 18 arts, culture or heritage activities, an increase over the past 18 years."¹⁴

The ultimate results of the ministry's current budget are more paid classes, fewer original productions, increased import of finished products, particularly in the performing arts, and the likely export of trained cultural workers.

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¹⁴ Saskatchewan Arts Alliance. 2012.

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Supplementary Documentation

Government of Saskatchewan

Real GDP Growth: 4.9% (2011)

Federal Transfers (percentage of total revenues): 14.1%

Population: 1,033,381 (2011)

Government of Saskatchewan

Main Estimates¹⁵

(In Thousands of Dollars) Ministries and Agencies	2011-12 Forecast	2012-13 Estimates
Advanced Education, Employment and Immigration	861,231	890,598
Agriculture	448,181	430,777
Corrections, Public Safety and Policing	521,669	374,731
Education	1,314,282	1,351,175
Teachers' Pensions Benefits	236,471	244,892
Energy and Resources	36,720	43,037
Enterprise and Innovation Programs	25,237	27,347
Enterprise Saskatchewan	41,303	33,063
Environment	207,218	178,462
Executive Council	15,897	16,572
Finance	86,964	68,419
Public Service Pension and Benefits	276,670	283,517
Finance Debt Servicing	410,000	400,000
First Nations and Métis Relations	80,495	81,943
Government Services	10,647	14,542
Health	4,423,529	4,680,168
Highways and Infrastructure	442,305	425,910
Information Technology Office	21,414	16,681
Innovation Saskatchewan	3,467	6,769
Justice and Attorney General	150,407	152,558
Labour Relations and Workplace Safety	17,205	17,489
Municipal Affairs	379,484	386,783
Office of the Provincial Capital Commission	10,966	14,715
Public Service Commission	37,777	38,541
Saskatchewan Research Council	18,133	18,983
Social Services	791,337	852,725
Tourism, Parks, Culture and Sport	94,981	102,417
Legislative Assembly and its Officers		
Chief Electoral Officer	15,784	2,471
Children's Advocate	1,993	1,944
Conflict of Interest Commissioner	131	145
Information and Privacy Commissioner	1,174	1,065
Legislative Assembly	25,210	26,067
Ombudsman	2,982	3,075
Provincial Auditor	8,134	8,332
Total	11,019,398	11,195,913

¹⁵ Government of Saskatchewan. Finance. 2012.

Government of Saskatchewan

Tourism, Parks, Culture and Sport¹⁶

Main Estimates

(In Thousands of Dollars)

Branch	2011-12 Estimate	2012-13 Estimate	Difference Dollar Value	Difference Percentage
Central Management and Services	9,763	9,161	(602)	-6.2%
Tourism Initiatives	2,500	4,952	2,452	98.0%
Parks	27,343	30,398	3,055	11.2%
Building Communities	5,692	2,825	(2,867)	-50.4%
Culture	29,423	29,176	(247)	-0.8%
Heritage	8,885	8,931	46	0.5%
Sports, Recreation and Stewardship	2,349	4,434	2,085	88.8%
Community Initiatives Fund	9,474	9,288	(186)	-2.0%
Tourism Saskatchewan	12,181	12,181	-	-
Total	107,610	111,346	3,736	3.5%

¹⁶ Government of Saskatchewan. Finance. 2012.

Government of Saskatchewan

Tourism, Parks, Culture and Sport

Detailed Culture Branch Budget¹⁷

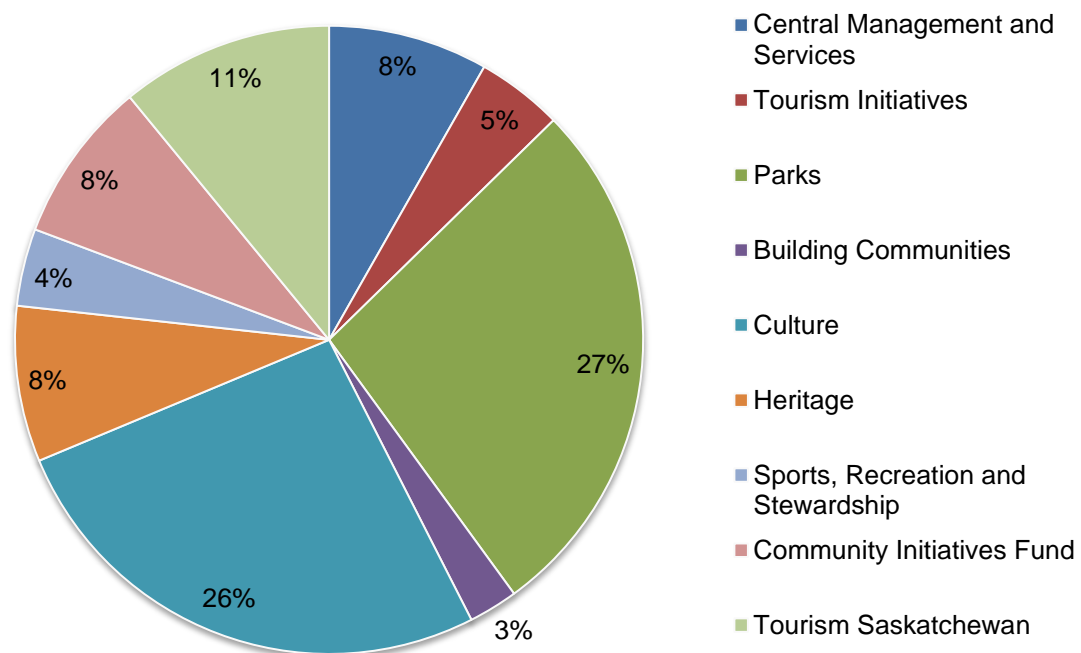
(In Thousands of Dollars)	2012-13 Estimate	2011-12 Estimate
Culture		
Culture Operations Support	993	1,240
Saskatchewan Arts Board	6,433	6,433
Support for Provincial Arts and Culture Organizations	3,351	3,351
SaskFilm	1,199	1,199
Film Employment Tax Credit	5,200	8,200
Active Families Benefit	12,000	9,000
Sub Total	29,176	29,423
Heritage		
Heritage Operations Support	1,019	866
Royal Saskatchewan Museum	2,151	2,258
Western Development Museum	4,059	4,059
Wanuskewin Heritage Park	611	611
Saskatchewan Science Centre	587	587
Saskatchewan Heritage Foundation	504	504
Sub Total	8,931	8,885

¹⁷ Government of Saskatchewan. Parks, Culture and Sport. 2012.

Government of Saskatchewan

Tourism, Parks, Culture and Sport

Funds Appropriated Proportionally to the Ministry's Branches

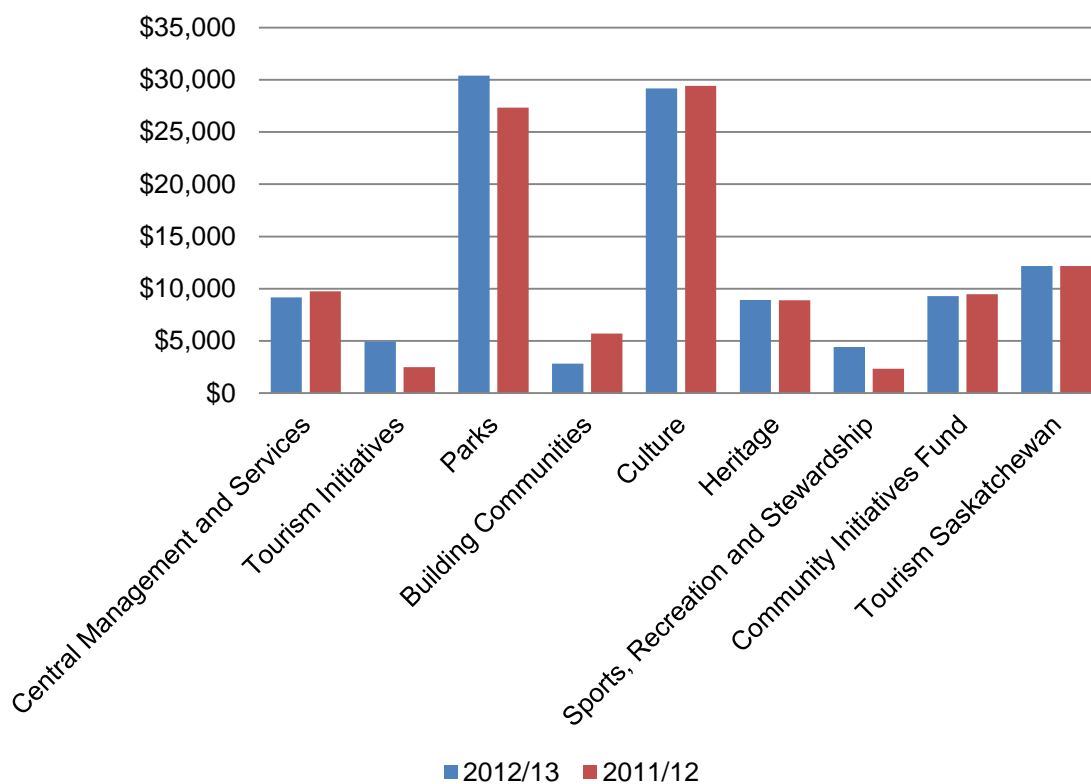


Government of Saskatchewan

Tourism, Parks, Culture and Sports

Changes to Funding Appropriations

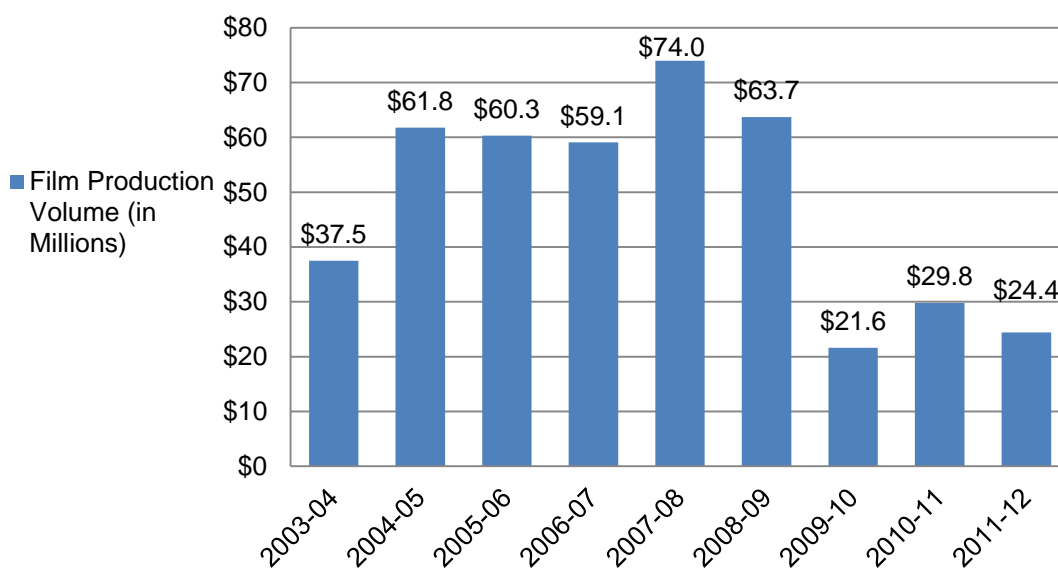
(In Thousands)



The Saskatchewan Film Industry

SaskFilm is a not-for-profit organization that works to promote the development of a film industry in Saskatchewan and receives funding from the Government of Saskatchewan. SaskFilm is responsible for managing a variety of programs including the Film Employment Tax Credit and the Canada-Saskatchewan Production Studio in Regina.

Saskatchewan Based Film Production Volume (in Millions)¹⁸



Film Employment Tax Credit – since 1998, the tax credit has compensated eligible film producers for 45% of wages paid to provincial residents. Film productions located 45 km outside of Regina are eligible for an additional 5% bonus. There is a further 5% key bonus for productions with 6 out of 10 lead roles held by provincial residents.¹⁹

Film/TV and Digital Tax Credit – will be a 25% non-refundable tax credit for all production costs. There will be additional bonuses, up to 43%, for copyright and intellectual ownership, hiring provincial residents, and in-province post production costs. The tax credit is scheduled to be implemented in 2013.²⁰

¹⁸ Government of Saskatchewan. Parks, Culture and Sport. 2012, p.11.

¹⁹ SaskFilm and Video Development Corporation. 2012

²⁰ Government of Saskatchewan. 2012.

Government of Saskatchewan

Active Families Benefit

Since 2009 the province of Saskatchewan has given families a \$150 credit per child for cultural, recreational and sports activities. Cultural activities include:²¹

Arts	Heritage	Multiculturalism
<ul style="list-style-type: none"> • Literary arts • Visual arts • Electronic and multimedia arts and internet arts • Film and video arts • Crafts • Performing arts • Recording of sound 	<ul style="list-style-type: none"> • Language • Customs • Genealogy • Symbols and items of cultural legacy (e.g. Crafts, dance and music) • Historic buildings, structures and sites • Sacred areas • Palaeontology • Archaeology 	<ul style="list-style-type: none"> • Recognizing, encouraging and fostering the diversity of Saskatchewan people with respect to race, cultural heritage, religion, ethnicity, ancestry and place of origin • Encouraging respect for the multiculturalism heritage of Saskatchewan • Fostering a climate for harmonious relations among people of diverse cultural and ethnic backgrounds without sacrificing their distinctive cultural and ethnic identities • Encouraging the continuation of a multicultural society

²¹ Government of Saskatchewan. n.d. *Active Families Benefit Program Description*.

Saskatchewan Arts Board

For over 60 years the Saskatchewan Arts Board has worked to promote cultural offerings in the province and encourage the sector's sustainability.²²

Programs and Grants Managed by the Saskatchewan Arts Board

- **Aboriginal Arts and Cultural Leadership (SaskCulture)**
- **Access Copyright Foundation Grants**
- **ArtsSmarts/TreatySmarts**
- **Creative Partnerships**
- **Culture on the Go: Touring and Market Development**
- **Independent Artists Program**
- **Indigenous Pathways Initiatives – Grants to Artists**
- **Portail culturel Fransaskois**
- **Professional Arts Organizations Program**
- **Project Grants – ArtConnect, ArtInquire, ArtVenture and ArtVenture Music Recording**
- **Provincial Cultural Organizations**
- **Saskatchewan Foundation for the Arts Artists Award Program**
- **SaskFestivals**
- **Show Us Your North**
- **Travel Grant**

²² Saskatchewan Arts Board. N.d..



ALBERTA

Community Friendly but Still Strapped

Analysis of the 2012-13 Alberta Budget from the
Perspective of Arts, Culture and Heritage

Karen Wall

2013

Community Friendly but Still Strapped

The 2012-13 Alberta Budget from the Perspective of Arts, Culture and Heritage

Analysis by Karen Wall, Associate Professor, Communication Studies, Athabasca University

Budget Highlights

- Operating budgets for Alberta Culture and the five cultural agencies essentially flat-lined.
- Capital budget falls slightly.
- Lottery funding transfers for cultural programming on a downward trend.
- No new policy initiatives for cultural sector announced but growing emphasis on culture as a factor in community growth and quality of life.

Context

The mandate of Alberta Culture and Community Services (ACCS), known as [Alberta Culture](#) following the spring 2012 election, directly associates arts and cultural programs with community spirit, quality of life and Alberta's overall social and economic well-being¹. Besides arts and heritage, the ministry oversees programs for community life (sport and recreation as well as festivals and other initiatives) and the non-profit/voluntary sector. Agencies directly concerned with distributing funds to arts and heritage include the [Alberta Foundation for the Arts](#) (AFA), Alberta [Historical Resources Foundation](#) (AHRF), [Government House Foundation](#), Historic Resources Fund

(HRF), and [Francophone Secretariat](#)².

The implications of the 2012-13 provincial budget for arts and culture should be understood in the context of several years' worth of funding cuts and currently flat spending levels, as well as problems related to unpredictable and unstable revenue sources. The AFA, for instance, is the province's primary arts grant funding body, distributing approximately 900 grants per year to arts organizations and approximately 500 grants directly to artists. The Foundation is also involved in arts promotion and capacity-building services. AFA funding increased by \$9 million in 2008 and remained steady for 2009-10, but the ministry as a whole lost \$9 million when the Alberta Lottery Fund, a major source of funding for arts programs, experienced a 5% drop in revenue³. The following year's budget cut \$35 million from ACCS, including a drop of 16% to the AFA, while 2010-11 lottery fund transfers were increased to health services and reduced for culture, recreation, parks, transportation and education. Though one-time capital grants in 2010-11 amounted to \$30 million, these did not benefit the operations of cultural and non-profit sector organizations⁴.

¹ Alberta, 2012m.

² Alberta, 2012b.

³ CTHS Alberta Division. December 1, 2009 and Alberta, 2009.

⁴ Fung, 2010.

Lottery fund revenues transfers to the AFA have continued to be unreliable, falling from \$29.2 million in 2011-12 to \$27 million the next year. Over the same period, lottery transfers to ACCS fell from \$179.6 million to \$153.6 million. In contrast, lottery funds for health services continued to rise, from \$285.5 million in 2011-12 to \$450 million the next year⁵. In 2011-12, the AFA budget was less than 0.1 per cent of the total Alberta \$38 billion budget⁶. Although in 2011 the ministry reported a rise of 55% since 2006 in financial support to artists and arts organizations, between 2009-10 and 2011-12 funding for Cultural Industries fell from \$60.19 million to \$50.27 million; the AFA budget from \$32.6 million to \$26.9 million; and the heritage budget from \$40.29 million to \$35.5 million⁷.

Alberta's per capita arts funding ranked next to last among provinces in 2006, but had risen to third by 2008-9 and was estimated as both sixth (by arts organizations) and third (by government) by 2011⁸. These variations appear to bear little relationship to economic capacity, since during this period, Alberta consistently reported the highest level of per capita GDP among all provinces and also implemented a five-year, \$237 million per annum royalty break for the oil industry⁹. The provincial economy as a whole expanded in 2011 and was forecast as continuing to grow at around 3-4% annually through 2015. The 2012-13 provincial revenue forecast rose slightly from 2011-2012, and both tax and resource revenues are expected to increase over the next two years, reflecting oil price forecasts and a positive economic outlook including expanding employment and inward migration, strong consumer spending and increasing bitumen royalties. However, there is a budget deficit of \$886 million and the volatility of commodities markets undermines any guarantee; oil prices were dropping in mid-2012, but the province is also increasing oil sands production¹⁰.

Impact of the budget

Total provincial departmental program spending rose 3% over 2011-12, to \$35.74 billion in 2012-13. The budget and the new Conservative cabinet formed after the 2012 election focused on increased investment in human services, health, and education (already about 80% of the entire operating budget), no tax increases, and elimination of the deficit by 2013-14. Also emphasized were resource stewardship and growing international markets in the interest of "securing Alberta's economic future"¹¹.

The ACCS budget estimates fell 5% from \$221.6 million in 2011-12 to \$210.5 million in 2012-13¹². The difference of \$10.7 million is attributed to a one-time, now completed capital funding commitment rather than to reductions in the ministry's operating budget. (It should be noted that both the government's fiscal plan for 2012-2015 and Alberta Culture's budget summary document cites the total expenses of the ministry at \$231 million)¹³. Program expenses for Cultural Industries include assistance to Program

⁵ Alberta, 2012h.

⁶ Professional Arts Coalition of Edmonton, 2011.

⁷ Alberta, 2011a, 11b; 2012l; Gadeski 2009.

⁸ Hill Strategies Research, 2011; PACE, 2011; Wall, Whitson, and Cardinal, forthcoming.

⁹ Kostash, 2012; Alberta, 2011a, 2011b; PACE, 2011.

¹⁰ Alberta, 2012e; Gerson, 2012.

¹¹ Alberta, 2012e; Alberta, 2012j.

¹² Alberta, 2012k.

¹³ Alberta, 2012a, e.

Support, Arts, [Alberta Film Commission](#), [Alberta Multimedia Development Fund](#) (AMDF), and [Alberta Foundation for the Arts](#) (AFA). The budget estimates the total for Cultural Industries as \$50.22 million, while the ministry's webpage budget summary cites \$58 million for "arts and cultural industries" (arts is actually budgeted as a sub-category of Cultural Industries.)¹⁴

Budget estimates for operations of the ministry's four cultural agencies (AFA, Alberta Historical Resources Foundation, Government House Foundation, Historic Resources Fund) totaled \$55.92 million. Amounts were unchanged from the previous fiscal year with the exception of increases of 2% and 5% for the Historic Resources Fund and AHRF respectively¹⁵. Support for cultural infrastructure fell to \$15.5 million from \$30.7 million the previous year¹⁶.

Government funding to the Alberta Foundation for the Arts is a good indicator of core support for the specific category of the arts within the broader one of culture. The 2012-13 budget for Cultural Industries program expenses allotted \$2.25 million to the sub-category of "arts" (a slight increase from the previous year.) This category is separate from the AFA sub-category, which received \$26.93 million (Alberta Culture's website summary states \$27.9 million)¹⁷. This represents ongoing flat funding for the arts through the AFA in the context of a negligible rise in direct support for cultural industries over the past several years.

By contrast, heritage program estimates, including archives, museums and historic resources, increased slightly to \$40.52 million. The AHRF received a 9.3% increase in funding for grant assistance to community-based heritage initiatives such as district restoration. The Historic Resources Fund, which also assists community projects, increased slightly to \$16.26 million; the Historic Sites and Other Museums budget increased by 13%; Royal Alberta Museum funding increased by 10.6% and the Glenbow Museum's by 7%, while the Heritage Markers program providing support for site signage was reduced by 25%. The difference between the budget estimate of \$40.52 million and the departmental website summary of "\$52 million to protect and promote Alberta's history and heritage" may be accounted for by other expenditures such as funding for historical building preservation. The government also reiterated a three year capital commitment of \$180 million for a new provincial museum building¹⁸.

The budget contained no new policy initiatives, but Minister Heather Klimchuk has emphasized the spirit of "partnership with our province's cultural community" including "artists and culture industries" in a list that included voluntary and multicultural organizations, historic places and the corporate sector. The ministry currently also refers to the 2008 provincial cultural policy, *The Spirit of Alberta*, as guiding its work according to goals of "Access, Capacity, Excellence and fostering Cultural Industries"¹⁹.

¹⁴ The discrepancies likely reflect divergent understandings of what, in practice, constitutes each of the related categories used by the ministry.

¹⁵ Alberta, 2012a.

¹⁶ Alberta, 2012c.

¹⁷ Alberta, 2012c.

¹⁸ Alberta, 2012c.

¹⁹ Alberta, 2008.

Reaction of the cultural community

Writer Myrna Kostash commented that the 2012-13 budget combined an “ideological commitment to no new taxes” with an ongoing reliance on gaming for revenue in the wake of a foregone \$55 billion due to royalty cuts to the oil and gas sector²⁰. In the light of this observation, almost four hundred stakeholders attended the government’s first [Culture Forum](#) in February 2012 in Red Deer convened to make recommendations on cost-effective initiatives that promote the sustainability and long-term growth of the sector²¹. Premier Alison Redford called culture “an expression of who we are...intrinsic to everything we do” and characterized the event itself as a forum for information gathering to support government, corporate community and culture sector partnerships to “enhance Albertans’ quality of life”²². According to a participant, the forum framework emphasized economic aspects of culture that contribute to a diversified economy, attract and retain incoming workers, and avoided the issue of “deteriorating provincial support for the culture sector and the increasing political and media antagonism toward the culture sector”²³.

The premier’s promise to the Forum to maintain current levels of funding actually means a continuation of the effects of past severe cuts to the AFA and other cultural foundations. In terms of support for cultural production specifically, despite Alberta’s economic wealth, public arts funding has not been reinstated since the severe budget cuts of the 1990s. Forum recommendations included establishment of secure long term operational funding for the culture sector and new funding models involving both public and private sectors²⁴. The most immediate response to forum input was a change of name for a three-day annual provincial arts festival from *Alberta Arts Days* to [Alberta Culture Days](#). As it reflects Alberta joining the [Culture Days](#) national initiative, this change expands the original focus on artists and artworks to emphasize heritage, voluntary, multicultural and youth activities, including collaborations with family, community and cultural diversity organizations. As well as artists, participating organizations include schools, libraries, recreation centres, arts and multicultural groups, and others presenting “family-friendly” experiences²⁵.

In seeking support, arts organizations have adopted this community-friendly discourse along with economic arguments for public funding. Prior to the provincial election in April of 2012, the [Professional Arts Coalition of Edmonton](#) (PACE) also held a forum to consult on arts funding policies with representatives from six provincial parties. The organization showcased studies showing that a large majority of Albertans feel art activities are important to the overall quality of community life and that government should continue to support the arts. In economic terms, as well, the arts sector produces significant tax revenue and a return of 12:1 for every dollar spent on the arts²⁶. The latter argument is well established and supported by a range of research

²⁰ Kostash, 2012.

²¹ Redford, 2011.

²² Alberta, 2012d.

²³ McFall, 2012a.

²⁴ Alberta, 2012d.

²⁵ Hayes, 2012; Kuhl, 2012.

²⁶ Alberta, 2005; Artsvote, 2012.

sources and may eventually have some impact on government funding as well as on its political rhetoric. As in other jurisdictions, the lack of consistent state policy and reliable financial support for culture means more dependence on the private sector, notably oil companies as sponsors²⁷.

Future health of the cultural sector

As of 2012-13, Alberta Culture directly associates arts and cultural industries with a creative city ideology promising prosperous, cohesive communities to attract creative workers. Both the [Spirit of Alberta](#) cultural policy and the Alberta Chambers of Commerce have called for greater private arts investment, in part to promote Alberta as a creative business centre²⁸. The premise of the creative cities movement is that creative industries and the arts are economic engines that help to improve quality of life in a city, thereby attracting business. The federal government's designation of Calgary as a cultural capital of Canada in 2012 was, in fact, supported by a provincial allocation of \$250,000 and matching funding for corporate donations up to \$500,000. Critics have noted that such events commodify artists "for the purposes of market gain as opposed to cultural development..."²⁹.

The ideological focus on the value of the arts to economic prosperity and inter-city competition works in tandem with rationales that link the contribution of arts to cohesive communities and voter-friendly values of "family" and "diversity." The ministry has increasingly connected culture with economic prosperity, citizen well-being and healthy lifestyles since the early 2000s. These directions are reflected in the 2008 *Spirit of Alberta* cultural policy, for instance, as well as in a 2009-10 ACCS consultation with the non-profit and arts sectors that, like the 2012 Forum, was intended to "support healthy and vibrant communities"³⁰. Government policies, both provincial and federal, emphasize building wide audiences, attracting tourists, potential immigrants and investors, and diversifying the economy³¹. Spending from general revenues, rather than lottery funds, is targeted primarily to infrastructure such as museums and heritage sites rather than contemporary cultural production and critical voices. The 2012-13 budget increases in heritage funding reflect in part their appeal as tourist attractions and family activity centres with ticket revenues that contribute millions to the provincial economy³². In contrast, AFA operational grants to artist run centres and public galleries were reduced by approximately 2% after the 2012-13 budget³³.

While Alberta's economic prosperity is not reflected in levels of funding for the arts, it will also have indirect impacts on low income citizens including artists. Booming property markets and labour immigration drives housing prices higher and rental vacancies lower, and culture workers and artists are among those losing affordable work and living spaces. Since the early 2000s, strong oil and gas company growth have been accompanied by falling incomes, social assistance rates that have been cut in half since the 1980s, and one of the lowest minimum wages in the country. Ironically,

²⁷ McFall, 2006.

²⁸ Alberta Chambers of Commerce, 2011.

²⁹ Anderson, 2012.

³⁰ Alberta Recreation and Parks Association, 2010.

³¹ Alberta Chambers of Commerce, 2011; Alberta, 2008.

³² Whitson, Wall, and Cardinal, forthcoming.

³³ Artist Run Centres and Collectives Conference, 2012.

rising energy costs which might support increased cultural and social funding actually threaten the survival of many smaller museums and galleries already on tight budgets³⁴.

This being said, there is cause for some optimism, particularly if efforts to reduce the deficit prove successful in the near future. Although the arts sector has lost approximately \$11 million over the past two years, arts and culture appear to be in a good position for revitalization. Premier Redford has made promising “culture-friendly”³⁵ statements and, in fact, “opinion throughout the arts sector is that both the new premier and the new minister [Heather Klimchuk] will be more arts friendly and better informed about the culture sector than their predecessors”³⁶. If findings and recommendations from the Culture Forum are acted upon, perhaps this optimism may be justified.

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³⁴ Gibson, 2007; Canada Newswire, 2008; Alberta, 2007b; McFall, 2006.

³⁵ McFall, 2012a.

³⁶ McFall, 2012b.

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Supplementary Documentation Government of Alberta

Real GDP Growth: 5.1% (2011)

Federal Transfers: 12.2%

Population: 3,645,257 (2011)

Government of Alberta

Main Estimates

(In thousands of dollars)

Program Expense	2011-12 Budget	2011-12 Forecast	2012-13 Estimate
Advanced Education and Technology	2,863,976	2,874,421	2,785,851
Agriculture and Rural Development	621,740	638,753	626,384
Culture	197,721	221,618	210,492
Education	4,190,300	4,406,120	4,403,328
Energy	199,272	187,272	214,104
Environment and Water	199,325	188,203	222,187
Executive Council	30,062	30,062	31,461
Finance	110,273	103,229	110,773
Health and Wellness	14,845,423	14,727,284	15,894,912
Human Services	2,387,174	2,412,413	2,542,180
Infrastructure	1,427,307	1,282,229	1,230,485
Intergovernmental, International and Aboriginal Relations	171,708	174,078	190,554
Justice	463,176	491,233	498,252
Municipal Affairs	1,249,350	1,607,281	1,265,067
Seniors	2,103,339	2,120,301	2,457,348
Service Alberta	299,086	299,486	314,573
Solicitor General and Public Security	649,185	650,925	725,882
Sustainable Resource Development	250,845	530,945	261,428
Tourism, Parks and Recreation	142,466	149,436	158,214
Transportation	1,540,182	1,587,810	1,433,183
Treasury Board and Enterprise	76,947	57,847	164,371
Debt Servicing	74,276	74,276	97,099
Totals	34,093,133	34,815,222	35,838,128

Government of Alberta

Ministry of Culture

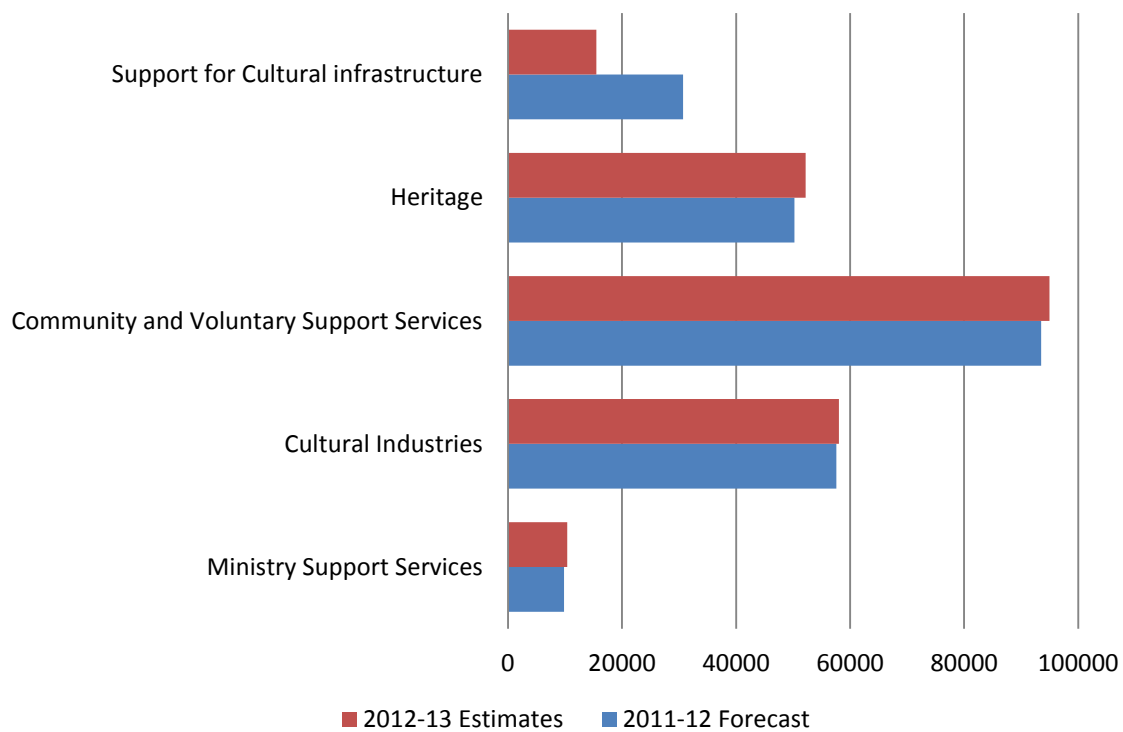
Voted Expense by Program (In thousands of dollars) ³⁷

Program	2011-12 Forecast	2012-13 Main Estimate	Difference Dollar Value	Difference Percentage
Ministry Support Services	9,403	9,957	554	5.9%
Cultural Industries				
Program Support	748	780	32	4.3%
Arts	2,046	2,250	204	10%
Alberta Film Commission	462	485	23	5.0%
Alberta Multimedia Development Fund	19,779	19,780	1	0.005%
Assistance to the Alberta Foundation for the Arts	26,925	26,925	-	-
Community and Voluntary Support Services				
Program Support	315	530	215	68.3%
Community Engagement	9,668	10,915	1,247	12.9%
Community Spirit Donation Grant Program	15,500	15,500	-	-
Community Facility Enhancement Program	38,000	38,000	-	-
Community initiatives Program	25,250	25,250	-	-
Other Initiatives	4,100	4,100	-	-
Heritage				
Program Support	1,210	1,485	275	23.6%
Royal Alberta Museum	6,946	7,685	739	10.6%
Royal Tyrrell Museum	2,376	2,645	269	11.3%
Historic Sites and Other Museums	9,280	10,535	1,255	13.5%
Provincial Archives of Alberta	2,778	2,985	207	7.5%
Acquisition of Historical Collections	3,000	2,000	(1,000)	-33.3%

³⁷ Note: as referenced in the analysis there are discrepancies in the figures available. The figures used in this chart are from the Provincial Government's Main Estimates for the 2012-13 budget.

Historic Resources Management	4,240	4,770	530	12.5%
Assistance to the Alberta Historical Resources Foundation	7,875	8,415	540	6.9%
Heritage Infrastructure	1,034	-	(1,034)	-100%
Support for Cultural Infrastructure				
Cantos Music Foundation	3,500	15,500	12,000	342.9%
Mount Royal Conservatory of Music	10,000	-	(10,000)	-100%
Canada Sports Hall of Fame	6,245	-	(6,245)	-100%
The Citadel Theatre	518	-	(518)	-100%
Go Community Centre	3,295	-	(3,295)	-100%
Fort Calgary	4,000	-	(4,000)	-100%
Ukrainian Canadian Archives and Museum	3,125	-	(3,125)	-100%
Totals	221,618	210,492	(11,123)	-5.0%

Ministry of Alberta Culture Expenses



Government of Alberta

Crown Agencies

(In thousands of dollars)

	Expense	2011-12 Forecast	2012-13 Estimate
Alberta Historic Resources Fund	Jubilee Auditoria	6,538	6,688
	Promotion and Presentation	4,931	5,036
	Interpretive Programs and Services	3,939	3,939
	Provincial Archives	120	120
	Other Initiatives	480	480
	Sub Total	16,008	16,263
Alberta Foundation for the Arts			
	Support to Arts Organizations	21,553	21,759
	Support to Individual Artists	5,077	4,871
	Administration	1,278	1,278
	Sub Total	27,908	27,908
Alberta Historical Resources Foundation			
	Glenbow Museum	2,966	3,176
	Heritage Preservation Partnership Programs	2,635	2,635
	Support for Provincial Heritage Organizations	1,895	2,635
	Municipal Heritage Programs	554	555
	Heritage Markers Program	106	80
	Administration	150	150
	Sub Total	8,306	8,741
Government House Foundation			
	Public Relations	31	31
	Collections Acquisitions	3	3
	Conservation of Collections	3	3
	Administration	12	12
	Sub Total	49	49

Government of Alberta

2011-12 Alberta Lotteries Fund

Total value \$1.34 billion

Culture and community Spirit 2012-13 Estimate (In thousands of dollars)

Community Facility Enhancement Program	38,000
Assistance to Alberta Foundation for the Arts	26,925
Community Initiatives Program	25,250
Community Spirit Donation Program	15,500
Assistance to the Alberta Historical Resources Foundation	8,415
Other Initiatives	6,500
Alberta Multimedia and Development Fund	19,780
Support for the Cantos Music Foundation	15,500
	-
Community Engagement	-
Arts	-
Support for Mount Royal Conservatory of Music	-
Total	153,470
Percentage of Total Lottery Value	11.5%

Special Projects

Royal Alberta Museum

In 2011 the provincial and federal governments announced the Royal Alberta Museum, in Edmonton, will undergo a redevelopment. Early estimates for the project expect it to finish in 2016 and cost \$340 million. The province will spend \$180 million over the next three years and the federal government will contribute \$122 million to the project.³⁸ Ledcor Design Build Inc received the contract to build the new museum. In 2012/13 the project received \$59 million in funding and is expected to receive \$92 million in the next fiscal year.³⁹ Construction is expected to start in November of 2012.

Cultural Capital Program

The program was created by the federal government in 2002 and awarded Canadian cities the title based on their commitment to arts and culture. In addition to the title, the city was awarded an arts and culture stimulus under the condition they incorporated cultural community events into their municipal planning. In 2012 Calgary⁴⁰, Alberta and Niagara, Ontario were awarded the prize. In the same year the federal government announced it would be ending the program.⁴¹

³⁸ <http://www.infrastructure.gc.ca/media/news-nouvelles/2011/20111116edmonton-eng.html>

³⁹ <http://www.finance.alberta.ca/publications/budget/budget2012/fiscal-plan-capital-plan.pdf>

⁴⁰ <http://www.pch.gc.ca/eng/1318855866065/1318855809375>

⁴¹ <http://www.avenuecalgary.com/blogs/calgary-2012-federal-government-cancels-cultural-capital-program>



BRITISH COLUMBIA

The Drought Continues

Analysis of the 2012-13 British Columbia Budget
from the Perspective of Arts, Culture and
Heritage

Alison Beale

2013

The Drought Continues

The 2012-13 British Columbia Budget from the Perspective of Arts, Culture and Heritage

Analysis by Alison Beale, Director, School of Communication
Simon Fraser University

Budget Highlights

- Budget allocation for Arts, Culture and Sport flat-lined until 2014-15.
- Children's Fitness Credit and modest Children's Arts Credit of up to \$25 introduced.
- B.C. Film Commission allocation increased by 9.9%.
- Royal British Columbia Museum allocation frozen.

Context

The 2012-13 B.C. budget is part of a multi-year freeze justified by the province's leaders as necessary to reduce the provincial deficit¹ while fulfilling their commitment to core services including education, social services and policing. The province is also required by law to balance its budget. The province's economy has slowed, with only a modest increase in GDP (+2.8%) despite continued population growth; exports in particular are affected by the weakening of the US dollar and reduced demand from Asian countries.

The impacts of the British Columbia government's culture budget for 2012-13 must be seen in the light of both longstanding structural factors and new challenges facing the sector. While the population of British Columbia represents approximately 13.36 percent of the total Canadian population or 4,400,057 people² (2011), federal and provincial cultural spending patterns have left B.C. residents in last position when it comes to per capita cultural spending by all governments. In 2009-10 B.C. was in last place among the provinces, at \$206 per capita, versus \$309 as the national per capita average³, and it was nearly \$50 per person behind the next lowest province, Manitoba. British Columbia's historic reluctance to commit to long-range planning and spending on culture have contributed to a shortage in available matching funds and initiatives that might have primed greater federal investment.

One result of this lack of coordination is the loss of domestic media production to Ontario, which since 2010 has replaced B.C. as the third largest North American production centre. As one commentator noted, unlike B.C. "They've got a plan and a strategy around their creative economy. And that's what we would hope for not only the B.C. government but the B.C. industry to embrace the importance of the screen-based industries and what they contribute to the B.C. economy"⁴. This unfortunate pattern in the relationship between the federal and provincial governments in terms of culture in B.C. stands in distinction to the many initiatives of cultural and voluntary organizations in all regions and throughout the province's history to preserve heritage and create opportunities for citizen participation in cultural life⁵.

¹ Woo, December 4, 2012.

² [Census of Canada, 2011](#).

³ Hill Strategies, [Arts Research Monitor, Vol. 11 no 1](#), June 2012

⁴ Liz Shorten, quoted in Takeuchi, March 5, 2012.

⁵ Murray, C, N. Baird and A. Beale, 2011.

In contrast to the province, the cities and towns of B.C. have a growing commitment to the cultural sector, identifying it as a source of jobs in a formerly resource-dominated economy, and as leverage for urban renewal. While some of their efforts exaggerate the potential of cultural tourism markets and enthusiasm is more evident than dollars in culture-centric planning, local governments in B.C. are currently the best hope for the broader cultural sector's efforts to at least get itself on the political agenda. Immigration-led population growth leads to demand for services, and can represent new markets and sources of cultural innovation that the more agile and innovative municipalities (such as Surrey) and cultural organizations have been willing to tap into.

Impact of the budget

In and of itself the 2012-13 budget is not the cause of the systemic problems of the cultural sector, but it has given little positive encouragement to advocates that compounded problems are being addressed. The [B.C. Arts Council's](#) core funding is being maintained, but the provincial budget for arts, culture and sport is a meager \$20.9 million, a level the government plans to maintain until 2014-15⁶. In 2012 B.C. introduced a tax credit for children's participation in the arts on eligible expenditures of up to a maximum of \$500 per year, adding to an existing credit for sport; the maximum refund is a meager \$ 25. Years of underfunding of arts education in BC were not offset by this program which depends on disposable family income rather than direct or sustained support for the arts or arts education.

Domestic media production has dropped since 2007, though international production (Hollywood North), always vulnerable to cyclical factors, exchange rates and incentives in other jurisdictions, recovered slightly from a drop in 2010. Domestic feature film production spent just under \$17 million dollars in B.C. in 2011, less than half of the \$40 million in 2010⁷. Vancouver-based publishers [Douglas and McIntyre](#) were forced to wind down in October 2012, despite having discovered and promoted many well-known B.C. and Canadian authors over 40 years in business. As author and publisher Anna Porter observed, this is part of the restructuring of the global English language publishing and book selling industries. By contrast, the Province of Quebec has supported a sustainable publishing industry through a complex network of direct investment, incentives and purchasing requirements in schools and colleges⁸.

Reaction of the cultural community

The [Alliance for Arts and Culture's](#) Rob Gloor described the budget as deeply disappointing and challenged the government to acknowledge that the real story of the budget's impact on culture was an effective cut, year over year from 2012 to 2015: "Every other province invests more, and in many cases much more than B.C. and a long-term promise of frozen funding means that will not be addressed by this government."⁹ Access to provincial gaming grants, which had been closed in 2009, was partially restored for arts organizations in 2012, but in such a limited fashion that the

⁶ Thomson, Feb. 21, 2012.

⁷ Takeuchi, March 5, 2012.

⁸ Porter, Oct. 28, 2012.

⁹ Thomson, Feb. 21, 2012.

province continued to receive criticism from the sector¹⁰. However other commentators such as Liz Shorten of the [Canadian Media Production Association](#), B.C. branch, attempted a more positive interpretation of their situation, continuing to cite the flexibility and initiative of film and television producers in the province, even as they “adapt” by producing cheaper reality based product versus feature dramas¹¹. Similar remarks can be found in the theatre community.

A bellwether event in 2012 was the closure of the Vancouver Playhouse Theatre Company. Despite a major injection of funds and debt cancellation by its major sponsor, the City of Vancouver, this company, which occupied a 650 seat theatre at the core of Vancouver’s downtown theatre district, was unable to complete a season in which its paid subscriptions were half those of a few years earlier. Many commentators bemoaned the loss of the Playhouse’s productions, as well as the fifteen full time jobs and the costume and prop departments that also served other companies and the film industry. However, more than a few suggested that the Playhouse company was the victim of its own middle-of- the-road programming strategy and its City of Vancouver safety net, in contrast to an exciting range of smaller independent companies that had reached new audience demographics and filled seats for many more challenging productions. “In the theatre community, the Playhouse’s demise is symbolically, hugely, challenging for all, and practically [challenging] for some or many,” said [Marcus] Youssef, who sits on Vancouver’s new arts council. “At the same time,” he added, “I think there’s a ton going on in Vancouver that is really exciting and successful.”¹²

Future health of the cultural sector

The provincial budget for culture in B.C. is only one factor among many that combine to depress the potential for the cultural sector as a creative and job-growth area in the province. Vaunting the capacity to do more with less is a familiar refrain among those seeking funding in the province, but the question is whether this can-do communication strategy, effective in short-term or project fundraising, is the right note to strike in a campaign for sustained funding and a sustainable creative sector. Only three things save the B.C. cultural sector from overall decline: the province’s positive cultural resources (a growing and diverse population and a potential audience that is recognized, at least, by its municipalities); a strong tradition of volunteerism and independence from government; and creative innovation in many sectors from the visual arts to new media. As well, the province has a relatively healthy economic forecast despite high housing and transportation costs.

While several creative industries have experienced what may be short-term declines (and the theatre and media industries are full of tales of “exodus”), the province could do more to use its capacity to leverage other resources and prevent broader decline. The fact that the current government chooses not to do so (and it is a choice, despite budget restraints) represents a deeply rooted strand of fiscal and cultural conservatism in the province that is notoriously at odds with its culturally radical and social-democratic counterpart on the “left” coast. This ideological blind spot not only fails to see B.C. capitalize on its cultural potential, it also underserves its large population of children living in poverty, its rural and urban populations with their differently-scaled needs for

¹⁰ Smith, Jan. 11, 2012.

¹¹ Takeuchi, March 5, 2012.

¹² Lederman, June 25, 2012.

cultural services, and its increasingly diverse population¹³. The newest Canadians in B.C. can easily find web-based entertainment in first languages and attend touring performances from their home countries, but they will be at a loss to find and express their place in the province and Canada in the absence of access to cultural experience in the province's schools, libraries, community centres and professional arts companies.

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¹³ 80% of B.C.'s population growth in the 2006-2011 period was due to immigration.

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Supplementary Documentation

Government of British Columbia

Real GDP Growth: 2.8% (2011)

Revenue from Federal Transfers (percent of total): 16.8%

Population: 4,400,057 (2011)

Government of British Columbia

Main Estimates – Expense¹⁴

(In thousands of dollars)

Ministry	2012-13 Estimate	2011-12 Forecast
Legislation	69,271	68,862
Office of the Legislature	46,471	45,819
Office of the Premier	9,008	9,008
Ministry of Aboriginal Relations and Reconciliation	80,141	80,030
Ministry of Advanced Education	1,971,938	1,963,369
Ministry of Agriculture	65,788	65,771
Ministry of Children and Family Development	1,333,291	1,330,691
Ministry of Community, Sport and Cultural Development	310,907	253,907
Ministry of Education	5,313,848	5,241,877
Ministry of Energy and Mines	439,569	437,210
Ministry of Environment	128,925	129,947
Ministry of Finance	172,574	175,521
Ministry of Forests, Lands and Natural Resource Operations	602,034	589,602
Ministry of Health	16,180,117	15,621,924
Ministry of Jobs, Tourism and Innovation	234,608	237,668
Ministry of Justice	1,110,249	1,105,705
Ministry of Labour, Citizens' Services and Open Government	548,586	542,824
Ministry of Social Development	2,456,780	2,338,463
Ministry of Transportation and Infrastructure	806,921	806,922
Management of Public Funds and Debt	1,287,491	1,264,900
Other Appropriations	2,461,483	2,872,235
Total	35,631,000	35,182,255

¹⁴ Government of British Columbia, March 31st, 2012a, 7.

Government of British Columbia

Provincial Debt¹⁵As of March 31st, 2012

(In millions of dollars)

	Balance March 31, 2012	Net Change	Forecast March 31, 2013	Budget March 31, 2013	Variance
Total Taxpayer supported debt	34,692	3,782	38,474	38,736	(262)
Self- supported Debt (Commercial Crown Corporations)	15,501	2,281	17,782	18,667	(885)
Forecast allowance	-	100	100	200	(100)
Total Provincial Debt	50,193	6,163	56,356	57,603	(1,247)
Taxpayer- supported debt as a percent of GDP	15.9%		17.0%	17.2%	(0.2%)

¹⁵ Government of British Columbia. 2012c.

Government of British Columbia

Ministry of Community, Sport and Cultural Development¹⁶

(In thousands of dollars)

Branch	2012-13 Estimated Net Expense	2011-12 Net Expense	Difference Dollar Value	Difference Percentage
Local Government	257,540	201,389	56,151	27.9%
Integrated Policy, Legislation and Operations	2,811	1,849	962	52.0%
BC Film Commission	947	862	85	9.9%
Arts, Culture and Sport	20,897	20,956	(59)	-0.3%
Crown Corporations – Royal British Columbia Museum	12,166	12,166	-	-
Executive and Support Services	5,904	6,043	(739)	-2.3%
BC Arts and Culture Endowment Special Account	2,500	2,500	-	-
Physical Fitness and Amateur Sports Fund Special Account	1,700	1,700	-	-
University Endowment Lands Administration Account Special Account	6,442	6,442	-	-
Total	310,907	253,907	57,000	22.4%

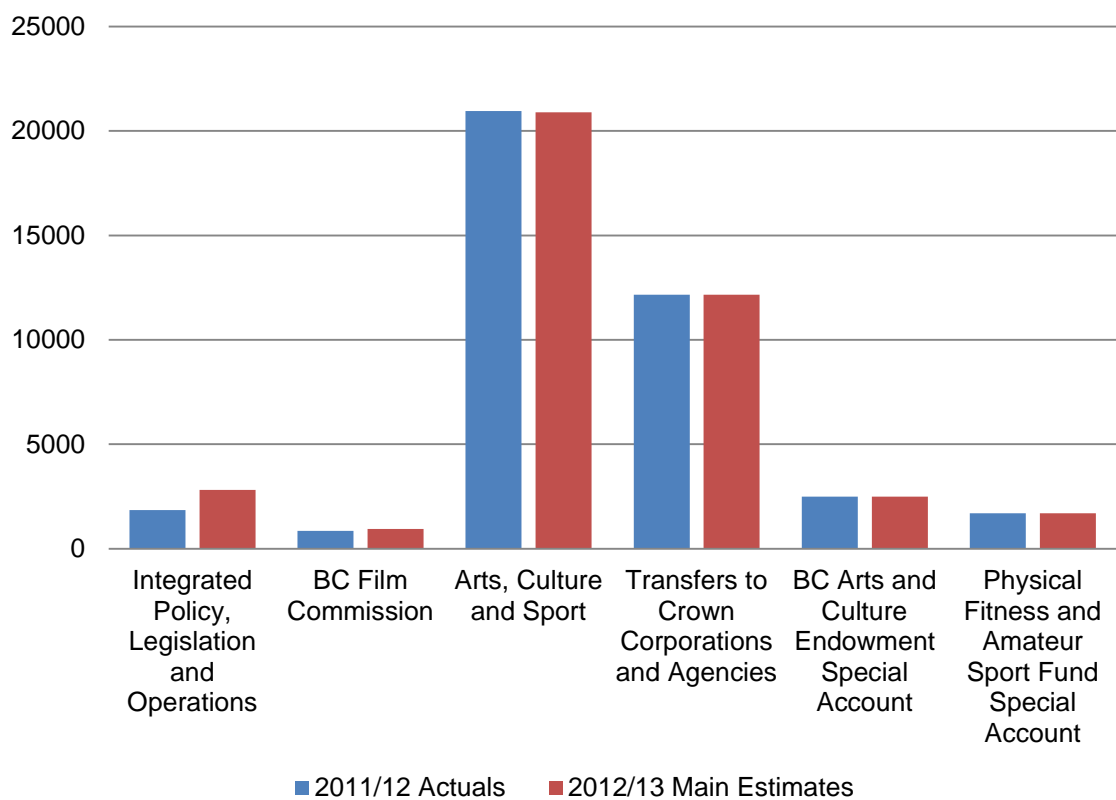
¹⁶ Government of British Columbia, March 31st, 2012a, 55.

Government of British Columbia

Ministry of Community, Sport and Cultural Development

Changes to Appropriations

(In thousands of dollars)



British Columbia Arts Council

2011/12 Financial Report¹⁷

Expenditures (Dollar Value)

Grants and Contributions	2010/11 Base	2010/11 Sports and Arts Legacy	2010/11 BC 150	2011/12 Base	2011/12 Sport and Arts Legacy	2011/12 BC 150
Professional Arts Development	6,383,120	7,158,908	0	6,756,996	5,834,995	6,000
Community Arts Development	356,300	158,500	939,266	106,000	424,078	1,168,697
Touring Programs	99,975	150,000	75,000	172,000	125,000	460,000
Arts Awards (Individuals)	822,017	99,000	135,700	576,500	215,000	515,000
Publishing Programs	269,958	183,589	0	319,462,	150,927	0
Administrative Costs	1,424,383	0	0	1,455,334	0	0
Total	9,355,753	7,749,997	1,149,966	9,386,292	6,750,000	2,149,697

Total Expenditures by Year

2010/11 \$18,255,716

2011/12 \$18,285,989

¹⁷ British Columbia Arts Council, 2012, 27.

Government of British Columbia

Children's Fitness Credit and Children's Art Credit

Children's Fitness Credit	is a non-refundable tax credit of 5.06 per cent of eligible expenditures up to \$500 for each child, providing a benefit of up to \$25 per child
Children's Arts Credit	is a non-refundable tax credit of 5.06 percent of eligible expenditures up to \$500 for each child, providing a benefit of up to \$25 per child.

For both the Children's Fitness Credit and the Children's Arts Credit, eligible expenditures are those that qualify for the federal children's fitness and arts credits and are outside of school activities.¹⁸

¹⁸ Government of British Columbia, 2012b.

British Columbia Film Commission

British Columbia Film and Television Production¹

(In millions of dollars)

	2011		2010		2009		2008		2007	
	# of Projects	Production \$ Spent in BC	# of Projects	Production \$ Spent in BC	# of Projects	Production \$ Spent in BC	# of Projects	Production \$ Spent in BC	# of Projects	Production \$ Spent in BC
Domestic Production										
Features/ DVD Features	19	16.93	33	40.46	19	31.20	25	83.79	24	81.61
TV Series	45	116.37	29	120.09	34	64.25	42	82.79	24	157.64
TV Movies, Mini Series, Pilots, Documentaries, Other	74	62.10	78	57.35	90	76.23	82	102.31	80	114.52
Animation	9	13.58	12	25.93	12	45.92	25	96.77	10	53.93

¹ B.C. Film Commission, 2011, 4.

	2011		2010		2009		2008		2007	
Total Domestic Production	147	208.98	152	243.83	155	217.60	174	365.60	138	407.70
Foreign Production										
Features/ DVD Features	58	429.93	36	277.37	37	641.17	40	441.46	23	179.17
TV Series	24	387.54	14	391.59	14	373.33	14	320.84	18	277.48
TV Movies, Mini-Series, Pilots, Documentaries, Other	25	79.44	19	52.71	24	58.97	20	53.46	14	44.25
Animation	27	82.81	25	56.22	9	25.38	12	25.43	9	34.74
Total Foreign Production	134	979.72	94	777.89	84	1098.85	86	841.17	64	535.64
Total Domestic and Foreign Production	281	1188.70	246	1021.72	239	1316.45	260	1206.77	202	943.34

Royal British Columbia Museum

Summary Financial Outlook¹

(In millions of dollars)

	Actual 2010-11	Estimate 2011-12	Forecast 2012-13	Forecast 2013-14	Forecast 2014-15
Revenue					
Provincial Contribution	12.17	12.17	12.17	12.17	12.17
Admission Fees	2.79	2.93	4.11	4.30	4.30
Other Income	3.70	3.78	2.79	3.00	3.02
Total Revenue	18.64	18.87	19.06	19.46	19.50
Total Expenses	18.59	18.80	18.96	19.36	19.37
Capital Expenditures	5.58	0.57	2.26	1.26	0.51
Debt	0	0	0	0	0

¹ Royal British Columbia Museum, 2012, 28.



NUNAVUT

Holding Steady

Analysis of the 2012-13 Nunavut Budget from the
Perspective of the Arts, Culture and Heritage

Patrice Dutil

2013

Holding Steady

The 2012-13 Nunavut Budget from the Perspective of the Arts, Culture and Heritage

Analysis by Patrice Dutil, Professor, Department of Politics and Public Administration, Ryerson University

Budget Highlights

- Culture and Heritage budget up by 6%
- Official Languages budget up by 13.6%.
- *Inuit Qaujimajatuqangit* budget reduced by 14%.

Context

The Nunavut government has been fairly stable since the 2008 election and the naming of Ms. Eva Qamaniq Aariak (under Nunavut's non-party consensus government system) as the second Premier of Nunavut. Ms. Aariak is the former Languages Commissioner of Nunavut and knows the cultural and heritage portfolio very well.

The population of Nunavut continues to grow, increasing by 8.3 percent since the 2006 census. The population is very young, with about 50% of the population under the age of 25.¹

The largest single employer in Nunavut is the government. The territory is very heavily dependent on federal transfers (approximately 92% of its operating budget comes from the Government of Canada). Natural resources, particularly in the mining industry, are becoming an increasingly important sector. The Government of Canada has increased the territory's borrowing limit to \$400 million in order to allow for greater investment in the development of the mining industry. Mining is predicted to become a large revenue and employment source for the territory.

The economy is also growing. In 2011, according to Statistics Canada, Nunavut led the Canadian provinces and territories in real GDP growth.² The economy is based on commodity exports, particularly gold, lead, zinc, nickel, copper and, increasingly, diamonds, but the government wishes to diversify the economy and in this vein is developing a tourism strategy. According to the Government of Nunavut's 2012-13 *Financial Outlook* "there are a number of changes that need to be made before the territory can foster its tourism industry. The cost of flying to and staying in Nunavut is very high. Additionally, many communities in Nunavut lack the basic amenities tourists require, including cultural activities and products. A combination of government support and community development will be required to make Nunavut a viable tourist destination."³

The cultural life of Nunavut is noticeably rich, with the presence of the [Inuit Broadcasting Corporation](#), a small but vibrant film production sector and the continued production of distinctive visual arts. Arts, culture and heritage programs are administered by the [Department of Culture, Language, Elders and Youth](#) (CLEY), whose mission is to preserve and enhance Nunavut's culture, heritage and languages. The department achieves its mission by "promoting

¹ [Nunavut Business Plan 2011-2014](#), p. 3-2.

² NWT and Nunavut Chamber of Mines, May 1, 2012. (In fact, the final figures for 2011 show Nunavut in fourth place with GDP growth of 4.6%.)

³ Government of Nunavut, [2012-13 Economic and Fiscal Outlook](#), p. 27.

Inuit Societal Values through the application of [Inuit Qaujimajatuqangit](#);⁴ promoting the use of Inuit language in the workplace and throughout the territory; promoting access to information and resource materials in Nunavut's official languages in all communities; assisting non-profit, community based individuals and organizations in cultural, language, and heritage activities; enhancing public library services across Nunavut; promoting healthy living by supporting amateur sport and local recreational activities in communities; and encouraging on-going dialogue between elders and youth and the government.”⁵

CLEY's structure has been stable for much of the decade and its program structure has also been consistent. CLEY's accounts are comprehensive and give a clear idea of what it considers to be its cultural funding.⁶ Grants include a wide range of activities including “Elder's Initiatives”, “Youth Initiatives,” “Physical Activity” and “Cultural and Heritage Activities”. Contributions involve direct program spending in many of the areas cited in “grants” but also include “Library Services,” the Toponymy Program and core funding for Registered Heritage Centres.

While recognizing that practically every CLEY program in some way supports the distinctive culture of Nunavut, the focus for the purposes of this analysis was placed on “Cultural and Heritage Activities” as they are defined in the Nunavut main estimates. Starting in the 2007-08 fiscal year, CLEY isolated its “Culture and Heritage” spending in three “grant” and seven “contribution” areas. In the current fiscal year, four grant and six contribution areas are identified. Spending has been fairly consistent over the past five years, with increases in the first three years, a decline in 2009-10 and an increase in 2010-11. During the five years between 2007 and 2011, CLEY's spending declined by about \$300,000, a drop of 15 percent (Figure 1), which is surprising given Nunavut's growth.

Impact of the budget

The department's budget for 2012-13 breaks down into six categories, each with roughly a sixth of the budget respectively. The Culture and Heritage section accounts for 17% of the budget. Sport and Recreation receives 21%. The directorate housing the core bureaucracy receives 20%; Inuit Qaujimajatuqangit, 18 %; Elders and Youth, 8 % and Official Languages 15%.⁷ With a population of 31,906 and an expenditure budget of \$1.45 billion Nunavut allocates \$28 million (or 1.93 %) towards the provision of ministry services to cultural affairs. When measured in terms of “Culture and Heritage” program grants and contributions of just over \$2 million planned in 2012-13, about \$63.00 will be spent per capita on “Culture and Heritage” programs.

Figure 1

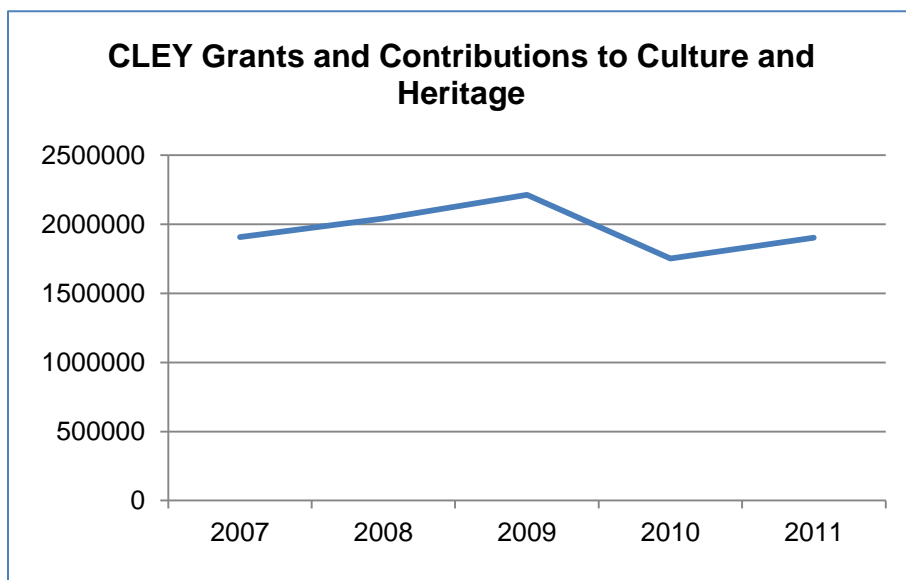
⁴ Usually translated to mean Inuit traditional knowledge and institutions.

⁵ Government of Nunavut, [Main Estimates, CLEY, 2011-12](#), p. F-2

⁶ The department makes a distinction between grants and contributions. Contributions typically differ from grants in terms of what the department expects of the recipients. An individual or organization that meets the eligibility criteria for a grant can usually receive the payment without having to meet any further conditions. In contrast, contributions are subject to performance conditions that are specified in a contribution agreement. The recipient must show that it continues to meet the performance conditions over the life of the agreement in order to be reimbursed for specific costs. The government can audit the recipient's use of a contribution, whereas audits are not required for grants.

⁷ 2012-2013 Main Estimates, F-3

Culture and Heritage Spending in Nunavut, 2007-2011



SOURCE: Summary of Grants and Contributions, Department of Culture, Language, Elders and Youth, *Main Estimates*, 2007-2012.

Reaction of the cultural community

While there appears to have been little public reaction to the most recent budget, several members of the Nunavut Legislative Assembly have expressed disappointment that the commitment to build a Nunavut Heritage Centre in Iqaluit to house archaeological artefacts has not been pursued. Plans had been made to build a \$120 million, 6,700 m² structure to store artefacts, but the government has not yet moved to make this project a reality.⁸

Future health of the cultural sector

Funding towards the activities of the CLEY department continues to grow, from slightly over \$18 million in 2007 to almost \$28 million in 2011. That \$10M growth over five years represents an impressive 55% increase. Clearly, the Nunavut government has made general funding to the department a priority. It is worth noting, however, that moneys spent on Culture and Heritage programs (as defined by the Nunavut government) have been fairly consistent over this period.

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⁸ *Nunatsiaq News*. November 2, 2012.

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Supplementary Documentation

Government of Nunavut

Real GDP Growth: 4.6% (2011)

Revenue from Federal Transfers (percent of total): 92%

Population: 31,906 (2011)

Government of Nunavut

Main Estimates⁹

(In thousands of dollars)

Department	2012-13 Estimate	2011-12 Forecast
Office of the Legislative Assembly	17,773	19,610
Executive and Intergovernmental Affairs	20,785	19,843
Finance	63,300	65,055
Human Resources	24,120	24,120
Justice	92,985	105,254
Culture, Language, Elders and Youth	28,002	28,790
Education	250,705	244,774
Health and Social Services	327,213	348,023
Environment	25,397	29,064
Community and Government Services	218,897	272,480
Economic Development and Transportation	73,398	78,217
Nunavut Housing Corporation	173,386	195,470
Nunavut Arctic College	25,614	24,003
Total	1,341,575	1,454,703

⁹ Government of Nunavut, *Main Estimates, 2012-13*, pg viii.

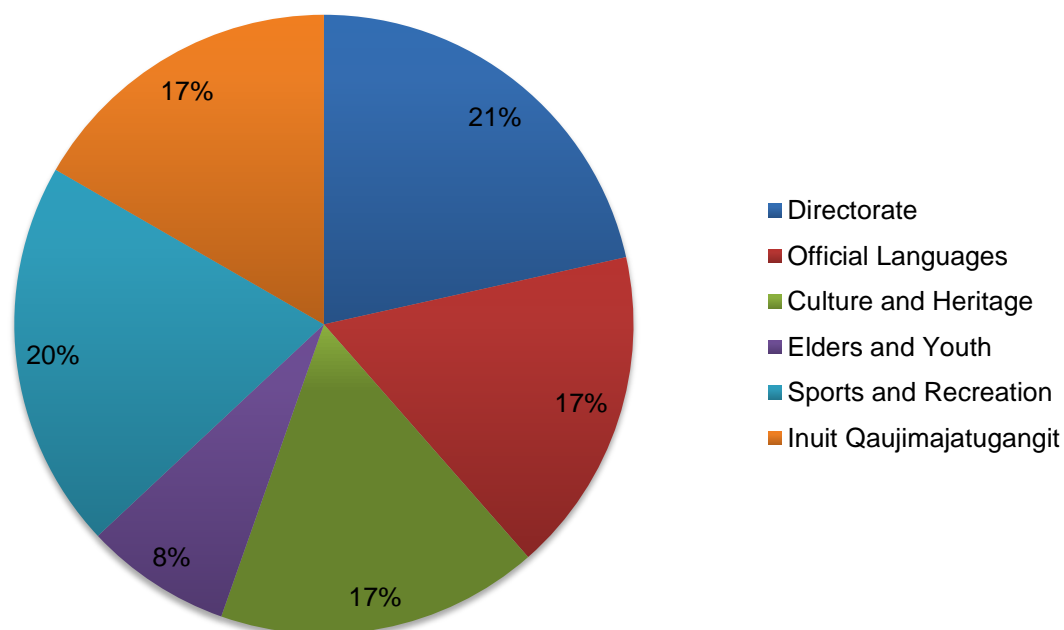
Government of Nunavut

Department of Culture, Language, Elders and Youth

Main Estimates¹⁰ (In thousands of dollars)

Branch	2012-13 Estimate	2011-12 Forecast	Difference Dollar Value	Difference Percentage
Directorate	6,097	5,202	895	17.2%
Official Languages	4,823	4,244	579	13.6%
Culture and Heritage	4,773	4,494	279	6.2%
Elders and Youth	2,168	2,144	24	1.1%
Sports and Recreation	5,751	6,402	(651)	-10.2%
Inuit Qaujimagatugangit	4,726	5,530	(804)	-14%
Total	28,002	28,790	(788)	-2.7%

Branch Appropriations



¹⁰ Government of Nunavut, *Main Estimates, 2012-13*, pg F.

Grants¹¹

(In thousands of dollars)

Branch	2012-13 Estimate	2011-12 Forecast
Official Languages		
Inuit Language Promotion and Protection	50	50
Culture and Heritage		
Culture and Heritage	125	125
Community Radio	150	150
Archaeology and Palaeontology Research and Support	25	-
Elders and Youth		
Youth Initiatives	150	150
Elders Initiatives	150	150
Youth and Elders Committees	100	100
Sports and Recreation		
Traditional Activities	75	75
Physical Activities Initiatives	150	150
Sport and Recreation Organization Funding	260	340
Nunavut Sport Clubs	50	20
Volunteer Recognition Program	40	40
Sport and Recreation Special Events	40	40
Sports and Recreation Scholarship	10	10
Recreation Facility Operators Training	40	40
Recreation Leaders and Volunteer Training	120	120
Nunavut Territorial Assistance Training	1,941	1,816
Sport Development	300	400
Technical Development	115	75
Sport and Recreation Skills	120	160
Total	3,261	3,286

¹¹ Government of Nunavut, *Main Estimates, 2012-13*, pg F-10.

Contributions¹²

(In thousands of dollars)

Branch/Program	2012-13 Estimate	2011-12 Forecast
Directorate		
Inuit Uqausinginnik Taiguusiliuqtiit Funding	2,176	2,040
Official Languages		
Inuit Language Promotion and Protection	350	560
Culture and Heritage		
Heritage Facilities	200	200
Culture and Heritage	216	216
Cultural Communications Program	125	125
Toponymy Program	100	100
Heritage Centre Core Funding	300	300
Arts	275	300
Library Services	492	492
Elders and Youth		
Youth Initiatives	100	100
Elder Initiatives	100	100
Elder and Youth Facilities	200	315
Sport and Recreation		
Inuit Games Support	103	103
Pool and Waterfront Operations	70	70
Sport and Recreation Facilities Programming Improvements	500	500
Inuit Qaujimagatuqangit		
Inuit Societal Values	300	300
Piqqusilirivvik Program Field Testing	200	300
Total Contributions	5,807	6,121

Culture and Heritage, Grants and Contributions Combined Total

(In thousands of dollars)

Year	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Amount	1,907	2,042	2,213	1,753	1,904	2,008	2,008

¹² Government of Nunavut, *Main Estimates, 2012-13*, pg F-11.



NORTHWEST TERRITORIES

Trending Upward

Analysis of the 2012-13 Northwest Territories
Budget from the Perspective of Arts, Culture and
Heritage

Patrice Dutil

2013

Trending Upward

The 2012-13 Northwest Territories Budget from the Perspective of the Arts and Culture Sector

Analysis by Patrice Dutil, Professor, Department of Politics and Public Administration, Ryerson University

Budget Highlights

- 9.1% increase for Culture and Heritage over 2011-12.
- Official Languages Program receives 3% increase.
- Aboriginal Language and [Culture-based Education](#) Program and Public Library Services Program increased by less than 1%.

Context

According to the 2011 Census, the Northwest Territories (NWT) has a population of 41,462, showing little change from the 2006 Census. Premier Bob McLeod, who in the past has held the Tourism portfolio, has been in office since October 2011.

The NWT has been hit hard by the economic slowdown of the past few years. Its GDP declined by 14% in 2009, and has averaged a growth rate of -1 % for the past three years. The Territory is in debt and is looking for ways to

stimulate the territorial economy. The government considers tourism as a key factor in sustaining cultural and artistic activities, and it remains a top priority for economic development and diversification. The government's 2012-13 budget announced a \$10.4 million investment in this area, mostly on marketing.

Arts and cultural funding in the Northwest Territories is administered by the [Department of Education, Culture and Employment](#) (DECE). The mandate of this department is exceedingly large and includes language instruction in English and French as well as First Nations languages. Culture and Heritage fall under the direct supervision of a Director of Culture and Heritage, who reports to an Assistant Deputy Minister of Education and Culture. In 2010-11, the Government of the Northwest Territories spent \$1.3 billion. Of that, \$279 million (or about 21%) was spent by the DECE.

DECE provides support to community museums, cultural, heritage and arts organizations, projects, and individuals. It manages archaeological site protection, conducts archaeological research, administers archaeological permits, participates in land use regulatory processes, administers the [Geographical Names and Territorial Historic Sites Program](#); and administers the NWT Archives and Museum Operations at the [Prince of Wales Northern Heritage Centre](#).

In combining education and culture, DECE makes it difficult to isolate spending supporting the arts. Arguably, many of the programs of the Ministry of Education, Culture and Employment touch culture and arts indirectly. Its funding for [Dene Language Programming](#), for instance, is undoubtedly a critical link in its cultural policy. The same thing could be said for its basket category of "Native Communications", or its funding of [Community Library Services](#) or the [Community Literacy Development Fund](#).

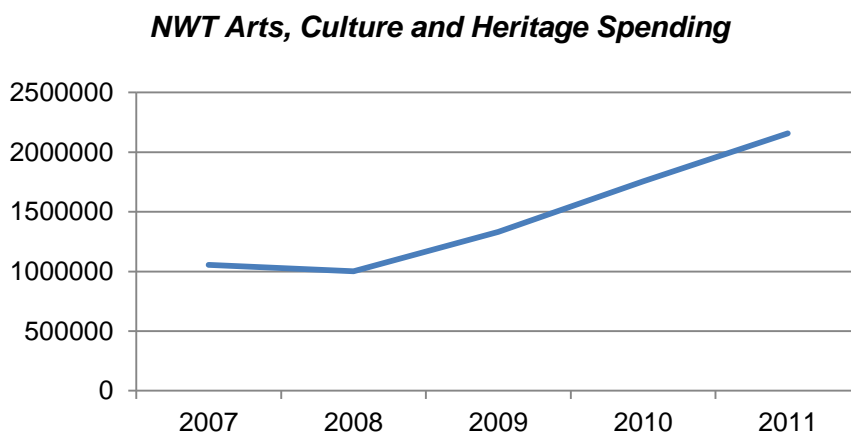
DECE has made changes to the way it identifies spending over the past five years. For example, in 2006-07 and 2007-08 funding was identified for "Cultural Organizations", the [NWT Arts Council](#), Community Museums and "Cultural Projects". In 2008-09, the government

eliminated “Community Museums” as a line item and replaced it with “Cultural Organizations” and “Heritage Centres”. It also announced an important new program: “Support to Northern Performers”. All these were included in the calculation of spending in the arts and culture. The same line items were retained for 2009-10, with the addition of the “New Northern Arts Program”. For 2010-11, the government broke out spending for “Cultural Components of Sports Events” and included this figure in the calculation of cultural expenditures. At the time of writing this analysis, the public accounts for 2011-12 had not yet been released.

Impact of the budget

Cultural policy has not been a priority in the pronouncements of the NWT premier or minister of finance, neither of whom mentions the file in their key pronouncements on the budget or agenda-setting. That being said, the government has doubled its funding on cultural programs over the past five years, even in a period of growing deficits. As **Figure 1** shows, the trend has moved upwards since 2007.

Figure 1: Contributions to Arts, Culture and Heritage in the NWT, 2007-2011¹



Source: *Public Accounts of the Government of the Northwest Territories, Non-Consolidated Schedule of Contributions Schedule 6, 2007-2011*

In the 2012-13 Main Estimates, cultural operational expenditures identified within DECE include \$8.3 million for Aboriginal Language and Culture Education, \$2 million for Public Library Services, \$6.5 million for Culture and Heritage, and \$7.5 million for [Official Languages](#). This represents an increase of 9.1% for Culture and Heritage over 2011-12. In comparison, the allocation for Official Languages was augmented by only 3%, while both the Aboriginal Language and Culture Education Program and the Public Library Services had increases of less than 1% from the previous year.²

The NWT’s public accounts do not indicate capital spending on culture and heritage institutions. The assumption is that those costs were factored into the general expenditures. The only specific capital expenditures for cultural infrastructure mentioned in the *2012-13 Supplementary Estimates no.1* were a \$46,000 appropriation for gallery development at the Prince of Wales

¹ This calculation includes actual contributions in the fiscal year for the following items: Cultural Organizations, Cultural Projects, Heritage Centres, the Northwest Territories Arts Council, and Support for Northern Performers.

² Government of the Northwest Territories, [2012-2013 Main Estimates](#), pp. 10-17.

Northern Heritage Centre, and \$85,000 to Community Museums for uncompleted capital infrastructure projects from the previous year³.

Given a population of 41,462, the Government of the Northwest Territories in 2011-12 is spending \$51.99 per capita on “arts and culture”.⁴

Reaction of the cultural community

There appears to have been little public reaction to the government’s budget for culture and heritage in 2012-2013, although there seems much to celebrate. Perhaps the deficit of the NWT has muted expectations.

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³ Government of the Northwest Territories. [2012-13 Supplementary Estimates no. 1](#), p. 12

⁴ As noted in footnote 1, this calculation is based on contributions allocated for the operation and management of cultural organizations, cultural projects, heritage centres, the Northwest Territories Arts Council, and support for Northern performers, and does not include capital expenditures.

Supplementary Documentation

Government of the Northwest Territories

Real GDP Growth: -5.1% (2011)

Revenue from Federal Transfers (percent of total): 76%

Population: 41,462 (2011)

Government of the Northwest Territories

Main Estimates

Operations Expenditure⁵

(In thousands of dollars)

Department	2012-13 Estimate	2011-12 Forecast
Legislative Assembly	18,508	19,768
Executive	22,862	19,132
Human Resources	42,796	43,220
Aboriginal Affairs and Intergovernmental Relations	7,304	7,888
Finance	142,121	128,013
Municipal and Community Affairs	95,533	93,571
Public Works and Services	93,682	93,988
Health and Social Services	349,926	358,795
Justice	113,674	108,465
Education, Culture and Employment	289,107	288,173
Transportation	120,415	111,578
Industry, Tourism and Investment	49,560	53,919
Environment and Natural Resources	65,693	74,508
Total	1,411,181	1,400,118

⁵ Government of the Northwest Territories, *Main Estimates 2012-13*, pg vii.

Government of the Northwest Territories

Department of Education, Culture and Employment

Main Estimates – Education and Culture Program Delivery⁶

(In thousands of dollars)

Program	2012-13 Estimate	2011-12 Forecast	Difference Dollar Value	Difference Percentage
Early Childhood Development	7,308	7,308	-	-
Instructional and Support Services	3,592	3,833	(241)	-6.3%
Aboriginal Language and Culture Education	8,308	8,245	63	0.8%
Inclusive Schooling	26,987	26,833	154	0.6%
Minority Language Education and Instruction	2,588	2,588	-	-
Education Operations and Development	2,244	2,227	17	0.8%
NWTTA Professional Development Fund	1,620	1,620	-	-
School Contributions	123,936	122,353	1,583	1.3%
Public Library Services	2,021	2,011	10	0.5%
Culture and Heritage	6,519	5,973	546	9.1%
Official Languages	7,452	7,233	219	3.0%
Total	192,575	190,224	2,351	1.2%

⁶ Government of the Northwest Territories, *Main Estimates 2012-13*, pg 10-17.

Department of Education, Culture and Employment

Education and Culture Grants and Contributions⁷

(In thousands of dollars)

	2012-13 Estimate	2011-12 Forecast
Grants		
Community Broadcasting Grants	52	52
Contributions		
Aboriginal Language Broadcasting	170	170
Official Languages, Aboriginal	2,996	2,911
Official Languages, French	350	350
Minority-Language Education and Second-Language Instruction: French	2,401	2,374
Education Authority Contributions	150,333	148,399
NWTTA Professional Development Fund	1,620	1,620
Early Childhood Program	4,040	4,040
Healthy Children Initiative	2,110	2,110
Community Library Services	763	763
Cultural Organizations	554	554
Cultural Projects	176	176
Heritage Centres	491	491
NWT Arts Council	500	500
Support to Northern Performers	181	181
New Northern Arts Programs	250	250
Cultural Component of Sports Events	50	50
Total	167,037	164,991

⁷ Government of the Northwest Territories, *Main Estimates 2012-13*, pg 10-18.

Department of Education, Culture and Employment

Contributions to Arts, Culture and Heritage, 2007-11⁸

(Dollar Value)

Year	2007	2008	2009	2010	2011
Amount	1,056,000	1,002,000	1,330,000	1,755,000	2,156,000

Education and Culture Infrastructure Expenditures⁹

(Dollar Value)

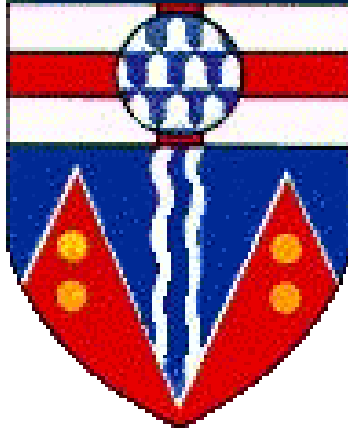
Project	2012-13 Capital Estimate
Diamond Jenness Secondary School Renovation – Hay River	5,877,000
Sir Alexander Mackenzie & Samuel Hearne Secondary School Replacement – Inuvik	4,320,000
Charles Yohin School Upgrade – Nahanni Butte	273,000
Colville Lake School Upgrade – Colville Lake	
Ehtseo Ayha School Fuel Tank Replacement – Deline	119,000
Prince of Wales Northern Heritage Centre Gallery Development – Yellowknife	46,000
Student Information System Replacement Project – Territorial	761,000
Total	11,496,000

Uncompleted Projects from 2011-12 Fiscal Year

Project	2012-13 Capital Estimate
High School Career and Technology Studies – Various	62,000
Capital Infrastructure for Community Museums	85,000
Total	147,000

⁸ SOURCE: *Public Accounts of the Government of the Northwest Territories, Non-Consolidated Schedule of Contributions Schedule 6, 2007-11.*

⁹ Government of the Northwest Territories, *Supplementary Estimates no. 1*, p. 12.



YUKON

Heritage Investments

Analysis of the 2012-13 Yukon Budget from the
Perspective of Arts, Culture and Heritage

Patrice Dutil

2013

Heritage Investments

The 2012-13 Yukon Budget from the Perspective of Arts, Culture and Heritage

Analysis by Patrice Dutil, Professor, Department of Politics and Public Administration,
Ryerson University

Budget Highlights

- Heritage Resources budget increases by 32%.
- Arts budget decreases by almost 8%.
- Yukon Beringia Interpretive Centre budget increases by over 6%.
- Significant capital investments to be made in Archives building maintenance.

Context

As the Yukon Party marks its tenth year in power (first elected in November 2002 under Dennis Fentie and since May 2011 led by Darrell Pasloski), expenditures in the cultural sector are leveling off after a period of growth. The economy in the Yukon has done generally very well over the past six years and governments have been able to produce budgetary surpluses. The 2012-13 surplus is estimated to be over \$80 million, even with an economic slowdown (the Territorial government expects growth to be limited to 3% in 2012, half the rate of 2011). In 2010-11, the government of the Yukon spent \$955,584,000. Of that, \$23,819,000 (or 2.49 %) was spent by the [Department of Tourism and Culture](#).

Between 2006 and 2011 the Yukon's population increased by 11.7%. As a result, the territorial government is focusing on the additional infrastructure and housing needs of residents. Financial priorities include a housing development around Whitehorse, the construction of a French language high school and two English language high schools, hiring new staff at the Whitehorse General Hospital and an expansion of the hydro-electric grid.¹

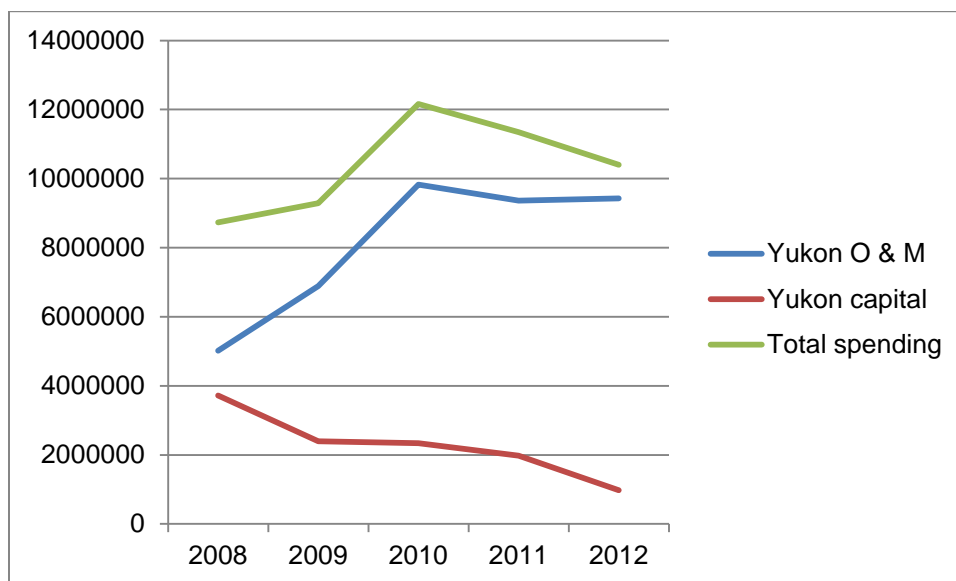
Tourism, which can be a genuine stimulus to cultural attractions and provide a market for artistic products, has become increasingly important for the Yukon. An estimated 320,000 tourists will visit the Yukon in 2012-13 — a 24% increase from the number of tourists who visited in 2010-11.²

Over the past five years, spending on culture has increased. The Yukon government's schedule of expenses describes its spending on "cultural services" in terms of operations and maintenance and capital spending. As **Figure 1** demonstrates, the trend has moved upwards, with more money being spent on operations and maintenance.

The Department of Tourism and Culture is the lead ministry in the area of arts, culture and heritage, but not the only one involved. The preservation of the eight major First Nations languages for instance, is driven by the [Yukon Native Language Centre](#), an organization administered by the Council of Yukon First Nations, and fully funded by the Territorial government through another department. The Department of Education also plays a pivotal part in shaping the cultural life of Yukoners, and its budget is administered separately.

¹ *Budget Address 2012-2013*.

² Darrell Pasloski, Budget Address, 2012-13, 15 March 2012, p. 5. The *Main Estimates 2012-2013 – Tourism and Culture*, report 280,000 bus and car visitors, see pp. 16-18.

Figure 1**Arts, Culture and Heritage Spending, Government of Yukon, 2007 -11**

SOURCE: *Public Accounts of the Yukon Government, Schedule 4, Expenses by Department of Tourism and Culture, 2008-2012*

The Department of Tourism and Culture provides a wide range of services. Its Cultural Services Branch supports the maintenance of historic sites and heritage resources such as archeological and paleontological services, the Yukon Archives and various museums. It also supports artists, according to the advice provided by the [Yukon Arts Advisory Council](#). The Yukon College also plays a vital role in the cultural environment of the Yukon through its [Visual Arts program](#).

Arts, culture and heritage programs in the Yukon cover a wide range of activities. They include “Stay Another Day” arts-themed community events, as well as support to individual artists through the [Arts Fund](#) (\$500,000), the Artist in the School Fund (\$100,000), the [Touring Artist Fund](#) (\$100,000), the [Advanced Artist Award](#) (\$80,000), the [Dawson City Arts Society](#) (\$400,000) and a special training initiative called the Northern Strategy-Heritage and Culture Capacity Development. A considerable proportion of the Operations and Maintenance funding goes to support the Territory’s museums (including \$657,000 for general operations, \$350,000 for “assistance”, and \$20,000 for “conservation and security”), as well as [First Nations Cultural Centres](#) (\$514,000).

Impact of the Budget

Indications are that the bureaucracy is consistently spending less than budgeted. For instance, the public accounts for 2011-2012 indicate that the government of the Yukon spent \$9,423,709, in that fiscal year on the operations and maintenance of its “cultural services”, \$495,291 less than what had been estimated for the year. It also spent \$979,158 on capital expenses for “cultural services”, \$446,842 less than what it had been expected. This was a considerable drop from the \$9,825,645 spent on the operations and maintenance of its cultural services in 2009-2010, as well as the capital expenses in that category, which amounted to \$2,335,699.

Table 1
Yukon Cultural Services Funding

	2007-08	2008-09	2009-10	2010-11	2011-12
Operations and Management	5,013,003	6,891,466	9,825,645	9,361,983	9,423,709
Capital	3,721,004	2,396,073	2,335,600	1,979,960	979,158
Total spending	8,734,007	9,287,539	12,161,245	11,341,943	10,402,867

SOURCE: Public Accounts of the Yukon Government, Schedule 4, Expenses by Department of Tourism and Culture, 2008-2012

The Department of Culture and Tourism provides capital funding for operating sites such as [Rampart House](#), [Forty Mile](#), [Yukon Sawmills](#) and [Fort Selkirk](#). The [Yukon Beringia Interpretive Centre](#) also receives capital funding. The Archives initiative has received special funding this year for maintenance and to expand cold storage capacity. While clearly important for culture, archival work is a government-wide concern as it acquires governmental documents, as well as collections of individuals and organizations not related to cultural pursuits.

Given that 33,893 people live in the Yukon and based on the figures in **Table 1**, \$307 per capita is being spent on cultural services funding.

Future health of the sector

The Yukon has done well in supporting cultural services in the past, but its commitment to cultural infrastructure has clearly been hurt by the troubled economic environment. This comes at a time when federal support for heritage buildings such as the Dredge No 4 National Historic Site in Dawson has ended, which may engender pressure on the territorial government to step in to maintain this vital institution.³

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[Yukon Native Language Centre](#). YNLC.

³ CBC News, August 30, 2012.

Supplementary Documentation

Government of Yukon

Real GDP Growth: 6.5% (2011)

Revenue from Federal Transfers (percent of total): 71.1%

Population: 33,893 (2011)

Government of Yukon

Main Estimates⁴

(In thousands of dollars)

Department/Corporation	2012-13 Estimate	2011-12 Forecast
Yukon Legislative Assembly	6,211	5,947
Elections Office	451	1,013
Office of the Ombudsman	672	564
Child and youth Advocate Office	477	466
Executive Council Office	23,572	23,176
Community Services	187,242	177,261
Economic Development	15,740	18,092
Education	145,815	149,699
Energy, Mines and Resources	87,902	63,122
Environment	30,798	31,537
Finance	7,908	7,593
Health and Social Services	286,777	272,011
Highways and Public Works	187,868	187,899
Justice	62,851	74,684
Public Service Commission	38,717	37,919
Tourism and Culture	24,690	25,357
Women's Directorate	4,805	2,874
Yukon Development Corporation	5,725	4,313
Yukon Housing Corporation	33,542	42,276
Yukon Liquor Corporation	One dollar	One dollar
Loan Capital and Loan Amortization	5,000	5,000
Total	1,156,763	1,131,003

⁴ Government of Yukon, *Main Estimates 2012-13*, S-18.

Yukon Department of Tourism and Culture

Main Estimates⁵

(In thousands of dollars)

Tourism and Culture	2012-13 Estimate	2011-12 Forecast	Difference Dollar Value	Difference Percentage
Operations and Maintenance				
Corporate Services	2,178	2,005	173	8.6%
Cultural Services				
Directorate	483	555	(72)	-13.0%
Heritage Resources	1,146	866	280	32.3%
Historic Sites	1,186	1,145	41	3.6%
Museums	2,313	2,245	68	3.0%
Yukon Beringia Interpretive Centre	354	332	22	6.6%
Arts	3,767	4,077	(310)	-7.6%
Archives	1,320	1,262	58	4.6%
Tourism	9,835	10,269	(434)	-4.2%
Sub Total (O & M)	22,582	22,756	(174)	-0.8%
Capital				
Corporate Services	204	202	2	1.0%
Cultural Services				
Paleontology Trailer	50	0	50	
Historic Sites Maintenance	100	235	135	-57.4%
Fort Selkirk	160	160	-	-
Historic Sites Planning	25	25	-	-
Interpretation and Signage	70	70	-	-
Rampart House	60	60	-	-
Forty Mile	90	90	-	-
Yukon Sawmill	30	30	-	-
Heritage Trails	40	40	-	-
Military and Industrial Artifact Assessment	60	0	60	
Yukon Beringia Interpretive Centre	90	162	(72)	-44.4
Museum Prior Years' Projects	0	30	(30)	-100%
Visual Arts Acquisition	25	25	-	-
Arts and Cultural Development Prior Years' Projects	0	96	(96)	-100%
Archives Preservation Projects	25	403	(377)	-94.0%
Archives Building Maintenance	258	0	258	
Cold Storage Expansion	291	0	291	
Tourism	530	973	(443)	-45.5%
Sub Total (Capital)	2,108	2,601	(493)	-19.0%
Total	24,960	25,357	(397)	-1.6%

⁵ Government of Yukon, Main Estimates 2012-13, 16-8.

Government of Yukon

Government Transfers to Cultural Services⁶

(In thousands of dollars)

Operations and Maintenance	2012-13 Estimate	2011-12 Forecast
Stay Another Day – Arts Themed Events	80	88
Yukon Science Institute	20	20
Arts Centre Corporation	778	757
Arts Operating Funds	668	668
Arts Fund	500	796
Artist in the School	100	144
Touring Artist Fund	100	116
Advanced Artist Award	80	80
Dawson City Arts Society	400	400
Friends of Yukon Archives Society	9	9
Museum – General Operations, Maintenance and Training Support	657	657
Northern Strategy- Heritage and Culture Capacity Development – Training Initiative	280	269
First Nations Cultural Centres	514	344
Historic Sites Maintenance	100	152
Old Firehall Programming	150	150
Museum Assistance	350	371
Museum Conservation and Security	20	20
Northern Cultural Expressions Society	345	345
Culture Quest- Yukon Arts Centre	157	157
Prior Years' Other Transfer Payments	0	69
Capital		
Fort Selkirk	135	135
Heritage Trails	21	21
Visual Arts Acquisition	25	25
Forty Mile	20	20
Prior Years' Other Transfer Payments	0	80

Note: The Touring Artist Fund and Arts Operating Funds are chosen based on recommendations by the Yukon Arts Advisory Council.

⁶ Government of Yukon, *Main Estimates 2012-13, 16-22.*

Government of Yukon

Department of Education

Government Transfers (Select Programs)⁷

(In thousands of dollars)

Operations and Maintenance	2012-13 Estimate	2011-12 Forecast
Public Schools		
Artist in the School	19	19
Council of First Nations – Native Language Program	405	405
Council of First Nations – Education Support	170	170
First Nations Elder Program	50	50
First Nations Community Orientation	20	20
French Cultural Activities	35	35
School Cultural Activities	250	250
Yukon College School of Visual Arts	474	474

Yukon Native Language Centre

Yukon Native Language Centre is located on the Yukon College campus and administered by the Council of Yukon First Nations. The program is funded by the Government of Yukon through appropriations from the Department of Education's Native Language Program. In 2012-13 the Native Language Program received \$405,000 from the territorial government.⁸

Languages
Inuit
Tlingit
Gwich'in
Hän
Upper Tanana
Northern Tutchone
Southern Tutchone
Kaska
Tagish
Tahltan

⁷ Government of Yukon, *Main Estimates 2012-13*, S- 24.

⁸ Yukon Native Language Centre.