



Canada Council
for the Arts

Conseil des Arts
du Canada

The Canada Council for the Arts

**RESEARCH REPORT ON LARGE PERFORMING ARTS
ORGANIZATIONS**

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Planning and Research

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1. INTRODUCTION

The financial health and well-being of arts organizations has always been a key concern of the Canada Council for the Arts. The Council invests **80%** of its grants budget in **arts organizations of all sizes** and wants to ensure that the artistically excellent companies it funds are also financially stable and viable.

The Canada Council considers the welfare of all arts organizations - large, medium and small - to be of prime importance. Large performing arts organizations are of particular concern. These organizations often act as anchors for their discipline on the national stage, representing important sources of creation, production and employment for artists and technical workers. They are also often important tourism engines, generating economic activity for their communities and environs.

In March 2000, the Board of the Canada Council directed that a longitudinal study on the situation of large performing arts organizations be undertaken. The purpose of this study is to assess trends, challenges and opportunities for large organizations. It is clear that many of the findings of this study will apply equally to a large degree to mid-sized and smaller performing arts organizations. The Board will assess the need for further research on other arts organizations, including those of smaller scale once the results of this report have been analysed.

2. CHALLENGES FOR LARGE PERFORMING ARTS ORGANIZATIONS : THE COMPETITIVE ENVIRONMENT

Large performing arts organizations are operating in an intensely competitive environment. Competition for funding - both public and private - and for audiences is a key challenge faced by large performing arts organizations. As discussed elsewhere in this report, there are many reasons why large performing arts organizations continue to face declining audiences and tougher-than-ever competition for box office revenues and private and public funding support.

2.1 Public Funding

After at least two decades of increases, the decline in public funding of the arts (and public funding in general) which has been in evidence since the early part of the 1990's has brought into focus the financial fragility of large performing arts organizations.

Between 1993-94 (when public funding began to fall off in a significant way) and 1998-99, Canada Council operating grants going to the largest performing arts

organizations barely increased (by less than 2%)¹, and then only due to the infusion of \$25 million in additional funding per annum to the Canada Council, beginning in 1997-98². After taking into account an increase in inflation of 6.7% between 1993-94 and 1998-99, however, the Council's grants to its largest performing arts organizations in fact lost some of their real value during this period. Council funding has therefore not kept pace with the increase in operating costs within the large performing arts organizations.

Compared with 1995-96 (when Canada Council funding was at the lowest level following cuts in public funding), the total grants budget of the Council was 34% higher in 1998-99 (\$104 million³ vs. \$78 million). The new funds added to the Council's grants budget were directed primarily towards the Council's growing number of small and medium size organizations as well as towards individual artist grants. Funding priority in recent years was also given to address historic imbalances in funding, providing support to aboriginal, culturally diverse and other organizations and support for young and emerging artists.

More recently in the fiscal year 2000-2001 the Council received an addition of \$10 million to its parliamentary appropriation⁴. Of this, \$2.5 million was directed to orchestras and was particularly aimed at encouraging youth- and community-oriented programming. While large orchestras received some additional funding, no other large performing arts organizations saw grant increases in 2000-2001. In May 2001, the Minister of Canadian Heritage announced an addition of \$25 million per year for three years to the Council's appropriation, beginning in fiscal year 2001-2002.

There is no doubt that the Canada Council's organizational clients base has increased dramatically - by almost 50% between 1996-97 and 2000-2001 alone (see Appendix Table 2(e)). The Council now annually funds about 1,800 arts organizations across all disciplines and of various sizes. Historically, in 1968-69, the Council had only 178 organizational clients so there has been a tenfold increase over thirty years. This trend raises an obvious question: What are the limits to growth in the number of arts organizations which can or should be supported with existing levels of public funding, private support and audiences?

¹ A few large organizations (e.g., Alberta Ballet and Opera Ontario) had relatively large grant increases – see Appendix Tables 2(a) to 2(d). Also note that two large performing arts organizations only began to be funded by the Canada Council after 1993-94 – Opera Ontario and Ex Machina.

² Note that in the first year of the new funds received by the Canada Council and for one year only (1997-98) companies received a one-time 20% supplement to their operating grant.

³ Includes \$5.3 million allocated specifically for the Council's Millennium Arts Fund.

⁴ At the same time, the \$10 million, two-year Millennium Fund, was wound up in 2000-2001.

Over the period 1993-94 to 1998-99, provincial and municipal funding to large performing arts organizations fell significantly, -10% and -6% respectively.

At the provincial level, large performing arts organizations in Ontario (of which there are nine, about one-third of the total number of companies in this study) were particularly hard hit as the reduction in arts funding was especially drastic in Ontario. Funding to the performing arts in Ontario fell -44.4% between 1993-94 and 1998-99, the largest decrease in dollar terms and second only to Alberta in percentage terms (-45.1%).

Table 1
Provincial Government Spending on the Performing Arts(1)
(in thousands of dollars)

	1993-94	1998-99	% Change
Nfld.	\$4,633	\$4,798	3.6%
PEI	\$727	\$673	-7.4%
NS	\$1,559	\$2,913	86.9%
NB	\$1,436	\$1,904	-23.8%
Québec	\$76,300	\$80,239	5.2%
Ontario	\$26,092	\$14,500	-44.4%
Manitoba	\$5,334	\$4,547	-14.8%
Saskatchewan	\$1,904	\$2,745	44.2%
Alberta	\$16,961	\$9,308	-45.1%
BC	\$5,156	\$4,307	-16.5%

(1) Includes operating and capital expenditures and grants.

Source: Government Expenditures on Culture 1998-99, Statistics Canada

2.2. The Box Office

Coupled with declining public funding, there is the additional challenge of performing arts audiences decreasing or levelling off and there are different ways of measuring this. According to a recent Statistics Canada report⁵, the percentage of the population attending various performing arts events (also called participation rates) declined between 1992 and 1998 (though this trend was not across the board for all types of performing arts activities)⁶.

Another measure of the size of arts audiences also shows a decline. Performing arts attendance (i.e., number of tickets sold) fell in 1998-99⁷, with the exception of dance which showed a modest increase. Between 1996-97 and 1998-99 total attendance for the performing arts sector (companies of all sizes) fell almost 4%, while the number of performances fell 3.3%.

⁵ Patterns in Culture Consumption and Participation, Statistics Canada, December 2000.

⁶ Data were collected through Statistics Canada's General Social Survey in a special supplement on culture participation in 1992 and 1998.

⁷ Statistics Canada, Performing Arts Survey, 1998-99

Two other audience-related trends have also not worked in favour of encouraging arts participation. Personal disposable income of Canadians barely increased between 1990 and 2000 after taking account of inflation and Canadians' leisure time only increased by 5 minutes per day between 1992 and 1998⁸

2.3 The Cinema

While the future trend in Canadians' attendance at live performing arts events is impossible to predict, an interesting parallel exists in the movie industry. Fifteen years ago, the demise of movie theatres was predicted, in part due to the appearance of the VCR. However, after several decades of decline, movie attendance has gone up again significantly. Between 1992 and 1998, the percentage of Canadians attending movies went up from 49% to 60%. As noted by Statistics Canada, "The resurgence in movie attendance during the 1990s was accompanied by major restructuring within the film exhibition industry. Many of the small unprofitable theatres were replaced by larger multi-screen theatre complexes equipped with food courts and video entertainment to draw the crowds."⁹

The quality and comfort of the facility in which large performing arts organizations produce their works is an issue, especially when the arts are competing with other leisure activities. Cold, uncomfortable performing arts halls may not attract the public any more. In May 2001, the federal government announced a three-year \$80 million investment to improve cultural infrastructure in recognition of the fact that many cultural facilities were built in the 1960s and 1970s and are in urgent need of renovation or transformation. Details of this new program – Cultural Spaces Canada – are available on the Canadian Heritage website (www.pch.gc.ca).

2.4. Commercial Performing Arts Productions

Competition from commercial performing arts such as mega-musicals is another factor that comes into play in looking at the future of live performances in the not-for-profit performing arts sector. The last fifteen years has seen the emergence of commercial productions of spectacular performances such as the Lion King, Miss Saigon, Les Miserables, and Phantom of the Opera, to name but a few. Such commercial productions, backed by large publicity budgets, are able to successfully draw large audiences. A tremendous amount of money is spent on marketing for these events, including full-page newspaper advertisements that the not-for-profit companies cannot afford. These lavish productions have established large expectations among audiences

⁸ Statistics Canada, Patterns in Culture Consumption and Participation, December 2000.

⁹ Statistics Canada, Patterns in Culture Consumption and Participation, December 2000.

for high production values and comfortable venues. Tickets to these events are high-priced, representing a major investment of disposable income. The large not-for-profit performing arts organizations simply do not have the resources to engage in large-scale marketing, especially as marketing has become increasingly sophisticated, making it very difficult to retain existing audiences or attract new ones.

2.5 Festivals

Another source of competition for funding dollars as well as audiences has been the burgeoning activity of not-for-profit festivals in Canada. Between 1992-93 and 1997-98, total revenues for 146 arts and cultural festivals increased by 19%, to \$86.2 million. Statistics Canada reports that: "This increase was accounted for in particular by fundraising efforts, which soared by 50% in this period, as well as by a 15% increase in earned revenues (box office and sales revenues)."¹⁰

2.6 Arts Education and the Impact of Increased Levels of Education in Canada

In some respects the environment could be described as conducive to attracting larger arts audiences. Post-secondary education levels continue to grow - a factor that has been shown to be positively correlated with arts participation. Since the 1960s, there has been a dramatic increase in the percentage of Canadians with post-secondary education. In 1976, 1.1 million Canadians had completed a university degree; by 1996, this figure had almost tripled to 3 million. The number of Canadians with post-secondary education of any kind more than doubled from 5.2 million to 10.7 million¹¹. As clearly indicated in a recent Statistics Canada report, participation in the arts continues to be closely related to the level of education. The report analysis notes that: "...attendance figures indeed increase with higher levels of education. Canadians with a doctorate or a masters degree topped the list for attendance for each of the performing arts categories followed by Canadians with a B.A.. One exception to this trend was that of other popular stage performances where attendance was more evenly distributed."¹²

Continuing growth in education levels suggests that performing arts attendance should have increased in recent years. Yet while the number of Canadians possessing post-secondary education has gone up, total attendance for the performing arts sector (companies of all sizes) fell about 6% during the 1990s¹³. One of the main challenges for large arts organizations would then appear to be attracting audiences from this large

¹⁰ Statistics Canada, Canadian Culture in Perspective: A Statistical Overview, December 2000.

¹¹ Statistics Canada, 1996 Census Nation Tables.

¹² Statistics Canada, Patterns in Culture Consumption and Participation, December 2000.

¹³ Statistics Canada, Performing Arts Survey, 1998-99

potential audience base of educated Canadians. However, the above trends also seem to indicate that factors other than education may have had a more significant impact on arts audience trends in recent years.

A further point to note in relation to education is that a serious weakening of arts education in the schools may have an impact on future audience development as studies have determined a link between arts education and/or arts participation in childhood and adult participation¹⁴. There is no recent definitive information on the impact of the reduction in arts education in the schools and the impact may not be measurable until years into the future. It is a fact, however, that there has been a decline in the number of performances touring to schools during the 1990s as a result of cutbacks in education budgets.

2.7 Changes in Consumer Habits and New Technologies

Arts consumer habits have changed over the last decade with the advent of new technologies and the Internet. The profusion of home-based entertainment options is a major competitive factor facing performing arts organizations. CDs, the Internet, satellite broadcasters and pay per view television combine to provide many moderately priced alternatives to attendance at live performing arts events. As one example, the live experience of attending a performance of orchestral music is now competing with the same music available on CD in high quality sound. This trend will only continue to intensify as new technologies are introduced into the market.

2.8 Demographic Changes

Over the longer term, there are demographic trends with which large performing arts organizations will have to contend. Between 1951 and 1996, the period during which many of these organizations were established and developed into world-class institutions, Canada's population doubled from just over 14 million to 28.8 million. However, population growth has slowed down very significantly in Canada in recent years (since 1970 it has been about 1% per year). The birth rate has declined dramatically, and at 1.8 it is below the replacement rate of 2.1 children. If audience growth in the 60s, 70s and 80s was in part positively related to population growth, such growth is unlikely to occur in the future as population growth slows and the population ages.

¹⁴ See, for example, Effects of Arts Education on Participation in the Arts, National Endowment for the Arts Research Division Report #36, 1996

Furthermore, the profile of the Canadian population has changed quite significantly and will continue to change as more and more of the future population growth is composed of recent immigration. In major population centres where most of the large arts organizations are located, immigrants make up a very significant percentage of the population. In Toronto, 42% of the population are immigrants and 32% of the Toronto population are visible minorities. The latter figure is projected to increase to 50% 20 years hence.¹⁵ In addition, an increasing percentage of immigrants come from a non-European background, a factor which may have an impact on interest in art and artforms of European origins.

2.9 Private Support

Private funding such as sponsorships, donations and other forms of support such as special fundraising events grew quite dramatically over the the past three decades, and represented substantial income growth for large performing arts organizations throughout the 1970s and 1980s. However, in the latter half of the 1990s, growth in these types of support has been insufficient to make up for declining public funding and does not appear to be increasing in any significant way.

In recent years, the quest for individual and private sector support has become quite challenging, with government spending restraints resulting in the health care and education sectors competing with the arts for limited private dollars. These latter sectors are better able to attract and retain development personnel to whom they can afford to pay the very high salaries which are the norm for these professionals (hundreds of thousands of dollars in some cases). It may be that performing arts organizations have reached a critical point where additional investment in fundraising is no longer producing results that warrant such increased expenditures.

2.10 Structural Financial Issues and Flexibility of Arts Organizations

The current financial fragility of the large performing arts organizations is clearly evidenced by their financial status. Some of the large performing arts organizations, though not all, face substantial accumulated deficits (see Table 8). Cycles of financial difficulty may be followed by a period of financial stability (e.g. some orchestras). With or without deficits, large performing arts organizations do not have the financial wherewithal to weather unprecedented financial challenges or to sustain growth in the future.

¹⁵ Canadian Social Trends Seminars, Statistics Canada, Cat. 10H0052

Flexibility for these organizations is also hampered by cost factors. Scaling down of activity does not significantly reduce costs since the level of fixed costs is very high for these organizations. There remains an artistic requirement to have a core group of artists or artistic personnel to put on a performance whether is it in a big venue or a small one, or whether it plays to a hundred people or a thousand. In addition, there exists in the arts a certain ethos regarding layoffs and downsizing of artists. Wages and salaries make up about two-thirds of the costs of large performing arts organizations.

Business planning issues are such that moving to smaller houses simply does not lead to savings. Fixed costs are typically the same, but less revenues are coming in. A change of venue has been tried by some of the organizations, but this has had a negative effect on audiences as loyal long-term audiences do not necessarily want to switch locations.

It may be that theatre companies have more flexibility than ballet companies, orchestras or opera companies simply because the theatre companies have more performances each year. As a point of comparison, the Shaw Festival puts on eight hundred performances a year, compared with the one hundred put on by the National Ballet of Canada. The box office potential of theatre companies gives them more flexibility and more room to grow.

Musician unions affect flexibility for orchestras in particular. Labour unrest among musicians whose salaries are not comparable to those in other major international orchestras has led to strikes in the Toronto Symphony and l'Orchestre symphonique de Montréal. For orchestras, fixed costs come in the form of negotiated contracts which include salary increases for musicians and a fixed season length (see Appendix 4). These factors are not open to adjustment. Competition from the commercial performing arts has also had some impact on costs in relation to the availability of artists and their salaries.

Large performing arts organizations have explored many different ways of further reducing costs, but have found that often they do not work. For example, while co-productions increase exposure for these organizations, they do not necessarily reduce costs.

The aforementioned structural financial issues are part of the rationale behind the establishment of arts stabilization programs in several provinces and cities in various regions of the country (see Appendix 3).

The concept of arts stabilization is described as "...a community-based, private-sector-led fund and program whose objective is to stabilize the finances and operations of the community's most important cultural organizations by the provision of expert assistance as required, and substantial working capital grants which are conditional upon the organization achieving specified operational and financial goals"¹⁶. Stabilization grants may also be used to reduce accumulated deficits.

The federal government (through the Department of Canadian Heritage) currently supports arts stabilization through contributions to provincial and city/region programs. In May 2001, the federal government announced a three-year \$63 million investment to support additional stabilization projects and programs (see www.pch.gc.ca for details). Arts stabilization programs as they are currently conceived with working capital grants do not appear to fit with the Canada Council's mandate where grants are awarded based primarily on artistic criteria and artistic quality, although the Council's role complements stabilization funding offered by other funders.

Other programs which have been set up to address structural issues include arts endowment funds. For example, the Ontario Arts Council Foundation administers the Arts Endowment Fund Program which matches dollar for dollar all funds raised for endowment purposes by not for profit arts organizations. Thirty-nine million dollars in arts endowments have been established by about 200 arts organizations since the program was introduced in 1998.

The Canada Council is very interested in addressing in a significant way the financial fragility of arts organizations. While Canada Council operating grants to arts organizations have always been assessed and evaluated on artistic merit, administrative and financial stability and sound financial management are also looked at.

At the present time, the large performing arts organizations receive funding from the Canada Council through a peer assessment process where they are assessed against other organizations in the operating grant program for each of the disciplines. In the current environment and with the current grants budget, it is not certain that there could be any dramatic shift in the funding to these organizations given the growing number of dynamic small and medium size companies which also have a role to play in the arts.

When these competitive elements are seen together, it is clear that large performing arts organizations are contending with formidable challenges to their sustainability and growth.

¹⁶ Management Matters, September 1997, p. 3

3. BACKGROUND ON THE ANALYSIS OF TRENDS

The study analysis is based on two complementary sets of data which together provide a comprehensive picture of the situation of large performing arts organizations over thirty years. The study uses a *working definition* of large performing arts organizations as those with over \$3 million in annual budget¹⁷ (see Appendix 1 for data on grants awarded to these organizations).

- The “**Big 29**” includes 29 large performing arts organizations with a budget of over \$3million that are currently funded by the Council. A thirty-year trend analysis (1968-69 to 1998-99) is used in this report. These 29 organizations account for 18% of Canada Council funding. The analysis uses aggregated data items at five-year intervals.
- The “**Big 17**” is a sub-group of the Big 29 performing arts organizations for whom much more detailed data are analyzed for the period 1986-87 to 1998-99. These organizations account for about 14% of Canada Council funding.

The mix of organizations covered in analysis of the two groups was dependent to some degree on availability of data. It is meant to be representative of large performing organizations rather than being a complete census of all large organizations hence the use of a working definition.

Below, for comparative purposes, is the list of companies included in the Big 29 and the Big 17.

Text Table 1

List of Two Groups of Large Arts Organizations Used in the Report	
“Big 29” 1968-69 to 1998-99	“Big 17” 1986-87 to 1998-99
Theatre	
Alberta Theatre Project	
Arts Club Theatre	
Canadian Stage	Canadian Stage
Citadel Theatre	Citadel Theatre
Compagnie Jean Duceppe	
Ex Machina	
Grand Theatre	
Manitoba Theatre Centre	Manitoba Theatre Centre
Shaw Festival	Shaw Festival
Stratford Festival	Stratford Festival
Theatre Calgary	
Théâtre du Nouveau Monde	
Vancouver Playhouse	

¹⁷ \$3 million in 1998-99, the latest year for which data were collected.

Music	
Calgary Philharmonic	Calgary Philharmonic
Edmonton Symphony	Edmonton Symphony
Kitchener-Waterloo Symphony	
Orchestre symphonique de Montréal	Orchestre symphonique de Montréal
Orchestre symphonique de Québec	Orchestre symphonique de Québec
Toronto Symphony	Toronto Symphony
Vancouver Symphony	Vancouver Symphony
Winnipeg Symphony	Winnipeg Symphony
Dance	
Alberta Ballet	
Les Grands Ballets Canadiens	Les Grands Ballets Canadiens
National Ballet of Canada	National Ballet of Canada
Royal Winnipeg Ballet	Royal Winnipeg Ballet
Opera	
Canadian Opera Company	Canadian Opera Company
Opéra de Montréal	Opéra de Montréal
Opera Ontario	
Vancouver Opera	

4. DETAILED ANALYSIS OF TRENDS

4.1 Analysis of the “Big 29”

4.1.1 Changes in Sources of Revenue

This group of companies has greatly evolved in terms of its sources of income over thirty years¹⁸. In the earlier years, the Canada Council had a very significant role in the finances of these organizations, providing on average more than 23% of their income. By 1998-99, however, the **relative importance** of Canada Council funding was far less, with Council grants providing about 8% of income in 1998-99.

Table 2
Breakdown of Revenues for the “Big 29” Performing Arts Organizations, 1968-69 to 1998-99

REVENUES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Production Revenues	46.3%	50.6%	43.6%	49.6%	46.2%	47.6%	48.0%
Private Support ¹⁹	15.0%	12.5%	17.3%	18.6%	21.0%	22.3%	26.5%
Canada Council Grants	23.2%	19.0%	18.1%	13.4%	11.4%	9.3%	8.4%
Provincial Grants	9.6%	11.2%	14.7%	13.7%	14.6%	14.4%	11.7%
Municipal/Regional Grants	4.9%	4.0%	4.3%	4.4%	5.4%	5.5%	4.6%

Provincial and municipal programs together make up over 16% of income in 1998-99 (double the level for Council grants). However, as with Canada Council funding, these

¹⁸ Averages or percentages are generally used as indicators in the analysis since in the early part of the time period some of the 29 companies had not yet been established.

¹⁹ Includes the following items: Sponsorships and donations in cash, services or materials; fundraising income; sales of promotion items; bar and cloakroom receipts; and workshops, rental and other income.

sources of income began to dry up in the early 1990's, falling from 20% to 16% of income between 1988-89 and 1998-99.

The area where tremendous income growth occurred in the companies is private support. In the past two decades, private support has taken on a major role, making up by 1998-99 about 27% of the income of these organizations, more than double the percentage it made up three decades earlier.

Box office revenues comprise about 48% of the revenues of these large performing arts organizations; this figure has not dramatically shifted since the early 1980s. What has essentially occurred over the longer term is a reversal in the relative importance of public and private funding. Private funding is now more important as a source of income for these organizations than all sources of public funding combined.

There exists some variation in these trends between artistic disciplines. For example, production revenues represent a higher percentage of income for theatre companies than other large organizations, as has always been the case.

In comparison, production revenues as a share of income have fallen to a small degree for orchestras. It has often been said that the audience for orchestral music is aging. Orchestras are aware of this problem and are making attempts to reach out to new and younger audiences. The Canada Council provided some additional funding (approximately \$2.5 million in the fall of 2000) for Canadian orchestras to engage in outreach to younger age groups.

Private support as a share of income is highest for large opera companies and has grown most significantly for opera and theatre companies, while remaining fairly stable for orchestras. Canada Council grants as a share of income have declined most significantly for theatre companies.

REVENUES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Production Revenues	36.1%	45.2%	36.0%	45.8%	40.2%	44.9%	40.5%
Private Support	15.1%	11.2%	15.0%	16.6%	20.8%	19.5%	26.2%
Canada Council Grants	31.2%	31.2%	23.7%	20.9%	17.7%	14.0%	14.5%
Provincial Grants	12.1%	12.7%	10.8%	11.1%	13.0%	14.6%	12.7%
Municipal/Regional Grants	5.5%	5.3%	5.3%	4.7%	5.5%	5.1%	4.7%

REVENUES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
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Production Revenues	56.6%	56.8%	48.5%	54.5%	51.0%	53.7%	54.5%
Private Support	7.8%	10.3%	15.8%	17.2%	18.5%	19.3%	24.8%
Canada Council Grants	24.0%	24.0%	16.3%	11.7%	9.1%	7.3%	5.6%

Table 2b
Breakdown of Revenues for the Big Theatres Including Stratford, 1968-69 to 1998-99 (cont'd)

Provincial Grants	6.4%	8.9%	14.6%	12.5%	15.1%	13.8%	10.2%
Municipal/Regional Grants	3.8%	3.7%	3.7%	3.6%	5.2%	5.1%	4.1%

Table 2c
Breakdown of Revenues for the Big Theatres Excluding Stratford, 1968-69 to 1998-99

REVENUES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Production Revenues	53.3%	55.6%	46.3%	53.0%	49.5%	52.4%	52.8%
Private Support	9.0%	10.3%	15.8%	17.1%	18.4%	19.1%	25.1%
Canada Council Grants	25.2%	25.2%	17.0%	12.3%	9.5%	7.7%	5.9%
Provincial Grants	6.5%	9.2%	15.6%	13.3%	15.8%	14.5%	10.9%
Municipal/Regional Grants	4.5%	4.0%	4.0%	4.0%	5.7%	5.6%	4.5%

Table 2d
Breakdown of Revenues for the Big Orchestras, 1968-69 to 1998-99

REVENUES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Production Revenues	37.6%	42.1%	40.0%	45.6%	45.6%	40.4%	43.0%
Private Support	22.4%	18.7%	19.3%	18.3%	21.7%	25.8%	25.7%
Canada Council Grants	19.4%	19.4%	18.3%	13.9%	12.0%	10.3%	9.4%
Provincial Grants	12.7%	12.4%	17.6%	17.4%	15.0%	16.7%	15.7%
Municipal/Regional Grants	5.9%	4.7%	4.8%	4.9%	4.7%	6.2%	5.4%

Table 2e
Breakdown of Revenues for the Big Opera Companies, 1968-69 to 1998-99

REVENUES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Production Revenues	53.6%	52.9%	44.0%	46.6%	38.8%	46.6%	44.0%
Private Support	14.1%	8.9%	23.0%	25.2%	27.3%	27.2%	34.1%
Canada Council Grants	21.7%	21.7%	17.1%	10.1%	10.8%	8.7%	9.8%
Provincial Grants	6.1%	15.1%	10.7%	12.4%	14.0%	11.5%	7.5%
Municipal/Regional Grants	4.1%	1.8%	4.5%	5.7%	7.2%	5.9%	4.4%

4.1.2 Changes in Expenses

A second major change which has taken place over the thirty-year period covered in this analysis is that of a shift in the relative importance of certain expenses. Over the thirty year period, there has been a clear shift in expenses towards both marketing and fundraising. In 1968-69, 7.5% of expenses went towards marketing purposes. Three decades later that percentage had almost doubled to 14.6%.

A shift in the same direction, though not as pronounced, occurred in fundraising expenses. In order to fundraise successfully, large arts organizations need to be able to devote resources towards this activity. Over thirty years, this activity went from barely

appearing on the radar screen, to making up over 6% of expenses in 1998-99. With public funding on the decline, marketing and fundraising activities are only going to increase in importance, yet sufficient resources may not be available to market and fundraise in the manner needed to sustain revenues given the much greater competition from both other leisure activities and other sectors interested in fundraising.

Table 3
Breakdown of Expenses for the “Big 29” Performing Arts Organizations, 1968-69 to 1998-99

EXPENSES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Artistic / Production	74.6%	79.9%	67.3%	68.4%	65.9%	66.6%	64.7%
Administration	17.1%	12.4%	18.3%	16.9%	15.9%	13.9%	14.1%
Marketing	7.5%	6.9%	12.0%	12.7%	14.2%	15.0%	14.6%
Fundraising	0.4%	0.8%	1.3%	1.4%	3.6%	4.2%	6.3%

As is the case with revenues, there exists some variation between artistic disciplines. The decline in relative importance of artistic/production expenses has been larger for orchestras and opera companies. With the exception of ballet companies, artistic/production expenses have generally fallen as a percentage of total expenses. All organizations have had to spend relatively more on marketing and fundraising. Large theatre companies currently devote the largest share to marketing. Opera companies devote relatively the largest share of expenses to fundraising. They also receive a relatively larger share of their income from private support as noted above.

Table 3a
Breakdown of Expenses for the Big Ballet Companies, 1968-69 to 1998-99

EXPENSES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Artistic / Production	74.5%	81.7%	70.5%	74.9%	73.4%	74.4%	72.5%
Administration	24.6%	14.2%	20.1%	18.4%	18.0%	14.4%	12.2%
Marketing	1.8%	3.5%	5.3%	3.2%	6.2%	8.7%	9.7%
Fundraising	1.3%	0.4%	0.3%	0.3%	1.4%	1.9%	4.1%

Table 3b
Breakdown of Expenses for Big Theatres incl. Stratford, 1968-69 to 1998-99

EXPENSES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Artistic / production	64.7%	76.9%	57.4%	58.9%	58.5%	58.9%	60.4%
Administration	20.9%	13.7%	22.9%	20.4%	17.9%	16.0%	15.8%
Marketing	14.1%	8.0%	17.3%	19.5%	19.6%	20.2%	17.1%
Fundraising	0.2%	1.0%	1.4%	0.7%	3.7%	4.8%	6.5%

Table 3c
Breakdown of Expenses for Big Theatres excl. Stratford, 1968-69 to 1998-99

EXPENSES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Artistic / production	65.2%	77.0%	56.9%	58.6%	58.0%	58.7%	60.9%
Administration	20.7%	14.1%	23.4%	21.0%	18.2%	16.4%	15.2%
Marketing	13.8%	7.3%	17.2%	19.3%	19.8%	19.9%	17.0%

Fundraising	0.3%	1.0%	1.5%	0.7%	3.6%	4.9%	6.7%
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**Table 3d
Breakdown of Expenses for Big Orchestras, 1968-69 to 1998-99**

EXPENSES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Artistic / production	83.7%	81.2%	78.9%	76.9%	74.2%	74.2%	68.9%
Administration	10.8%	10.6%	10.7%	10.8%	10.5%	10.9%	11.5%
Marketing	4.5%	6.8%	9.0%	10.4%	11.7%	11.2%	13.7%
Fundraising	0.3%	0.8%	1.6%	2.2%	3.5%	4.3%	6.5%

**Table 3e
Breakdown of Expenses for Big Opera Companies, 1968-69 to 1998-**

EXPENSES	68-69	73-74	78-79	83-84	88-89	93-94	98-99
Artistic / production	77.2%	85.9%	73.8%	73.5%	64.3%	66.9%	62.6%
Administration	14.9%	8.7%	18.0%	17.0%	18.6%	13.0%	15.5%
Marketing	3.3%	7.6%	5.9%	6.2%	11.2%	13.8%	12.6%
Fundraising	0.6%	0.3%	2.2%	3.3%	5.9%	4.4%	7.2%

4.2 Analysis of the “Big 17”

The analysis of the “Big 17” (a sub-group of the “Big 29”) provides further detail on the shifts in income sources mentioned above within the broader categories of private support (e.g., increased importance of individual support) and production revenues. It will also allow further analysis in dollars terms as this group includes the same number of companies for the whole time period.

This fixed group of companies provides a picture of “real” changes in terms of financial and other indicators over this time period since the number of companies is static and the same companies are included in each year. The seventeen organizations were the only large performing arts organizations receiving Canada Council funding that reported consistently in the Statistics Canada Survey of Performing Arts Companies. These seventeen companies are among the largest and best known performing arts companies in Canada and, in most cases, are internationally renowned. Most are also long established companies, that have been part of the performing arts “ecology” in Canada for several decades.

In 1998-99, the seventeen organizations made up only 3% of the number of companies in the not for profit performing arts sector²⁰. Though small in number, this group accounts for 24% of total attendance, 40% of total wages and salaries in the “industry”, and 39% of total operating revenues. This group of companies is an important

²⁰ The total survey population of Statistics Canada’s Survey of Performing Arts Companies, which in 1998-99 included 625 companies.

employer of artists and artistic personnel. The companies could be described as a living body of artists and culture workers.

Table 4
The Big 17 as % of Total Performing Arts Sector, 1998-99

	Big 17	Total Performing Arts Sector	Big 17 as % of Sector
Number of Companies	17	625	2.7%
Attendance	3,189,308	13,319,791	23.9%
Performances	4,173	41,759	10.0%
Earned Revenue	\$102,146,127	\$234,565,094	43.6%
Total Public Support	\$42,013,120	\$142,454,637	29.4%
Total Operating Revenues	\$182,825,748	\$474,134,297	38.6%
Wages and Salaries	\$105,767,435	\$264,709,116	40.0%
Total Operating Expenses	\$185,405,824	\$479,049,528	38.7%

It should be noted that the Stratford Festival, which is one of the Big 17, is at least twice as large as any other company in this group and alone accounts for 8%-9% of the revenues of the sector. This company therefore has a large weight in the Big 17. Stratford also accounts for a disproportionately large share of attendance (almost 640,000 in 2000, close to one-fifth of total attendance for the Big 17).

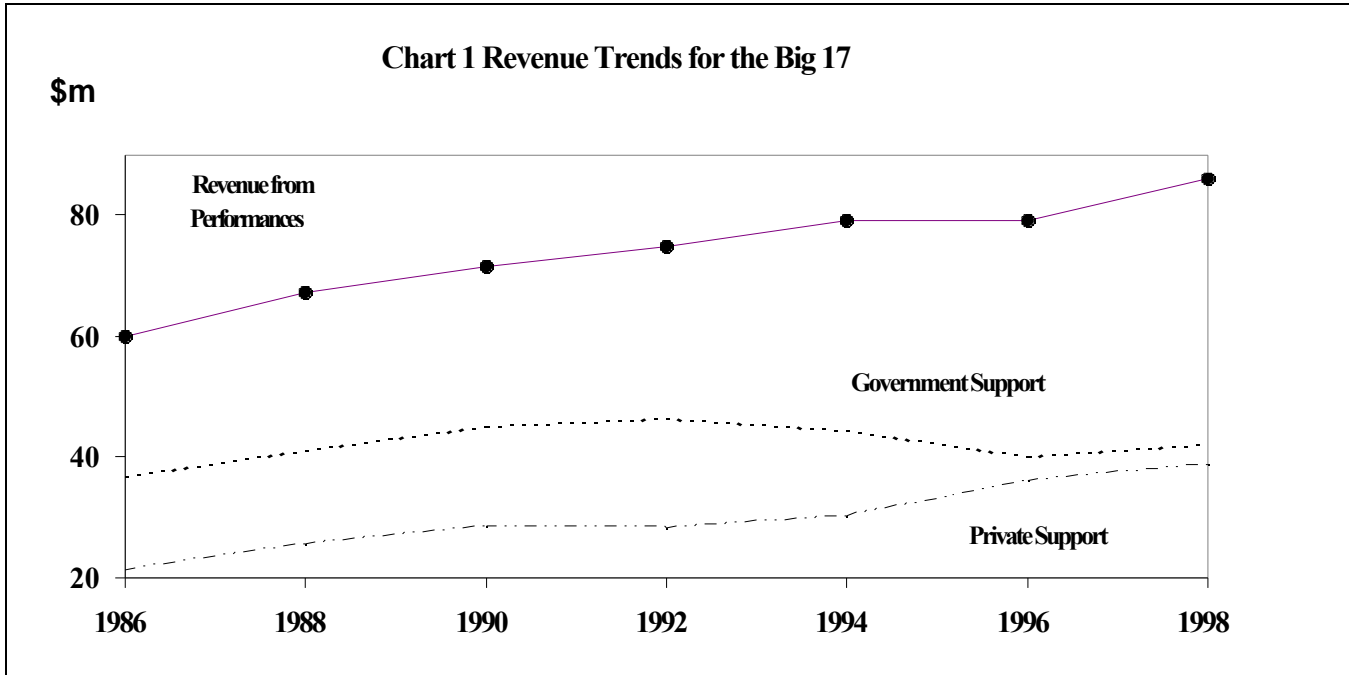
4.2.1. Revenues

Total operating revenues have grown only slightly faster than inflation, increasing by about 47% over the past eleven years (compared with an inflationary increase of 40%). This seems to indicate that in 'real' terms (that is, after taking account of inflation), the companies as a whole have not substantially grown compared with eleven years earlier. However, the companies have in fact increased the number of performances over this time by 14%. This increase is not in mainstage performances or performances on tour (both of which actually declined) but in second stage, run-outs, festivals appearances, community outreach, workshops and other types of performance activities. These performances are less costly, but also have lower attendance levels.

Chart 1 illustrates the decline in public sector funding beginning in the early 1990s. It also shows that to simply keep pace with inflation, maintain their level of artistic activity and compensate for declining government grants, the organizations have had to seek out new sources of income from the private sector – hence the significant rise in income from private sources especially since 1994.

While revenue from performances has been growing steadily through the decades, at least until 1994-95, actual attendance has not (see Appendix 6 for actual attendance data for the Big 17 from 1986-87 to 1998-99). Revenue from performances flattened out from 1994-95 to 1996-97 but picked up again after that, increasing almost 10%

between 1996-97 and 1998-99. To effect this increase, ticket prices must have increased.



4.2.1.1. Public Sector Funding

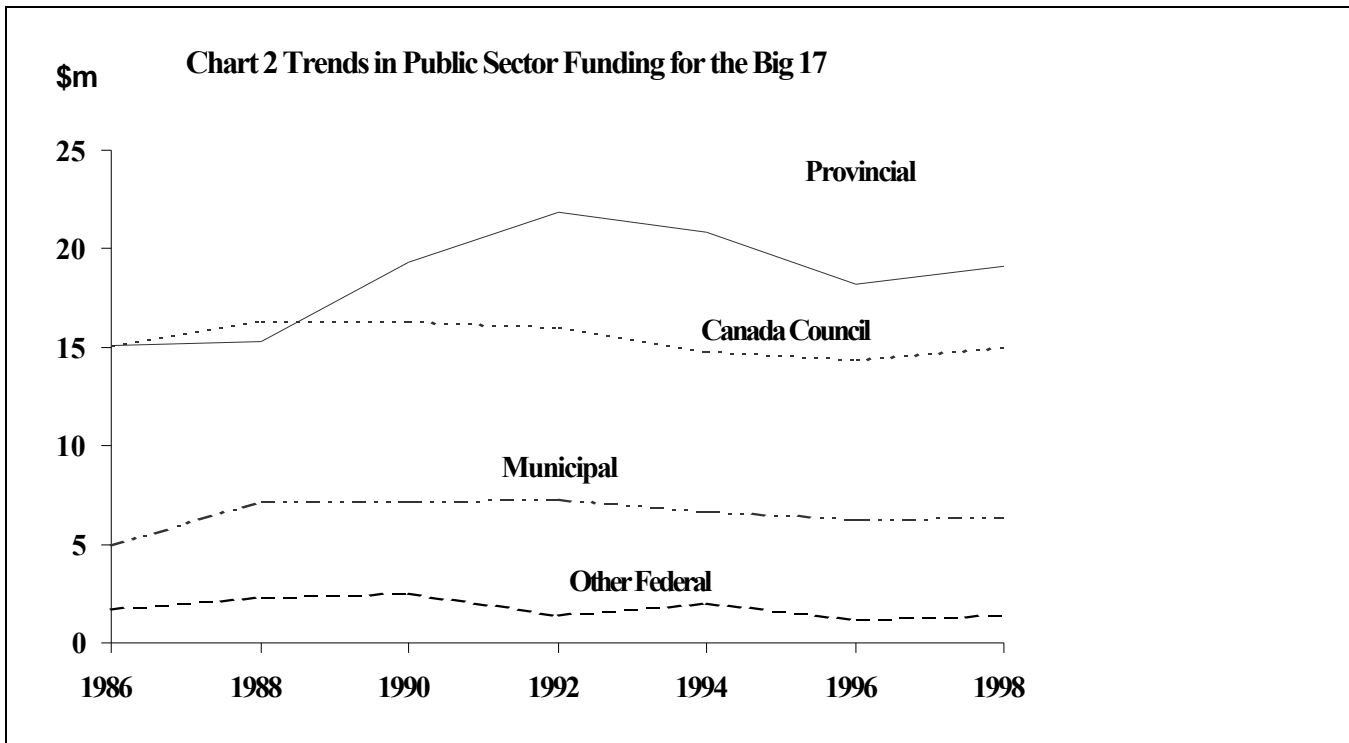
Canada Council grants to the Big 17 companies stood at \$15 million in 1986-87. By 1990-91 the amount had increased to \$16.3 million. Seven years later, in 1998-99, the total had fallen to \$15.0 million. Canada Council grants represent a declining percentage of the organizations’ revenues, dropping from about 12% in 1986-87 to 8.2% in 1998-99²¹.

Provincial and municipal grants increased from 1986-87 to the early 1990s but thereafter began to fall. Though the levels in 1998-99 are still slightly higher than in 1986-87, if inflation is taken into account, both provincial and municipal funding is below what it was a decade earlier. The Toronto Arts Council documented the impact of funding cuts on arts organizations in the City of Toronto in a report completed in 1999 entitled The Cost of Cutting: “The six-year period 1991-1996 was chaotic. It began during a deep recession, which was followed by a slow and shallow recovery and then a small boom. Throughout, the arts economy was out of phase with the economy at large. Arts organizations grew throughout the first part of the recession. As general economic growth returned, unprecedented cuts in government support to the arts

²¹ Note that the infusion of new funding of \$25 million a year to the Canada Council began in 1997-98. This is first reflected in the chart above in 1998-99.

continued and even intensified. This suppressed what should have been a period of strong cultural growth. Ten years of work were wiped out.” From 1996-97 to 1998-99, levels increased again slightly for Canada Council grants and for provincial funding overall (although in some provinces this was not the case, as noted previously in Table 1).

Grants from other federal sources (such as Canadian Heritage, Foreign Affairs and HRDC) have either been uneven or have declined beginning in the early 1990s.



4.2.1.2. Private Sector Funding

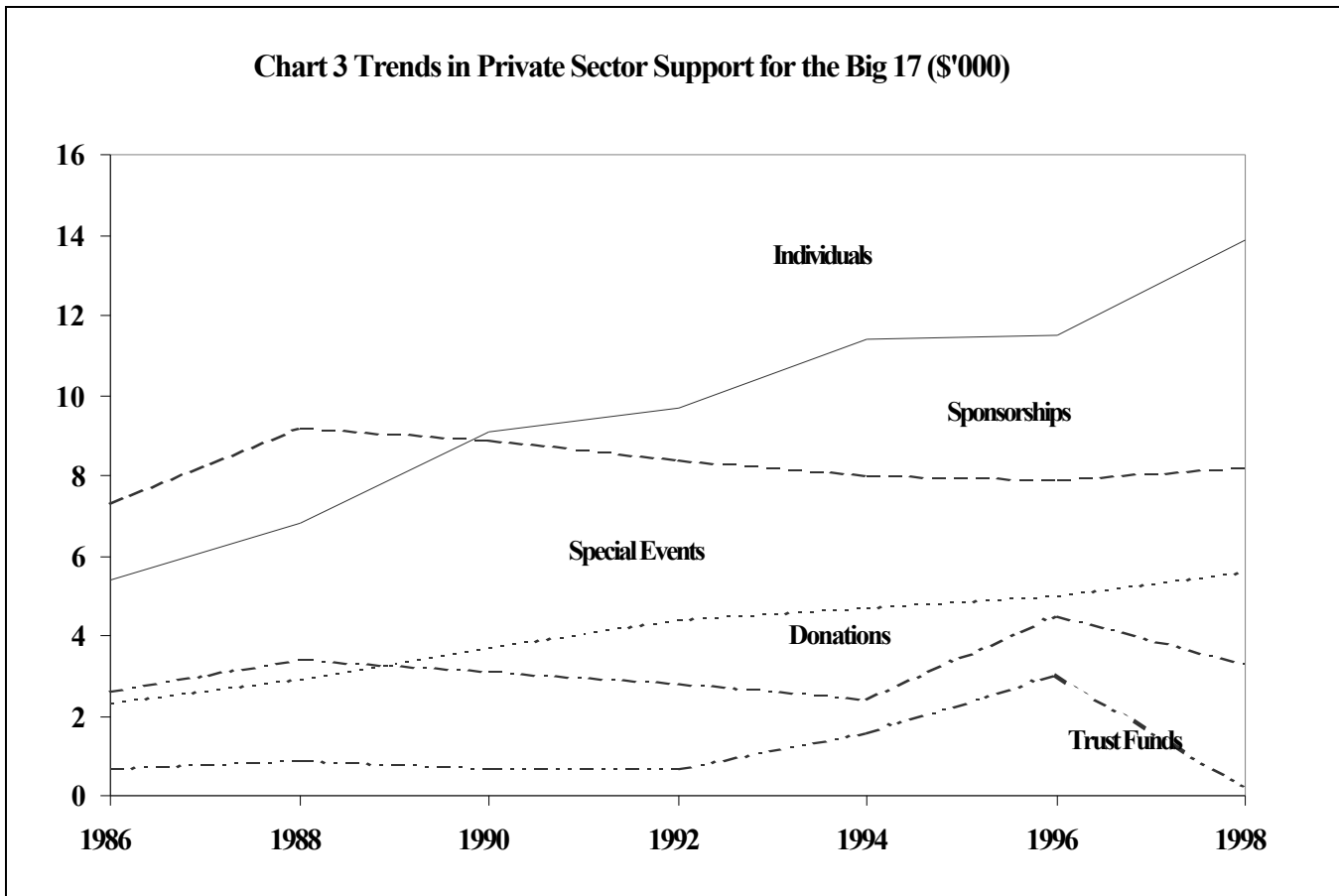
Private sector revenues have increased by 82% over the time period and were an important source of income growth for the Big 17. There are a range of types of private sector support, including corporate sponsorships, corporate donations, foundation support, individual support, special events and increasingly the trust funds of companies themselves. The relative emphasis has shifted between these types of support over the ten years.

The seventeen organizations also require personnel and resources increasingly in order to be able to fund-raise. The Big 17 spent \$4.9 million towards fund-raising in 1998-

99, which is about 15% of the total amount of private support (or almost 15 cents to raise a dollar of private support).

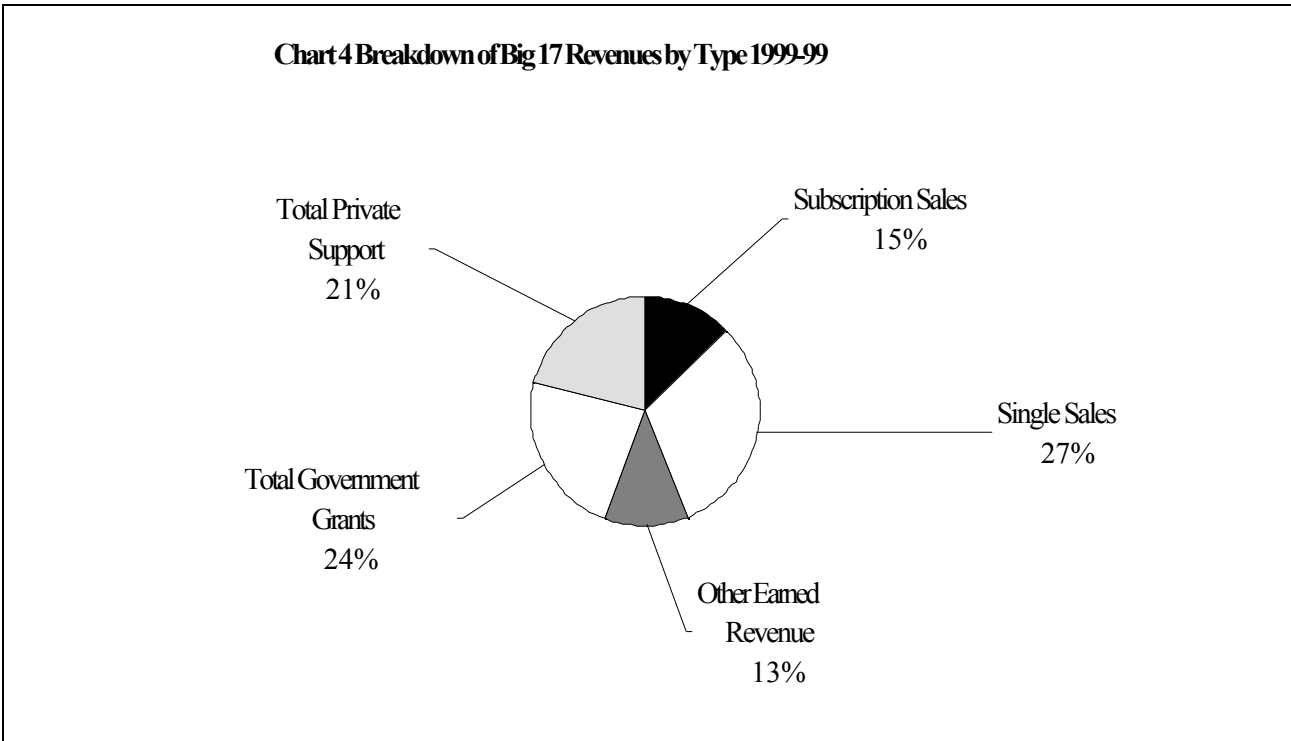
In 1986-87, corporate sponsorships were the largest source of private sector support for these organizations. By 1998-99, however, total support from sponsorships was not much higher than the level in 1986-87.

The fastest growing source of income for the organizations, especially in the last few years, is funds withdrawn from a trust fund or an endowment. This income grew from almost \$660,000 to over \$3 million in 1996-97, an increase of over 360%. This represents about 1.8% of total operating revenues in 1996-97. Trust income fell again in 1998-99 to much lower level. However, trust fund/endowment income for these seventeen organizations made up virtually the total of income of this kind (84%) for the whole not-for-profit performing arts sector. This should not be characterized as a positive trend, however, as it means that arts organizations are drawing upon their very limited reserves for their operations rather than keeping these funds for long term growth.



The second fastest area of growth has been support from individuals, which more than doubled between 1986-87 and 1998-99 from \$5.4 million to \$13.9 million. This makes up almost 8% of the income for these organizations. Recently, there have been a number of high-profile donors providing funding to the arts, including Bluma Appel, Senator Michael Meighen, Jenny Belzberg and Yvonne Chu. In recent years, the Canada Council and organizations such as the Canadian Conference of the Arts have advocated improvements to the income tax system to encourage individual giving. One aspect of individual donations that should be noted is that they are sometimes tied to a particular purpose. For example, Senator Michael Meighen’s recent donation to the Stratford Festival was to the festival’s endowment fund.

When all the sources of revenue are looked at together for the Big 17, government grants barely account for a quarter of revenues. Government grants are the category of income where growth has not taken place and where income has in many cases dropped. The majority of the Big 17’s income comes from the consumer and the box office – subscription sales, single ticket sales or other earned revenue.



4.2.2. Expenditures

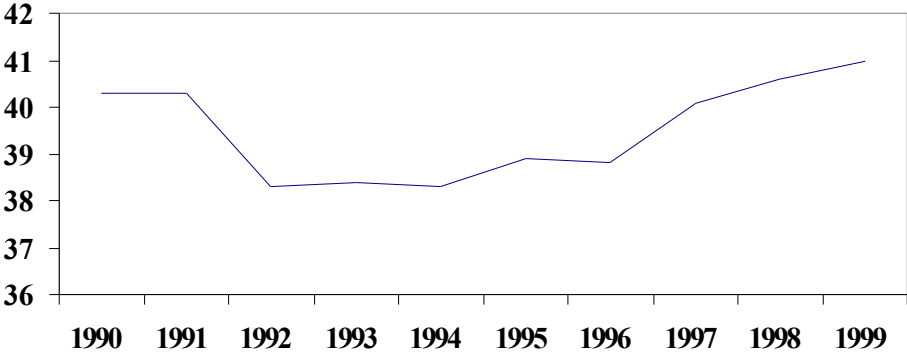
Over the 11-year period 1986-87 to 1998-99, the total operating expenses of the large performing arts organizations grew from \$125 million to \$185 million.

The arts are a very labour-intensive sector. The largest and fastest growing element in operating expenses is wages, which account for 57% of costs. The wage bill increased from \$74 million to \$106 million over the eleven-year period, an increase of 43%. The Big 17 have over 5,800 paid staff (including about 3,900 creative and performing artists and 1,900 other staff), up 28% since 1986-87. Guest artists, both Canadian and foreign, account for another 1,600 personnel. The organizations also depend on a huge unpaid volunteer workforce of 3,860.

Artistic/production costs are also determined by length of season that arts organizations can “afford” to put on. The example of orchestras is instructive. Average season lengths (in weeks) fell from the early 1990s to the mid-1990s and then began to increase again as a result of pressures from musicians.

Total operating expenses have outpaced inflation, increasing at 49% compared with 40% for the rate of inflation over the period²². Wages increased at only marginally more than the rate of inflation. Increasingly, there are demands on organizations to raise funds from the private sector (which requires fund-raising staff and resources) and the organizations also require staff for marketing in order to promote and sell their “products”

Chart 5 Average Season Length in Weeks of Selected Canadian Orchestras



Data on fund-raising expenses has only been collected since 1990-91, but since that time these expenses have more than doubled for the Big 17 from \$2.3 million to \$4.9 million, making up 2.6% of total expenses. Marketing expenses totalled \$17.4 million in 1998-99, making up 9.4% of total expenses. As a percentage of total expenses, marketing expenses have actually declined slightly over the decade.

²² The Consumer Price Index is used here as a general indicator of inflation.

Chart 6 Trends in Selected Expenditures for the Big 17

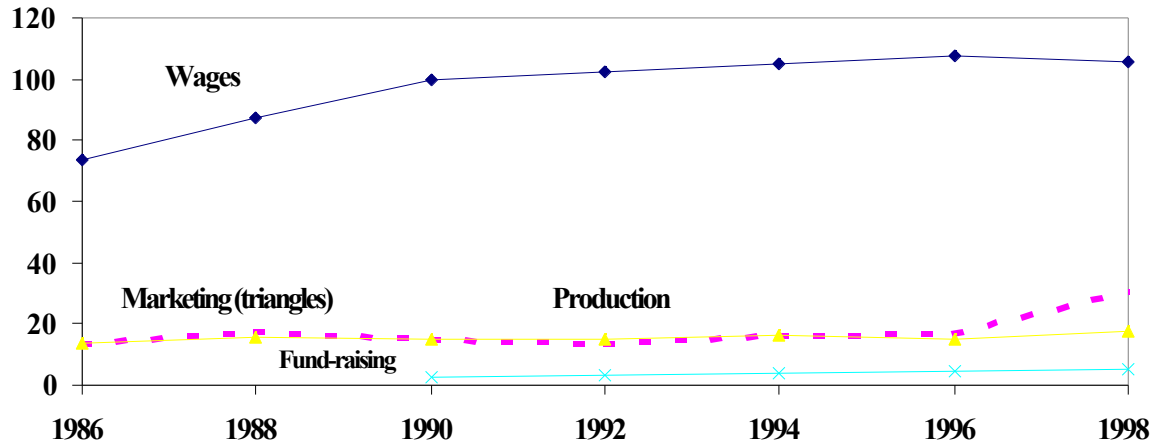
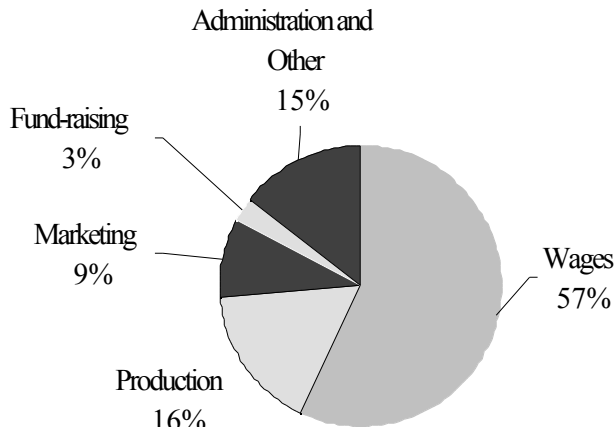


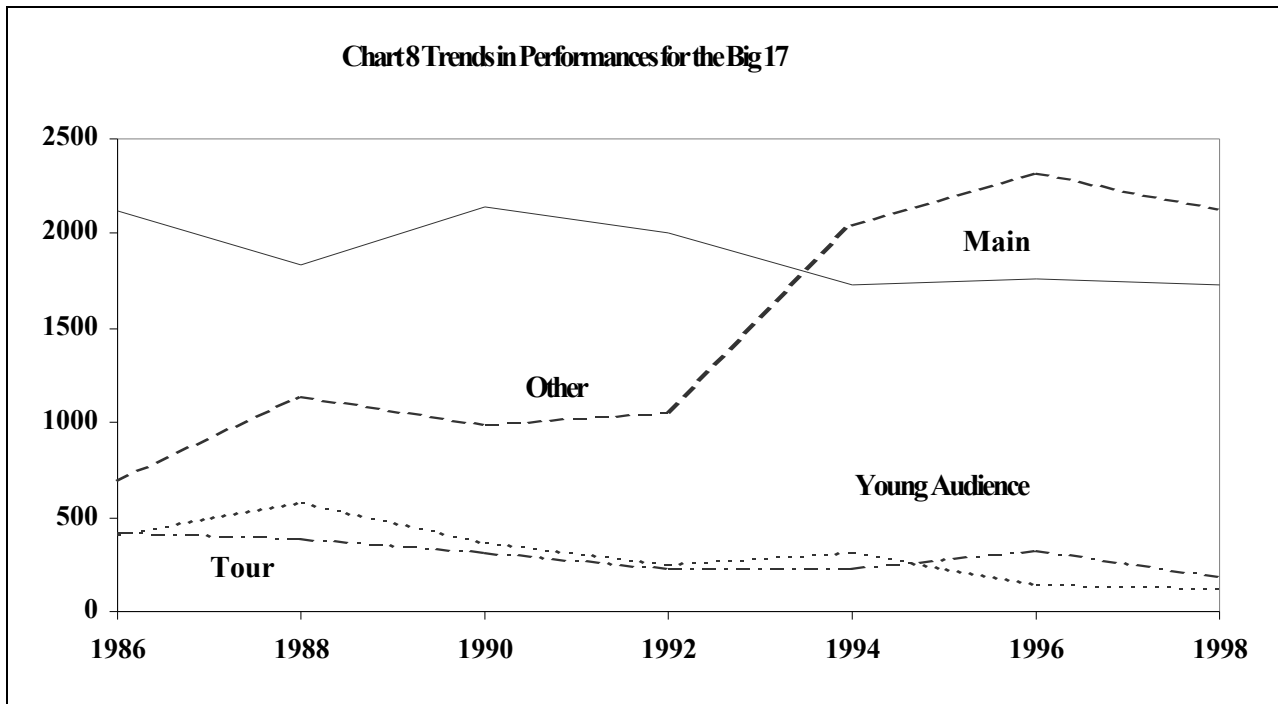
Chart 7 Breakdown of Expenses by Type for the Big 17, 1998-99



4.2.3. Performances

Over the ten-year period 1986-87 to 1998-99, the number of performances given by the Big 17 increased from 3,654 to 4,173, a 14% increase in activity. The number of performances in 1996-97 is the *highest ever* over the time period (4,551) after which the total dropped.

Chart 8 Trends in Performances for the Big 17



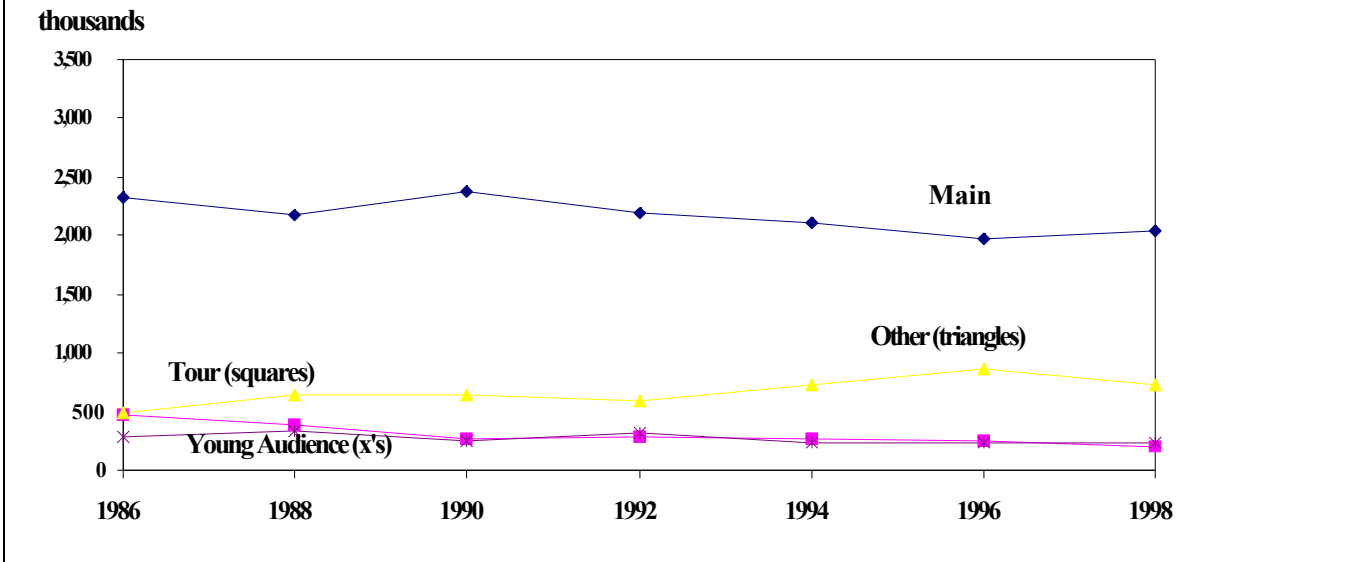
The increase came primarily in a category of performances called *Other* (other performances at home and other performances which are neither at home nor on tour) – which includes second stage and run-outs, performances at festivals, community outreach, and workshop performances. Performances at home actually shrunk, while performances for young audiences also fell, as did performances on tour and the number of weeks on tour. These trends in performances are somewhat paralleled by trends in attendance.

4.2.4. Attendance and Arts Consumer Trends

4.2.4.1. Attendance Trends

The Big 17 sold 3.2 million tickets in 1998-99 (including attendance at mainstage and all other performances), but this figure is substantially lower than the peak level of 4 million in 1988-89. The drop in attendance for mainstage, youth and touring may simply be that the large organizations had also reduced the number of performances as a result of cuts in public funding since the period when attendance fell coincides with the beginning of the period of government restraint. For the category called *Other* (second stage and run-outs, performances at festivals, community outreach and workshop performances), attendance rose somewhat while the number of performances rose significantly as already noted above.

Chart 9
Trends in Attendance for the Big 17



Another trend that is evident in changes in the type of earned revenues the organizations are receiving. Subscription revenues for the Big 17 are 2% less in 1998-99 than eleven years earlier. Revenues from single ticket sales, on the other hand, have increased 110%, perhaps because of the advent of Ticket Master and other similar organizations. Single ticket sales (\$58 million) are now more than twice as important in dollar terms as subscription sales (\$23 million). This seems to indicate that there has been a significant change in ticket-purchasing behaviour on the part of arts consumers.

4.2.4.2. Impact of Prices and Price Changes

Given the drop in attendance for large performing arts organizations, one of the possible factors to look at is the role of prices, i.e., whether price is or has been a significant factor influencing behaviour.

Statistics Canada collects data on certain culture-related items as part of the Consumer Price Index but the most detailed relevant category available is *spectator entertainment*, which includes all types of live staged performances, as well as live sports spectacles and motion picture theatre showings.

Using Consumer Price Index data, it is possible to isolate some relative price changes for various forms entertainment/leisure. As noted in a recent report by Statistics Canada covering the period 1992 to 1998: “Large price increases are evident according to the Consumer Prices Index for cablevision (39%), newspapers (25%), spectator

entertainment (22%), magazines (21%), books and video rentals (16% each). The price of audio and video equipment decreased in price over the same period (-11% and -18% respectively). ”

Although no information is collected as part of the Consumer Price Index specifically on not-for-profit performing arts groups, it is possible to develop a proxy measure of average ticket price changes for large performing arts organizations using box office and attendance data²³ from these organizations. This proxy measure reveals that from 1992 to 1998 average ticket prices increased by 31%, ranking this among culture goods and services with higher price increases during this period. The 31% increase in average ticket prices for the large organizations also contrasts with an 8.7% increase in the general rate of inflation (the CPI) over the same period.

Price as a factor influencing the decision to attend performing arts events has been looked at by various researchers in a number of different ways. Some of the possible questions which have been looked at include the following. To what degree do prices affect the behaviour of current arts patrons? Do price changes have a different impact on subscribers than single ticket purchasers? How does price influence non-attenders, i.e., people who currently do not attend? Is price a significant factor influencing the decision of young people to attend or not?

Numerous analyses of the impact of price changes on consumer behaviour in the culture sector by economists and others have concluded that the current audience is relatively unresponsive to price changes, i.e., even as ticket prices continue to increase, the current audience will continue to attend (within reasonable limits). Interest in attending the arts is already established and does not change in response to price changes.

Some researchers have provided further nuances in relation to this. Price may, for example, be more important to some segments of the current arts audience than others. Lower income current patrons may be more likely to change their behaviour than more affluent patrons²⁴. It has been suggested that pricing strategies of arts organizations should take account of these different segments by having a “pricing strategy of higher highs and lower lows: relatively high prices in the most expensive seating locations, where the patrons tend to be the least price sensitive; and relatively low prices in the

²³ Total box office revenues divided by total attendance for the Big 17. The respective figures for 1992 and 1998 were \$19.28 and \$25.19.

²⁴ François Colbert, Caroline Beaugard, Luc Vallée, “The Importance of Ticket Prices for Theatre Patrons”, International Journal of Arts Management, Volume 1, Number 1, Fall 1998

least expensive areas, where a small price increase can make a big difference to a low income patron.”²⁵

The cost of attending includes more than the cost of the ticket. It includes childcare, transportation, in short the whole cost of going out. Increases in some of these costs may also have come into play, although this aspect has not been studied.

Another aspect to look at is how price influences non-attenders or whether it discourages people from attending. Among non-attenders price does not seem to be the main factor influencing the decision not to attend. “Canadians who attended artistic events very infrequently or not at all within the last 12 months, gave the following reasons: not enough time (30%), not interested/too boring (21%) and too expensive (17%)”²⁶. Thus, lack of time and interest are more significant than cost as factors influencing non-attendance. Another study looked at how ticket prices influenced students’ attitudes towards attending the performing arts. The latter study concluded that “whilst students are concerned about cost, the major barrier is the perception that arts events are boring.”²⁷

It seems likely from the previous research that exists that although prices have increased quite significantly for large performing arts organizations, arts attenders are unlikely to have changed their behaviour simply in relation to price increases, except possibly for a small segment of arts attenders. Arts attendance changes may have more to do with factors such as changes in supply (an increasing array of choices in culture products and services), a number of socio-demographic changes (immigration, aging population) and the availability of leisure time (very little change in the amount of leisure time available).

Ticket purchasing behaviour has also changed (much more single ticket purchases, much less subscriptions) and it may be that arts patrons do not always find the flexibility they are seeking when purchasing tickets.

4.2.4.3. Competition from Other Culture/Leisure Activities

As reported by Statistics Canada, “Changing socio-demographic factors and economic factors will have an affect on the amount of free time available to Canadians. While it

²⁵ Joanne Scheff, “Factors Influencing Subscription and Single-Ticket Purchases at Performing Arts Organizations”, International Journal of Arts Management, Volume 1, No. 2, Winter 1999

²⁶ Environics Research Group Limited prepared for the Department of Canadian Heritage, Arts and Heritage Participation Survey, Final Report, September 2000

²⁷ Bonita M. Kolb, “Pricing as the Key to Attracting Students to the Performing Arts”, Journal of Cultural Economics, 21: 139-147, 1997

is difficult to predict whether leisure time will increase in the future, it definitely did not increase during the 1990s. Since most cultural pursuits take place during our free time, this lack of increase is significant to culture.”²⁸ The 1990s saw little increase in leisure time coupled with the appearance of many competing leisure and cultural pursuits, including those associated with new technology. Many of the competing cultural leisure pursuits have already been mentioned in the early part of the report. They include : the commercial performing arts, festivals, home-based entertainment and the Internet.

Another indicator of competition is the growth of the whole not-for-profit performing arts sector. In 1986-87, the Big 17 accounted for one-third (33%) of attendance in the sector. Eleven years later, in 1998-99, the figure had dropped to one-quarter (24%). Over this same time period, the number of companies in the Statistics Canada Survey of Performing Arts Companies doubled, reaching over 625 in 1998-99.²⁹

The number of arts organizations supported by the Canada Council is also indicative of competition. This number increased from just over 1,200 in 1996-97 to almost 1,800 in 2000-2001, an increase of 46%. This increase reflects expansion in arts organizations of different communities (Aboriginal, culturally diverse), different types of arts organizations being funded by the Council (festivals, presenters) and the appearance of new arts organizations in general (theatre companies, artist-run centres, publishers, etc.)

The need for ongoing marketing efforts is also at least as much a factor in the arts as in other sectors of the economy and marketing expenses barely changed over the whole decade for this group of companies.

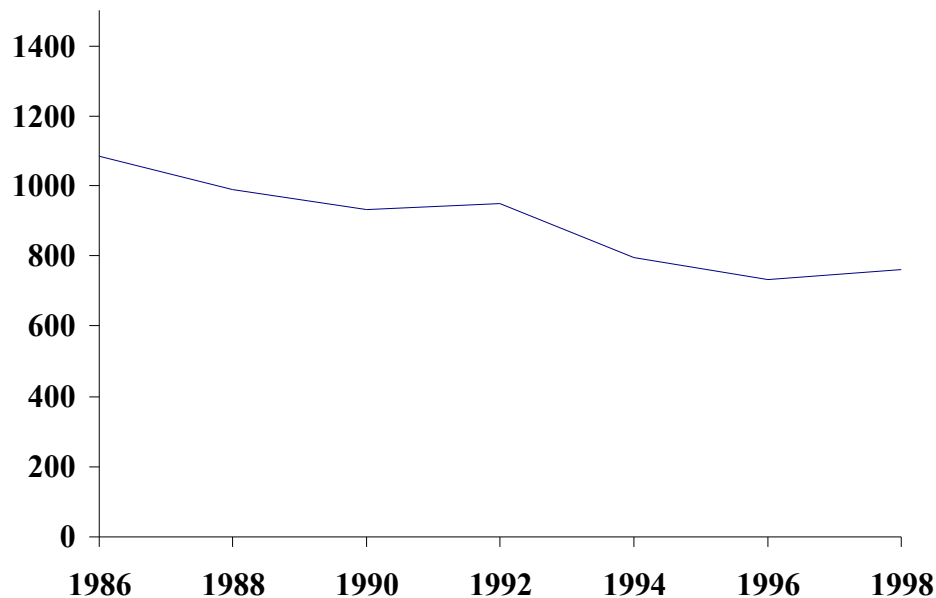
The combined effect of overall growth of the sector, little change in marketing expenses, the appearance of competing leisure and cultural products and a decline in public sector funding has resulted in attendance per performance plummeting for this group of companies from 1,087 in 1986-87 to 764 in 1998-99, a drop of almost one-third.

It is reasonable to conclude that competition from other new arts and culture pursuits must have had some impact on attendance at large performing arts organizations, especially when leisure time and disposable income have barely increased during the 1990s.

²⁸ Statistics Canada, *Patterns in Culture Consumption and Participation*, December 2000

²⁹ A certain portion of this increase in the number of companies may be due to improved coverage in the survey, but there has also been substantial expansion in the size of the sector in terms of companies. This is also apparent in figures showing an increase in companies applying for and receiving funding from the Canada Council.

Chart 10 Average Attendance Per Performance - Big 17



4.2.4.4. Young Audiences

Many studies have shown that audience development needs to start early. About 8% of attendance for the Big 17 is for attendance at performances for young audiences. However, after initially increasing in the late 1980s/early 1990s to over 340,000, young audience attendance dropped off to just under 250,000 in 1998-99, a decline of 27%. This is very likely a result of funding cuts commencing at that time, as the number of performances fell over the same time period by more than 40%.

4.2.4.5. Music

Table 4 below shows the participation trends in various music activities between 1992 and 1998 for Canadians (% attending or engaging in an activity at least once during the year). Participation is not only down for classical/symphonic music and opera, but also down for popular music performances and for listening to CDs. As already noted above, participation trends are also down for children's performances (music, theatre and dance combined). One very likely explanation for the latter trend is funding cuts, as many performing arts organizations reduced performances for young people in response to decreasing public funding during the time period in question.

One area in which participation is up is attendance at choral music performances. Many Canadians also sing in a choir (data on this was not collected in the earlier year - 1992 - so it is not possible to say whether this activity has increased or decreased). Participation in cultural/heritage music, dance and theatre is also up, which may simply be a result of the fact that more arts organizations from these communities existed in 1998 compared to 1992. As well, the Internet is also increasingly being used to download music (especially by young people) which may explain the drop in listening to cassettes, records and CDs.

Table 5 Participation in Music Activities, Canadians Aged 15 and over, 1992 and 1998

	1992	1998	Net Change (% point change)
	% Participating	% Participating	
Listen to Cassettes, Records, CDs	80.6%	76.8%	-3.8%
Use Internet – View Video, TV, Film, Listen to Music	..	5.0%	..
Attend Popular Music Performance(1)	23.7%	19.6%	-4.1%
Attend Symphonic, Classical Music	12.2%	8.2%	-4.0%
Attend Opera	4.4%	3.0%	-1.4%
Attend Choral Music Performance	3.1%	6.6%	3.5%
Attend Children’s Performance(2)	8.4%	6.8%	-1.6%
Attend Festival(3)	..	22.6%	..
Attend Cultural Performance(4)	11.6%	13.8%	2.2%
Play a Musical Instrument	16.8%	17.1%	0.3%
Sing in a Choir or Solo	..	8.2%	..

(1) E.g., Pop/rock, jazz, blues, folk and country and western.

(2) Includes music, theatre or dance for children.

(3) Includes cultural or artistic festival such as Toronto International Film Festival, Ottawa Jazz Festival, Edmonton Fringe Festival, Just for Laughs.

(4) Includes cultural/heritage (Aboriginal, Chinese, etc.) music, theatre or dance.

Source: Special Supplement on Arts and Culture Participation from the General Social Survey, Statistics Canada, 1998

The information on participation for symphonic and classical music and for opera is consistent with attendance trends noted elsewhere. Again, however, the downward trend in attendance at music is not across the board. Statistics Canada data shows, example, that there has been a downward trend in attendance for large organizations but increased attendance for medium-sized and small music organizations. A recent report completed for the Canada Council³⁰ states that “the balance among the different genres has undergone a complete change. Small groups, individual artists, fusion music, world music, folk music, jazz and Aboriginal music have captured a larger share of the market. At the same time, there has been a decline in audiences for classical music, small ensembles and large orchestras.”

4.2.4.6. Theatre

³⁰ Canadian Performing Arts Nationally and Internationally: 1987-1997, Executive Summary, Presented to Department of Canadian Heritage, The Canada Council for the Arts, Department of Foreign Affairs and International Trade and the National Arts Centre, Louise Poulin, May 24, 2000.

As shown in in Table 5 below, participation in theatre (percentage of the population attending theatre performances in the past year) has fallen between 1992 and 1998. This is consistent with attendance trends reported in Statistics Canada attendance data from its Survey of Performing Arts Companies.

Like classical/symphonic music, the drop in attendance has not been across the board. However, the trends in theatre are not the same as in music. It appears that attendance has increased for small theatre companies but only because there are many, many more of them now compared to ten years ago. Attendance has fallen for medium theatre companies and remained somewhat stable for large companies.

The percentage of the population attending cultural/heritage theatre, music and dance has increased, a result of the increase in the number of arts organizations in these communities.

Table 6 Participation in Theatre and Related Activities, Canadians Aged 15 and over, 1992 and 1998

	1992 %Participating	1998 % Participating	Net Change (% Point Change)
Attend Theatrical Performance(1)	24.0%	19.9%	-4.1%
Attend Children's Performance(2)	8.4%	6.8%	-1.7%
Attend Festival(3)	..	22.6%	..
Attend Cultural Performance(4)	11.6%	13.8%	2.2%
Attend Other Popular Stage Performance (5)	15.6%	15.6%	0.0%
Acting or Theatrical Activity	..	3.4%	..

(1) Includes drama, avant-garde theatre, dinner theatre and musical

(2) Includes music, theatre or dance for children.

(3) Includes cultural or artistic festival such as Toronto International Film Festival, Ottawa Jazz Festival, Edmonton Fringe Festival, Montréal's Just for Laughs.

(4) Includes cultural/heritage (Aboriginal, Chinese, etc.) music, theatre or dance.

(5) Includes circus, stand-up comedy, ice show, etc.

Source: Special Supplement on Arts and Cultural Participation from the General Social Survey, Statistics Canada, 1998

4.2.4.7. Dance

As Table 7 below indicates, the percentage of the population attending dance performances (ballet, contemporary or other) is up between 1992 and 1998. The percentage of the population attending a cultural/heritage (Aboriginal, Chinese, etc.) dance, music or theatre is also up. As mentioned above, this may simply be a result of the fact that more arts organizations from these communities existed in 1998 compared to 1992.

A significant 5.5% of the population participates in individual dance or choreography activities (figures were not collected for the earlier year so it is not known whether this activity has grown or not).

Table 7 Participation in Dance Activities, Canadians Aged 15 and over, 1992 and 1998

	1992	1998	Net Change (% point change)
	%Participating	% Participating	
Attend Dance Performance(1)	4.9%	6.8%	1.9%
Attend Children's Performance(2)	8.4%	6.8%	-1.7%
Attend Festival(3)	..	22.6%	..
Attend Cultural Performance(4)	11.6%	13.8%	2.2%
Attend Other Popular Stage Performance(5)	15.6%	15.6%	0.0%
Dance/Choreography Activity	..	5.5%	..

(1) Ballet, contemporary or other dance.

(2) Includes music, theatre or dance for children.

(3) Includes cultural or artistic festival such as Toronto International Film Festival, Ottawa Jazz Festival, Edmonton Fringe Festival, Montréal's Just for Laughs, Canada Dance Festival.

(4) Includes cultural/heritage (Aboriginal, Chinese, etc.) music, theatre or dance.

(5) Includes circus, stand-up comedy, ice show, etc.

Source: Special Supplement on Arts and Cultural Participation from the General Social Survey, Statistics Canada, 1998

4.2.5. Deficits and Sustainability Issues

Since 1986-87, revenues for the Big 17 have grown only at about the same pace as expenditures and both have grown only at slightly more than the rate of inflation. In financial terms, this means that there has not been much real growth (at least for this group in aggregate – some companies may have grown faster than others)³¹. If these organizations started the decade with accumulated deficits, the chances are that they still have these deficits as their revenues have not outstripped their expenses as a group.

The combined effects of falling public sector support, recession, increasing competition from other leisure and cultural activities and competition for the private sector dollar are all significant factors contributing to the often precarious financial situation of these large organizations.

In 1998-99, the total accumulated deficit at the end of the fiscal year for the Big 17 was more than \$10 million. The highest levels (almost \$19 million in accumulated deficits) were recorded in 1992-93. The accumulated deficit in 1998-99 was the lowest level since 1990-91, perhaps due to the impact of stabilization funding beginning to be felt.

The level of accumulated deficits is much larger in some organizations than others and, in some organizations, there may not even exist an accumulated deficit. Those organizations that are in a surplus position certainly have a better ability to weather unprecedented challenges, to grow and obtain a degree of stability. The economic and social environment is experiencing rapid changes with which the arts need to be able to keep up.

³¹ For individual organizations the pattern may be somewhat different.

Table 8 below indicates the annual and accumulated deficits for the Big 29 (which includes all of the Big 17) for 1998-99.

Table 8

Annual and Accumulated Surpluses (Deficits) of the Big 29, 1998-99

	Accumulated Surplus (Deficit) 1998-99	Annual Surplus (Deficit) 1998-99	Total Revenues, 1998-1999	Accumulated Surplus (Deficit) as % of Total Revenues
Alberta Theatre Projects	-516,000	-417,000	2,865,000	-18.0%
Arts Club Theatre Society	371,000	109,000	5,652,000	6.6%
The Canadian Stage Company	-867,000	2,000	6,694,000	-13.0%
The Citadel Theatre ³²	3,562,000	-410,000	5,430,000	65.6%
Compagnie Jean Duceppe	108,000	-215,000	3,305,000	3.3%
Ex Machina	-488,000	-584,000	4,862,000	10.0%
Grand Theatre	-1,092,000	-447,000	3,440,000	-31.7%
Manitoba Theatre Centre	0	104,000	4,960,000	0%
Shaw Festival Theatre Foundation	461,000	1,322,000	16,672,000	2.8%
Stratford Shakespearean Festival	1,599,000	3,352,000	37,568,000	4.3%
Théâtre du Nouveau Monde	-209,000	522,000	5,447,000	-3.8%
Theatre Calgary	682,000	306,000	3,732,000	18.3%
Vancouver Playhouse	291,000	-69,000	4,774,000	6.1%
Calgary Philharmonic Society	257,000	-196,000	6,898,000	3.7%
Edmonton Symphony Society	46,000	10,000	6,905,000	0.7%
Kitchener-Waterloo Symphony	-734,000	-263,000	3,447,000	-21.3%
Orchestre Symphonique de Montréal	-6,056,000	-1,269,000	15,602,000	-38.8%
Orchestre Symphonique de Québec	-745,000	-243,000	4,235,000	-17.6%
The Toronto Symphony	-2,628,000	-1,279,000	15,468,000	-17.0%
Vancouver Symphony Society	-132,000	7,000	9,934,000	-1.3%
Winnipeg Symphony Orchestra	-1,207,000	-654,000	5,681,000	-21.2%
Alberta Ballet	0	5,000	4,436,000	0%
Les Grands Ballets Canadiens	0	-12,000	6,719,000	0%
National Ballet of Canada	-3,839,000	-1,034,000	15,030,000	-25.5%
Royal Winnipeg Ballet	-22,000	42,000	6,217,000	-0.4%
Canadian Opera Company	-1,194,000	63,000	15,129,000	-7.9%
Opéra de Montréal	1,576,000	-79,000	7,705,000	20.5%
Opera Ontario	-146,000	-111,000	3,278,000	4.5%
Vancouver Opera Association	-526,000	-44,000	5,338,000	-9.9%

Deficit reduction grants have been given to arts organizations over the years, either through programs or as one-time assistance. For example, in 1987-88, a total of \$5.7 million was given to the Big 17. The amount was negligible or much smaller in subsequent years but beginning in 1996-97, rose to \$2.8 million, perhaps because of the advent of arts stabilization programs. The amount in 1998-99 stood at \$2.4 million.

³² Accumulated surplus includes the surplus for theatre itself and the theatre trust fund.

5. CONCLUSIONS

Canada's largest performing arts organizations – flagship organizations – have made a huge contribution to the development of the arts in our country. The largest of these organizations were among the grant recipients in 1957, the first year of the Canada Council's existence, when a grand total of only 30 arts organizations in all disciplines received funding.

Today, the Big 29 today are nationally and internationally renowned organizations which are integral to the communities in which they reside (many bear the name of their communities and are part of the overall image of the communities to those living elsewhere).

The analysis above has documented the many challenges faced by large performing arts organizations, including declining public funding, a levelling off of private support and dropping attendance rates. The organizations are financially fragile and, for the most part, do not have the means to dramatically alter their operations given their cost structures which entail a high level of fixed costs. Performing arts organizations can only function successfully through the combined effective energies of rigorous administration and excellence in artistic quality. Both elements are vital to success and sustainability and some would argue that these elements are already in place, yet the large performing organizations are facing a coming crisis if nothing changes.

If there is no additional investment in large performing arts organizations, some possible outcomes include:

- loss of employment of artistic and technical personnel
- reduction in the capacity to create new work of any scale, especially works of large scale
- reduced ability to provide education opportunities to schools and audiences in other communities
- decline in the quality of life in communities
- reduction in the ability of communities to attract and retain creative citizens.

Long-term financial sustainability will require changes to occur on several fronts. It will require a major infusion of public funding on a long term basis in order to realize a difference for these organizations and for them to invest in the high-quality artistic productions. The large performing arts organizations are virtually all receiving multi-year grants (three-year grants) at the present time. But after some years of lack of

growth in funding because of funding cuts to arts councils and arts funding bodies, these arts organizations need to have some stable funding growth into the future.

Long-term financial sustainability will also require additional incentives for business of all sizes to support the arts, in order to cement the link between these organizations and the communities in which they exist. The organizations also require resources in order to be able to fundraise effectively.

A third aspect of long-term financial sustainability requires addressing the fact that performing arts attendance is declining. While these organizations have managed at least by 1998-99 to stabilize their box office revenues by raising ticket prices, the organizations need to find ways with additional resources to attract new audiences from Canada's growing culturally diverse communities, attract young audiences and retain existing ones. Marketing, outreach and venue improvements are the approaches that seem to make the most sense in the current environment, but all require new funding in order to be effected.

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Appendix Table 1

The Canada Council for the Arts, Operating Grants to the “Big 29” and the “Big 17” Performing Arts Companies, 2000-2001

<i>Organization</i>	<i>2000-2001</i>
Dance Companies	\$4,285,000
Alberta Ballet	\$300,000
Les Grands Ballets Canadiens	\$990,000
The National Ballet of Canada	\$2,050,000
The Royal Winnipeg Ballet	\$945,000
Opera Companies(1)	\$3,045,000
Canadian Opera Company	\$1,515,000
L'Opéra de Montréal	\$675,000
Opera Ontario	\$290,000
Vancouver Opera Association	\$565,000
Orchestras	\$7,710,000
Calgary Philharmonic Orchestra	\$667,000
Edmonton Symphony Society	\$695,000
Kitchener-Waterloo Symphony Orchestra	\$398,000
Orchestre symphonique de Montréal	\$1,590,000
Orchestre symphonique de Québec	\$652,000
Toronto Symphony	\$1,690,000
Vancouver Symphony	\$1,120,500
Winnipeg Symphony Orchestra Inc.	\$897,500
Theatre Companies	\$4,189,000
Alberta Theatre Projects	\$253,000
Arts Club Theatre	\$250,000
Canadian Stage Company	\$433,000
Ex Machina	\$175,000
La Compagnie Jean Duceppe Inc.	\$225,000
Manitoba Theatre Centre	\$315,000
Shaw Festival	\$450,000
Stratford Festival	\$710,000
The Citadel Theatre	\$281,000
The Grand Theatre	\$170,000
The Vancouver Playhouse	\$305,000
Theatre Calgary	\$90,000
Théâtre du Nouveau Monde	\$532,000
Total Funding to “Big 29”	\$19,229,000
Total Funding to “Big 17”	\$15,676,000
Total Canada Council Funding	\$105,051,989
“Big 29” as % of Canada Council funding	18.3%
“Big 17” as % of Canada Council Funding	14.9%

(1) Note that operating grants for the four opera companies that are part of the Big 29 (Canadian Opera Company, L'Opéra de Montréal, Opera Ontario, and Vancouver Opera Association) did not receive their regular grant within the 2000-2001 fiscal year as the timing of the grant allocation was delayed from the very end of the 2000-2001 fiscal year to the very beginning of the 2001-2002 fiscal year. The amount shown is therefore the amount allocated for 2001-2002. This change is related to the creation of the new Canadian Opera Fund.

Appendix Table 2(a) Canada Council Operating Grants to Large Orchestras, 1991-92 to 2000-2001

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98(1)	1998-99	1999-2000	2000-2001
Calgary Philharmonic Orchestra	\$536,500	\$520,000	\$494,000	\$494,000	\$485,000	\$446,500	\$535,800	\$446,500	\$460,000	\$667,000
Edmonton Symphony Society	\$425,000	\$445,000	\$422,750	\$422,750	\$440,000	\$462,000	\$554,400	\$480,000	\$480,000	\$695,000
Kitchener-Waterloo Symphony Orchestra	\$250,000	\$250,000	\$237,500	\$237,500	\$237,500	\$226,000	\$271,200	\$230,000	\$245,000	\$398,000
Orchestre symphonique de Montréal	\$1,500,000	\$1,500,000	\$1,425,000	\$1,425,000	\$1,395,000	\$1,335,000	\$1,602,080	\$1,335,000	\$1,335,000	\$1,590,000
Orchestre symphonique de Québec	\$520,000	\$520,000	\$494,000	\$494,000	\$490,000	\$465,500	\$558,600	\$465,500	\$465,500	\$652,000
Toronto Symphony Orchestra	\$1,500,000	\$1,500,000	\$1,425,000	\$1,425,000	\$1,395,000	\$1,374,500	\$1,649,400	\$1,475,000	\$1,475,000	\$1,690,000
Vancouver Symphony	\$955,000	\$955,000	\$907,250	\$907,250	\$890,000	\$845,500	\$1,014,600	\$905,500	\$905,500	\$1,120,500
Winnipeg Symphony Orchestra	\$680,000	\$710,000	\$671,000	\$671,000	\$650,000	\$650,000	\$780,000	\$682,500	\$682,500	\$897,500
TOTAL OPERATING FUNDING TO LARGE ORCHESTRAS OVER TEN-YEAR PERIOD:	\$6,366,500	\$6,400,000	\$6,076,500	\$6,076,500	\$5,982,500	\$5,805,000	\$6,966,080	\$6,020,000	\$6,048,500	\$7,7100,000

(1) Note that in the first year the Canada Council received an additional \$25 million per year, operating grant clients automatically received a one-time supplement worth 20% of their grant. This is included in the grant amounts for 1997-98.

Appendix Table 2(b)

Canada Council Operating Grants to Large Theatre Companies, 1991-92 to 2000-2001

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98(1)	1998-99	1999-2000	2000-2001
Alberta Theatre Projects	\$250,000	\$250,000	\$237,500	\$237,500	\$237,500	\$237,500	\$289,200	\$253,000	\$253,000	\$253,000
Arts Club Theatre	\$250,000	\$250,000	\$237,500	\$237,500	\$237,500	\$237,500	\$286,800	\$239,000	\$250,000	\$250,000
Canadian Stage Company	\$440,000	\$440,000	\$410,000	\$420,000	\$420,000	\$420,000	\$519,600	\$433,000	\$433,000	\$433,000
Ex Machina	\$0	\$0	\$0	\$23,000	\$23,000	\$48,000	\$90,000	\$175,000	\$175,000	\$175,000
La Compagnie Jean Duceppe	\$190,000	\$190,000	\$180,500	\$200,000	\$200,000	\$200,000	\$246,000	\$225,000	\$225,000	\$225,000
Manitoba Theatre Centre	\$350,000	\$350,000	\$315,000	\$315,000	\$315,000	\$315,000	\$378,000	\$315,000	\$315,000	\$315,000
Shaw Festival	\$450,000	\$450,000	\$427,500	\$427,500	\$427,500	\$427,500	\$513,000	\$450,000	\$450,000	\$450,000
Stratford Festival	\$830,000	\$830,000	\$788,500	\$788,500	\$788,500	\$788,500	\$852,000	\$710,000	\$710,000	\$710,000
The Citadel Theatre	\$375,000	\$375,000	\$356,000	\$356,000	\$356,000	\$356,000	\$375,600	\$281,000	\$281,000	\$281,000
The Grand Theatre	\$225,000	\$225,000	\$205,000	\$215,000	\$215,000	\$215,000	\$225,600	\$188,000	\$188,000	\$170,000
The Vancouver Playhouse	\$340,000	\$340,000	\$323,000	\$323,000	\$323,000	\$323,000	\$349,200	\$305,000	\$305,000	\$305,000
Theatre Calgary	\$200,000	\$175,000	\$166,000	\$166,000	\$166,000	\$166,000	\$148,800	\$115,000	\$103,500	\$90,000
Théâtre du Nouveau Monde	\$560,000	\$560,000	\$532,000	\$532,000	\$532,000	\$541,000	\$638,400	\$532,000	\$532,000	\$532,000
TOTAL OPERATING FUNDING TO LARGE THEATRE COMPANIES OVER TEN-YEAR PERIOD:	\$4,460,000	\$4,435,221	\$4,178,500	\$4,241,000	\$4,241,000	\$4,275,000	\$4,912,200	\$4,228,130	\$4,241,500	\$4,189,000

(1) Note that in the first year the Canada Council received an additional \$25 million per year, operating grant clients automatically received a one-time supplement worth 20% of their grant. This is included in the grant amounts for 1997-98.

Table 2(c)
Canada Council Operating Grants to Large Dance Companies, 1991-92 to 2000-2001

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98(1)	1998-99	1999-2000	2000-2001
Alberta Ballet Company	\$130,000	\$130,000	\$100,000	\$70,000	\$50,000	\$50,000	\$60,000	\$300,000	\$300,000	\$300,000
Les Grands Ballets Canadiens	\$1,005,000	\$1,043,000	\$990,000	\$990,000	\$990,000	\$990,000	\$1,188,000	\$990,000	\$967,000	\$990,000
The National Ballet of Canada	\$1,918,893	\$2,145,000	\$2,030,000	\$2,030,000	\$2,030,000	\$2,000,000	\$2,400,000	\$2,050,000	\$2,050,000	\$2,050,000
The Royal Winnipeg Ballet	\$1,005,000	\$1,043,000	\$970,000	\$970,000	\$970,000	\$970,000	\$1,164,000	\$883,000	\$945,000	\$945,000
TOTAL OPERATING FUNDING TO LARGE DANCE COMPANIES OVER TEN- YEAR PERIOD:	\$4,058,893	\$4,361,000	\$4,090,000	\$4,060,000	\$4,040,000	\$4,010,000	\$4,812,000	\$4,223,000	\$4,262,000	\$4,285,000

(1) Note that in the first year the Canada Council received an additional \$25 million per year, operating grant clients automatically received a one-time supplement worth 20% of their grant. This is included in the grant amounts for 1997-98.

Table 2(d)
Canada Council Operating Grants to Large Opera Companies, 1991-92 to 2000-2001

	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98(1)	1998-99	1999-2000	2000-2001
Canadian Opera Company	\$1,650,000	\$1,567,500	\$1,567,500	\$1,410,000	\$1,410,000	\$1,692,000	\$1,410,000	\$1,515,000	\$1,515,000	\$1,515,000
L'Opéra de Montréal	\$860,000	\$817,000	\$817,000	\$734,000	\$694,000	\$832,800	\$694,000	\$694,000	\$694,000	\$675,000
Opera Ontario	\$0	\$0	\$0	\$0	\$113,500	\$136,200	\$113,500	\$297,500	\$297,500	\$290,000
Vancouver Opera Association	\$510,000	\$484,500	\$484,500	\$530,000	\$530,000	\$636,000	\$530,000	\$565,000	\$565,000	\$565,000
TOTAL FUNDING TO LARGE OPERA COMPANIES OVER TEN-YEAR PERIOD:	\$3,020,000	\$2,869,000	\$2,869,000	\$2,674,000	\$2,747,500	\$3,297,000	\$2,747,500	\$3,071,500	\$3,071,500	\$3,045,000

(1) Note that in the first year the Canada Council received an additional \$25 million per year, operating grant clients automatically received a one-time supplement worth 20% of their grant. This is included in the grant amounts for 1997-98.

Table 2(e)
Total Canada Council Grants, Number of Arts Organizations Supported
and Number of Artists Supported, 1991-92 to 2000-2001

	Total Canada Council Grants	Total Operating Grants to the Big 29(1)	Number of Arts Organizations Supported(2)(3)	Number of Artists Supported(4)
1991-92	\$87,836,000	\$17,905,393	1,006	1,209
1992-93	\$89,047,000	\$18,065,000	987	1,202
1993-94	\$81,200,000	\$17,214,000	964	1,157
1994-95	\$80,891,000	\$17,051,500	986	1,158
1995-96	\$78,174,000	\$17,011,000	1,017	1,105
1996-97	\$78,534,000	\$17,387,000	1,221	1,246
1997-98(1)	\$93,644,000	\$19,437,780	1,294	1,498
1998-99	\$103,998,000	\$17,535,500	1,580	1,834
1999-2000	\$103,008,000	\$17,602,500	1,711	1,943
2000-2001	\$105,052,000	\$19,229,000	1,784	2,105

(1) Note that in the first year the Canada Council received an additional \$25 million per year, operating grant clients automatically received a one-time supplement worth 20% of their grant. This is included in the grant amounts for 1997-98.

(2) Number of arts organizations whether they received one or more than one grant.

(3) Excludes host organizations under the Literary Readings Program.

(4) Number of artists whether they received one or more than one grant.

Appendix 3 : Arts and Heritage Stabilization Programs in Canada

NAME OF PROGRAM	START DATE	INTENDED FOR	RECIPIENTS to date	FEDERAL FUNDING	TOTAL FUNDING
Vancouver Arts Stabilization Team	1995	Large performing arts and heritage organizations in Vancouver	8 recipients to date	\$1 million over five years	\$7.5 million received from three levels of gov't and the private sector
Alberta Performing Arts Stabilization Fund	1995	Only for performing arts organizations in Alberta	11 large organizations 42 small organizations	\$1 million over five years	\$9.2 million received from three levels of gov't and the private sector
Foundation for Heritage and the Arts (Nova Scotia)	Launched Fall 2000	Arts and heritage organizations in Nova Scotia	16 to 20 cultural organizations	Up to \$650,000 over five years	In total, the fund will receive up to \$3.5 million over the next five years from the gov't and the private sector
Bay Area Arts and Heritage Stabilization Program	To be announced	Arts and heritage organizations in the region of Hamilton-Wentworth and Burlington		Up to \$670,000 over five years	
Arts Stabilization Manitoba	To be announced	Arts and heritage organizations in Manitoba		Up to \$1million over five years	In September 2000, the Manitoba government committed \$1 million to the program
Saskatchewan Arts Stabilization Program	To be announced	Arts and heritage organizations in Saskatchewan		Up to \$500,000 over five years	In December 2000, the Saskatchewan Government announced \$500,000 over 4 years
Le fonds de stabilisation et de consolidation des arts et de la culture du Québec	1998				The fund \$19 million from the Quebec government. To date, the fund has not asked for any private sector or federal funding.

Feasibility studies for stabilization programs in New Brunswick, Prince Edward Island and the city of Toronto have been undertaken, and possibilities are currently being explored.

APPENDIX 4**COMPARISON OF SELECTED CANADIAN ORCHESTRAS' SEASON LENGTHS (IN WEEKS) OVER A TEN-YEAR PERIOD**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Calgary Philharmonic	42	42	38	40	40	40	40	40	41	41
Edmonton Symphony	39	39	39	39	39	39	37	39	39	40
Kitchener-Waterloo Symphony	38	38	38	38	38	38	38	38	38	38
Orchestre symphonique de Montréal	46	46.5	44.5	43	42	46	46	46	46	46
Orchestre symphonique de Québec	30	30	31	31	31	31	31	39	39	39
Toronto Symphony	48	50	42	42	42	42	42	43	44	44
Vancouver Symphony	43	41	38	38	38	39	40	40	40	42
Winnipeg Symphony	36	36	36	36	36	36	36	36	38	38
Average	40.3	40.3	38.3	38.4	38.3	38.9	38.8	40.1	40.6	41.0

**APPENDIX 5
COMPARISON OF SELECTED CANADIAN ORCHESTRAS' MINIMUM WEEKLY SALARY
FOR FULL SERVICE CONTRACT MUSICIANS**

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999
Calgary Philharmonic	\$712	\$748	\$748	\$763	\$786	\$810	\$835	\$887	\$920	\$940
Edmonton Symphony	\$664	\$697	\$725	\$725	\$725	\$736	\$750	\$765	\$780	\$861
Orchestre symphonique de Montreal	\$1,000	\$1,020	\$1,060	\$1,060	\$1,100	\$1,100	\$1,100	\$1,100	\$1,213	\$1,249
Orchestre symphonique de Quebec	\$611	\$611	\$629	\$629	\$629	\$629	\$635	\$640	\$645	\$645
Toronto Symphony	\$1,070	\$1,130	\$1,150	\$1,150	\$1,167	\$1,167	\$1,167	\$1,179	\$1,208	\$1,208
Vancouver Symphony	\$724	\$777	\$795	\$795	\$795	\$811	\$827	\$811	\$835	\$855
Winnipeg Symphony	\$672	\$712	\$726	\$726	\$748	\$748	\$770	\$794	\$817	\$841
AVERAGE:	\$779	\$814	\$833	\$835	\$850	\$857	\$869	\$882	\$917	\$943

APPENDIX 6
ATTENDANCE AND PERFORMANCE TRENDS, 1986-87 to 1998-99 FOR THE BIG 17

	1986-87	1987-88	1988-89	1989-90	1990-91	1991-92	1992-93	1993-94	1994-95(1)	1996-97(1)	1998-99
PERFORMANCES - HOME											
MAIN	2,121	2,501	1,835	1,991	2,144	1,986	2,008	1,949	1,729	1,766	1,728
YOUNG AUDIENCES	410	559	584	440	364	262	258	262	319	146	130
OTHER HOME	656	350	1,202	1,082	961	914	934	869	1,228	1,422	1,145
TOTAL PERFORMANCES - HOME	3,187	3,410	3,621	3,513	3,469	3,162	3,200	3,080	3,276	3,334	3,003
PERFORMANCES - TOUR											
YOUNG AUDIENCES	47	136	35	67	74	58	21	25	64	66	35
OTHER TOUR	380	474	355	324	242	290	215	204	171	257	150
TOTAL PERFORMANCES- TOUR	427	610	390	391	316	348	236	229	235	323	185
PERFORMANCES - OTHER(2)	40	131	42	57	28	130	119	877	818	894	985
TOTAL HOME, TOUR AND OTHER PERFORMANCES	3,654	4,151	4,053	3,961	3,813	3,640	3,555	4,186	4,329	4,551	4,173
ATTENDANCE - HOME											
MAIN	2,329,880	2,641,283	2,183,225	2,445,409	2,379,737	2,242,776	2,184,319	2,246,681	2,114,592	1,962,958	2,030,690
YOUNG AUDIENCES	284,464	399,354	334,288	304,987	253,194	260,382	322,226	285,337	245,469	241,573	233,084
OTHER	456,295	297,280	421,487	628,625	598,853	537,189	547,439	555,812	731,263	676,937	556,484
TOTAL ATTENDANCE - HOME	3,070,639	3,337,917	3,404,300	3,379,021	3,231,784	3,040,347	3,053,984	3,087,830	3,091,324	2,881,468	2,820,258
ATTENDANCE - TOUR											
YOUNG AUDIENCES	13,042	29,838	16,993	30,300	32,419	29,122	18,957	20,578	37,878	26,933	15,200
OTHER PERFORMANCES	455,609	570,893	282,492	368,865	236,299	404,686	265,458	251,606	226,883	232,170	184,014
TOTAL ATTENDANCE - TOUR	468,651	600,731	399,485	507,165	268,718	433,808	284,415	272,184	264,761	259,103	199,214
ATTENDANCE - OTHER	34,300	80,624	227,770	72,750	49,070	47,113	40,811	113,111	..	189,530	169,836
TOTAL HOME, TOUR AND OTHER ATTENDANCE	3,573,590	4,019,272	4,026,855	3,958,936	3,549,572	3,521,268	3,379,210	3,473,125	3,356,085	3,330,101	3,189,308
Average Ticket Price(3)	\$14.17	\$12.82	\$14.30	\$15.63	\$17.80	\$18.90	\$19.28	\$19.32	\$20.90	\$21.58	\$25.19

- (1) This survey became biennial after 1994-95, hence there is no data for 1995-96 and 1997-98.
(2) Performances which are not at home or on tour.
(3) Total Box Office Revenues divided by Total Attendance.