



**Canadian
Heritage**

**Patrimoine
canadien**

Evaluation of the Cultural Initiatives Program

Carole Duchesne

September 19, 2001

Canada

Table of contents

Summary

List of Findings

List of recommendations

| | |
|------------------------------------------------------------------------------------------------------------|-----------|
| 1. Introduction | 1 |
| 1.1 Mandate | 1 |
| 1.2 Background | 1 |
| 1.3 Context | 2 |
| 1.4 CIP: the post-1994 evaluation version | 2 |
| 2. Methodology | 4 |
| 2.1 Analysis of the documentation | 5 |
| 2.2 Examination of files of requests for financial support | 5 |
| 2.3 Interviews | 5 |
| 3. CIP investments from 1995-1996 to 1999-2000 | 6 |
| 3.1 Component I - Strategic Development Assistance | 6 |
| 3.2 Component II - Capital Assistance | 9 |
| 3.3 Component III - Festivals and special arts events | 12 |
| 4. Managing the CIP | 14 |
| 5. Complementarity of the CIP | 18 |
| 5.1 Canada Council for the Arts - Outreach program | 18 |
| 5.2 Department of Canadian Heritage - National Arts Training Contribution Program | 19 |
| 5.3 Department of Foreign Affairs and International Trade - Support for Canadian Festivals and Conferences | 19 |
| 5.4 Infrastructure Canada | 19 |

| | |
|--------------------------------------------------------------------------------------------------------|-----------|
| 6. The Canadian performing arts universe | 20 |
| 6.1 Audiences and performances | 20 |
| 6.2 Financial situation of the performing arts | 21 |
| 6.2.1 Revenue sources | 21 |
| 6.2.2 Volunteers | 22 |
| 6.2.3 The burden of debt | 22 |
| 7. Findings | 23 |
| 7.1 Relevance of the CIP to the PCH mandate and the <i>Framework for Government Support of Culture</i> | 23 |
| 7.2 Complementarity | 23 |
| 7.3 Resources | 24 |
| 7.4 Implementation | 25 |
| 7.5 Effectiveness | 26 |
| 7.6 Effects | 26 |
| 8. Conclusion | 26 |
| 9. Recommendations | 28 |
| Annex A - Framework for support of culture in Canada | |
| Annex B - CIP logic model and management and accountability framework | |
| Annex C - Cultural Initiatives Program budgets | |
| Annex D - Documentation and information sources | |
| Annex E - Sampling of funding request files | |
| Annex F - CIP database | |
| Annex G - Festivals receiving contributions since 1993 | |
| Annex H - Festivals and special arts events - Participation | |
| Annex I - Year-round distribution of festivals and special arts events | |
| Annex J - Circulation of artists | |

Annex K - Criteria for assessing projects submitted under the CIP

Annex L - Review of CIP, January 1994 - Summary of recommendations

Annex M - Minutes of CIP consultations – 23 May to 21 July

Management Response



Summary

The Cultural Initiatives Program, which was established in 1985, has three components: Strategic Development Assistance, Capital Assistance and Festivals and Special Arts Events. Since the last evaluation, conducted in 1994, only the Festivals and Special Arts Events component has received proposals, while the other two components have funded ad hoc projects only, which means that 47% of CIP funds were allocated without calls for proposals.

The **Strategic Development Assistance** component, whose goal is to improve the viability and effectiveness of cultural organizations, devoted \$3 802 500 or 49% of its funds from 1995-96 to 1999-2000 to the creation of an arts and heritage stabilization fund. Stabilization funds are a new form of arts and heritage support and are based on American models. The various social stakeholders in a community work together to provide the principal cultural organizations in their community with resources, practices and tools that will allow them to adapt and survive in a turbulent environment, to invest more in innovative programs, to take risks and to reach a larger audience. This support goes beyond ad hoc financial assistance. The organizations that benefit from this funding undertake to adopt better management practices, particularly with respect to marketing and financial management. The federal government is not in charge of these initiatives nor is it the primary funding party, rather it is a partner. The third-party service delivery formula is both promising and complex and poses a challenge for federal agencies and departments. Due to insufficient resources, the CIP was unable to plan or structure its benchmark, nor was it able to implement the necessary follow-up action in order to formally measure the impact of this formula or to assess its advantages and disadvantages. Nevertheless, observations indicate that it is an interesting formula that merits further study. The remainder of Component I funds were invested in ad hoc planning, management training and development, audience promotion and development, and the purchase of computer equipment.

The goal of **Capital Assistance** is to increase public access to the performing arts, professional visual arts and heritage collections by providing access to a national network of cultural facilities. Thirty percent of the amount invested through the CIP from 1994-95 to 1999-2000, or \$13 725 428, was used for the construction, renovation and repair of arts and heritage buildings, the purchase of specialized equipment and feasibility studies. Several of the projects funded during this period had received funding in previous years. Eighty-four percent of these amounts went towards building repair and renovation. During this period, Quebec and Ontario were the



principal beneficiaries of this assistance, followed by the Atlantic region. The reasons for the predominance of Quebec and Ontario are not clear, although one of the reasons cited was the other provinces' use of the Infrastructure Renewal Program as an alternate source of funding for the same type of work. The small amount of money allocated for feasibility studies, as compared to the amounts spent building, repairing or renovating buildings, is also unexplained. Although no investment strategy was developed due to the limited funds for Component I, over a 5 year period \$13 725 428 was spent under this component.

Component III, **Festivals and Special Arts Events**, which gives the Canadian public opportunities to see and appreciate Canadian professional artistic achievements from other provinces and territories, provided financial support to a little over 800 festivals and special arts events of varying size and scope from 1995-96 to 1999-2000. Quebec, which hosts most of the very large events, accounted for 75% of participation, bringing the CIP investment per visitor to \$0.23 for Quebec, \$1.34 for the Atlantic region, \$2.41 for Ontario, \$0.83 for the Prairies and \$0.65 for the Pacific region. At these festivals and special arts events, Canadians were able to see and hear a variety of artists, of whom 56% were from the province where the event was being held, 22% were from another Canadian province or territory and 22% were from outside Canada. The vast majority of the artists hired for festivals and special arts events in 1999-2000 were from at least three different provinces or territories. These festivals and special arts events add life to Canadian communities throughout the year, although most of the activities take place during the summer. Since 1995-96, excluding 1996-97, the revenues and expenses of festivals and special arts events rose steadily.

All types of expenditures increased, except for production costs, which decreased by 29%, while promotional and marketing expenses remained stable. Artists' fees increased the most, relatively speaking, (from 19% to 26% of the average budget), followed by salaries and benefits (increase from 18% to 23.5%) and administrative expenditures (increase from 12% to 15.4%). On the whole, the festivals and special arts events industry meets its expenses and, since 1995-96, but excluding 1996-97, has shown modest surpluses.

It is impossible for us to measure the overall effects of CIP investments due to a lack of adequate data. The data gathered by the program and by other stakeholders, including Statistics Canada, the CBAC and Ekos, offer interesting insights into specific aspects of the development of the arts and culture sector and of the festivals and special arts events industry, but they do not allow for an assessment of CIP's results in relation to its objectives. The specific data gathered by the CIP



(e.g. the number of artists from other provinces and territories having participated in a given festival) allow for monitoring of compliance with program requirements but do not provide answers to more complex questions, such as whether festivals are the best vehicle to raise the profile of Canadian artists and to ensure that they are visible across Canada. Moreover, CIP's very management method - reviewing applications for assistance, signing contribution arrangements, conducting administrative follow-ups - does not make it possible to analyse the situation prior to an investment by the CIP, nor to identify the anticipated return on investment, let alone conduct a follow-up. The scope of this evaluation is therefore limited since it relied solely on information already available, without being able to complete it or adjust the method of gathering information in accordance with evaluation issues.

List of Findings

- CIP's objective is clearly consistent with the government's objective for culture as set out in the *Framework for Government Support of Culture* and PCH's mandate.
- Of the wide range of programs intended to help arts and heritage organizations in Canada, the CIP provides unique assistance to Canadian institutions, not including fixed assets. Cultural facilities are not one of the priorities for Infrastructure Canada but they do qualify. In view of the financial resources available for this program, Component II of the CIP appears to be short-changed and redundant.
- To date, the CIP has undergone exclusively administrative changes; the components accordingly need to be updated to reflect the changes in CIP's own environment and in the world of the arts and culture in general.
- The CIP does not have the human or financial resources to go beyond the traditional management of applications for assistance and contribution agreements in order to conduct an in-depth review of its approach or adopt a multi-year plan for achieving realistic and specific results, and incorporating investment performance indicators.
- Due to the terms of reference and lack of relevant data, it is impossible to measure CIP's effectiveness in "assisting Canadian non-profit, incorporated, professional arts and heritage organizations to undertake arts and heritage activities that will ensure greater exchange and circulation of artists and artistic achievements in Canada."

- CIP has nevertheless helped consolidate the arts and culture sector in Canada by implementing presentation infrastructures.

List of recommendations

We recommend that:

- A. the *Framework for Government Support of Culture* be used to re-define CIP's expected outcomes;
- B. for the time being, the distinction between cultural industry products and arts products be removed from the expected long-term outcomes of the program, and possibly reinstated at a later date for administrative reasons since initiatives funded by the CIP can in practice also affect the cultural industry's clientele (e.g. a singer performing at festivals may also be a client of the Sound Recording Development Program);
- C. in the definition of CIP's expected outcomes, the reality of the Canadian public be taken into consideration, including for example geographic layout, the fragmentation of cultural realities, rural life versus urban life, comparative remoteness of the main arts presentation centres, resources available in communities, etc.;
- D. the current Component I of the CIP be changed into an arts and heritage stabilization fund provided by third-party organizations and duly equipped with the necessary resources and follow-up mechanisms in order to be able to report the impact of this investment to Parliament;
- E. the needs of Canadian professional arts and heritage organizations, which the CIP has thus far tried to meet under Component II, be discussed with Infrastructure Canada in order to implement a formula that will ensure access to the program's resources; the current Component II could then be divided up. The portion of funding allocated for creation and production facilities would fall under Component I, in accordance with management terms and conditions to be defined in cooperation with third-party organizations, and the portion of funding allocated for presentation sites would be



- included in Component III, reworking this component around the theme of presentation and audience development;
- F. as to funding for the construction or renovation of presentation sites, cooperation agreements be negotiated with Infrastructure Canada managers in order to avoid duplication;
 - G. the "presentation and audience development" component be restructured to include presentation opportunities such as presentation projects sponsored by individual presenters or by networks of presenters, as well as festivals and business opportunities including contact events and meetings of presenter networks;
 - H. support for partnerships among presenters, artists and communities become an integral part of the presentation and audience development component as a means of developing and retaining audiences;
 - I. all projects receiving funding be funded under a long-term plan, analyzed on the basis of CIP's expected outcomes and, except under exceptional circumstances, the funding be granted on a multi-year basis;
 - J. the contribution agreement include not only the traditional administrative follow-up measures but also evaluation criteria to assess the effectiveness of this investment in relation to the expected outcomes;
 - K. the CIP be allocated the required human resources, in terms of numbers and training, to be able to conduct the required analyses and follow-ups and ensure that they are duly recorded in the files.



1. Introduction

1.1 Mandate

This purpose of this program evaluation commissioned by the Cultural Initiatives program is to review:

- the raison d'être of CIP, to determine whether the program is still pertinent;
- the activities (components) to determine their suitability for achieving the objectives of the program;
- the appropriateness of the resources available.

The evaluation will also attempt to determine whether the CIP is an effective government intervention and, if so, how is it, and what are its consequences, whether intended or not. The modes and mechanisms used to manage CIP, including follow-up measures, will also be examined to ensure they comply with government standards for risk, transparency and rigor.

1.2 Background

The CIP has its origins in the 1979 federal-provincial agreement on lotteries which provided that a portion of the receipts from lottery programs would be used for cultural development. The following year, the Cultural Initiatives Special Program came into being. It had four components: reduction of accumulated debt, management training, capital assistance, and special cultural activities Canada-wide in scope. In 1985, the CIP became a permanent program. The debt reduction component was abandoned, eligibility criteria for certain key elements of each component were added, and the system of subsidies gave way to a contributory system. This program has already undergone three evaluations: in 1983, 1986 and 1994. This evaluation will cover the period from 1995-1996 to 1999-2000.



1.3 Context

Since the last evaluation of CIP in 1994, Canada's arts and cultural community has faced its share of challenges. Among other things, it has had to absorb the impact of the financial difficulties experienced by all levels of government, including the federal. The 1994-1995 program review led to substantial reductions in federal arts and cultural budgets. The CIP was no exception. To survive, the Canadian arts and cultural community has had to demonstrate imagination and solidarity.

With these difficult years behind it, Canada is once more ready to invest in cultural infrastructure. Following the submission in June 1999 of the Ninth Report of the Standing Committee on Canadian Heritage¹, the Canadian government adopted a general framework for cultural support. It has since reiterated, in the Throne Speeches that followed, its willingness to support and nourish cultural activity in Canada. Annex A gives a diagram of the elements that make up the general cultural support² framework. Culture is here defined as "the creative things we choose to do so that we can live together as citizens of Canada and the World".³

1.4 CIP: the post-1994 evaluation version

The CIP addresses not-for-profit Canadian professional artistic and heritage organizations that are Canada-wide in scope and which encourage the participation of artists and reach an audience in more than one province or territory (See Annex B, Logic Model of Cultural Initiatives Program).

¹*A Sense of Place, A Sense of Being: The Evolving Role of the Federal Government in Support of Culture in Canada*, Ninth Report of the Standing Committee on Canadian Heritage, June 10, 1999.

²*Connecting to the Canadian Experience: Diversity, Creativity and Choice*. Response of the Government of Canada to the Ninth Report of the Standing Committee on Canadian Heritage, 2000.

³ *A Sense of Place, A Sense of Being*



The CIP has three components: Strategic Development Assistance, Capital Assistance, and Festivals and Special Arts Events. In Component I, eligible projects must fall under one of the following categories: improved management practices, promotion, marketing and audience development, and new technological applications. Under Component II, assistance is offered in four areas: construction of arts and heritage buildings, renovation and repair of arts and heritage buildings, purchase of specialized equipment (not including musical instruments and office equipment), and feasibility studies relating to the purposes of this Component. Owing to budget constraints these two Components have not been open to project proposals since 1994 and only *ad hoc* projects have been funded. However, note must be taken of the creation in 1994 of a temporary National Infrastructure Program. This program, whose objectives were to some degree similar to those set by Component II of the CIP, has a much broader scope and a much larger budget.

Component III is the only one since 1994 to have requested project proposals from its clientele; its purpose is to provide the Canadian public with opportunities to view and appreciate productions of Canadian professional artists in other provinces and territories as part of festivals and special artistic events that are Canada-wide in character. The applicant, who must be a professional artistic organization legally constituted as a not-for-profit company under Part II of the *Canada Business Corporations Act*, or its equivalent in the provinces or territories, may request assistance for festivals or special arts events which include, in all their components, at least 50% Canadian participation, which will be assessed from the programming of the most recent edition or of the one being proposed. To these modalities, approved by Treasury Board, the program has added the following:

- festivals and special arts events held over a period of at least three consecutive days and normally not extending beyond four weeks,
- Canadian Heritage (PCH) pays the lesser of these amounts - up to 15% of total eligible costs, or \$200,000.

The CIP is administered through five regional Canadian Heritage offices in Moncton, Montreal, Toronto, Winnipeg and Vancouver.

Since 1995 there have been wide fluctuations in the CIP budget. From almost \$9 million in 1995-1996, it fell to \$7.6 million in 1995-1996 [sic], recovering to \$11.3 million in 1999-2000.



The budget forecast for 2000-2001 will be around \$10 million(See Annex C, CIP Budget)

2. Methodology

In the traditional program evaluation process, the practice is for the information collection tools to be developed as a function of the nature of the evaluation. That way, one can be sure that the methods and information sources are varied so as to be sure of the soundness and validity of the results of the evaluation. This was not the approach taken for this CIP evaluation. It was decided to use information already available to evaluate the results of the CI and decide its future.

Indeed, a considerable quantity of information on arts and culture in Canada has already been collected, including that gathered by Statistics Canada. Various studies, including surveys, have been conducted on different aspects of this subject by CAPACOA, CBAC, CAC, Environics, and EKOS. Over the past ten years, the Department of Canadian Heritage, the Canada Council, the Department of Foreign Affairs and International Trade and the National Arts Centre have all commissioned studies on support for the performing arts both here and abroad.

For its part, since 1997-1998 the CIP has been collecting information on the activities it finances and on the clients it supports. It uses this data to produce analyses on specific subjects such as how festivals are financed⁴, spending areas, presentation of artists from other provinces or countries, and on attendance. As well, the CIP held consultations last summer (May 23 to July 21) with 45 provincial or municipal representatives in 12 provinces and territories to identify their needs for outreach. It then conducted 19 discussion groups which brought together 150 festival directors, season organizers, artists, company directors, representatives of artists' associations of all disciplines, of all cultural origins, and of all geographic origins.(See Annex L)

For the essence of this evaluation we have therefore relied on information already available about the arts and culture universe in Canada from 1995-1996 to 1999-2000, as well as on data collected by the CIP to try to measure its impact.

⁴Cultural Initiatives Program, *Financial Analysis of Festivals supported by the Cultural Initiatives Program - 94-95 to 98-99*, January 31, 2001.

2.1 Analysis of the documentation

These existing data, studies, and research (see Annex D) have been our main source of information. Analysis of these sources and consultation about them, for the period from 1995-1996 to 1999-2000, has enabled us identify the impact of the CIP, to gauge the relative importance of the assistance it lends to the Canadian arts and cultural community, to locate its aid within the context of the federal government's support for arts and culture and to determine its pertinence, both in terms of how culture generally is supported in Canada, and in regard to the strategic objectives of the Department of Canadian Heritage.

2.2 Examination of files of requests for financial support

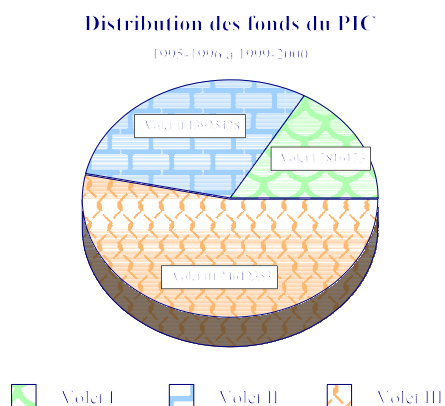
To determine the level of rigor and transparency with which the CIP is managed, including its decision-making process where funding of projects is concerned, of the 800 requests for financial support processed during the period covered, we reviewed a representative sample of 28 files: 5 files for each of Components I and II, and 18 for Component III. In forming the sample, we have taken into account distribution over time (1995-1996 and 1999-2000), geographical distribution, and the amount granted (see Annex E).

2.3 Interviews

To fill in missing information, to qualify existing information, and to validate our assumptions, we spoke informally, in person or over the telephone, with program representatives and program director and officers.

3. CIP investments from 1995-1996 to 1999-2000

From 1995-1996 to 1999-2000, the CIP allocated the funds at its disposal as follows: 17% to Strategic Development Assistance (Component I), 30% to Capital Assistance (Component II) and 53% to Festivals and Special Artistic Events (Component III). (See Annex F)



[Fig. 1: Distribution of CIP funds, 1995-1996 to 1999-2000. Volet = component. Source: CIP database.]

3.1 Component I - Strategic Development Assistance

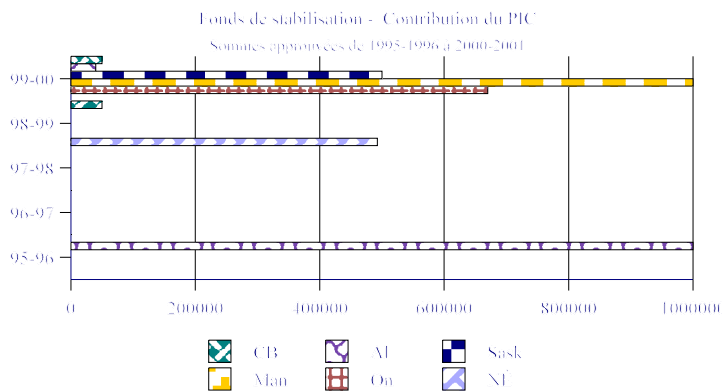
This component is addressed to professional arts organizations legally constituted as non-profit companies under Section II of the *Canadian Business Corporations Act* or its equivalent in the provinces or territories. The purpose of the assistance provided is to improve the viability and effectiveness of cultural organizations by supporting projects designed to increase the visibility of the organization not only in its home province or territory but also in the other provinces and territories of Canada. There are three types of eligible projects: improvement in management practices, promotion marketing and audience development, and new technology applications.

Following the 1994 review of the Cultural Initiatives Program, the guidelines for this component were amended to take the recommendations into account. It was emphasized that the initiatives that were going to be supported would have long-term effects on the management organization and methods of the establishments (strategic and financial planning, organizational development, implementation of fund-raising and marketing campaigns) and that the employees of these

establishments should participate directly in every stage of the management development projects. Further, after the 1994-1995 program review, this component, now with new guidelines, solicited no further projects. The only projects funded were done so without a call for proposals. The results expected were, however, the same: over the long term, that Canadian arts and heritage organizations would more widely disseminate cultural activities originating in all the regions of the country and, in the middle term, would acquire greater autonomy and financial stability.

From 1995-1996 to 1999-2000, under Component I, \$7,816,173 (17% of all the funds allocated by the CIP during that period) were handed out without call for proposals: 83% for improving management practices, 14% for promotion, marketing and audience development, 3% for implementation of new technology applications. Of the amount assigned to improving management practices, \$6,496,485, 49% or \$3,802,500 was paid out as a contribution by PCH from an arts and heritage stabilization fund.

[Fig. 2: Stabilization fund - CIP contribution. Amounts approved from 1995-1996 to 2000-2001. CB = British Columbia; NÉ = Nova Scotia. Source: CIP database.]



Stabilization funds are a new formula for arts and heritage

support, based on American models. The various social actors in a given community are invited to come together to create the conditions for development of the principal cultural organizations of their community, whatever their size. This support goes beyond occasional financial assistance. The goal is to endow these cultural organizations with the resources, practices and tools that will allow them to adapt and survive, regardless of external factors, invest more in innovative programs, take risks, and reach a wider public. The organizations that enjoy the support of these funds undertake to adopt best management practices, particularly where marketing and financial management are concerned. Their financial stability moves away from



dependence on outside help and on short-term revenues, and towards greater permeability to long-term trends. These new management practices should allow cultural organizations to sustain themselves through troubled times. The CIP contribution to these funds is but one piece in a mosaic of financial and technical assistance put together through the good offices of a community determined to help its cultural organizations to help themselves. The federal government is not in charge of these initiatives, nor is it the principal fund provider - it is a partner.

As for the remaining funds allocated to the improvement of management practices (\$2,693,985), they have been used to fund planning exercises, feasibility studies, and management training and development programs. It should be noted that, despite the importance accorded in the *General Framework for Government Support of Culture* and in PCH strategic planning to the diffusion of Canadian arts and culture abroad, and to the development of new audiences, including young people, only 14% of the funds under Component I have been devoted to promotion, marketing and audience development. The money made available for new technology applications (3% of Component I funds) has mainly gone to purchase computer equipment.

It was not possible for us to measure the effects of CIP's Component I investments on the financial sustainability and independence of companies. The CBAC survey data, which were not collected for this purpose, show the development of the financial situation of those companies who responded to the survey, some of whom have been CIP clients, at one time or another. However, the CBAC data do not permit comparison of the financial performance of companies who at some point received financial assistance from the CIP with those who did not receive such aid. It would be unwise to reach any conclusion as to the stability and financial autonomy of the companies on the basis of these data. We can show this by the following comparison. According to CBAC survey data, it would appear that companies sponsored by the CIP have posted a financial performance far inferior to those who have not benefitted from such funding. In 1996-1997, the 12 companies receiving, at some point in time, financial help from the CIP posted a deficit of \$818,878, while 174 other companies showed a surplus of \$145,702; in 1997-1998, the CIP cohort accumulated a deficit of \$1,748,323, while the remainder were only \$314,515 in deficit; and the following year we find a deficit of \$56,993 for the CIP cohort and profits of \$116,214 for the others. However, in 1996-1997, only 2 of the 12 companies receiving CIP Component I aid at some point in time had received it during that year, and those two companies had a deficit of \$40,265, or only 6% of the total deficit of the "CIP" cohort; the same held true in 1997-1998, with only two companies receiving a CIP contribution under Component I during that year (one posting a deficit of \$11,732 and the other a profit of \$16,329); in 1998-



1997 [sic] only one company of the 12 under study benefitted from this assistance, and it shows a deficit of \$163,448. Moreover, there are no base data speaking to the financial situations of the companies before they became CIP clients, which adds to the impossibility we find ourselves in of establishing a cause and effect relationship between the assistance granted under CIP Component I and the sustainability and financial autonomy of the companies that receive it.

3.2 Component II - Capital Assistance

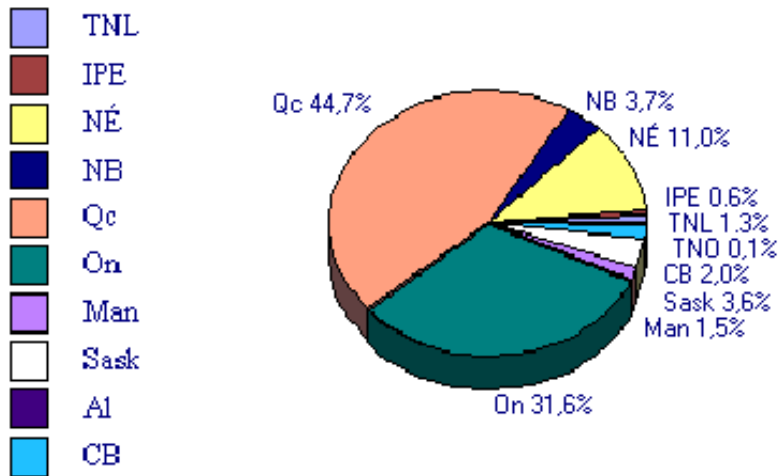
Component I clientele are also eligible for Component II. Municipal and regional governments and provincial and territorial government organizations may also submit requests under this component. Its aim is to increase public access to the interpretative arts, professional visual arts, and to heritage collections, but providing a national network of cultural installations. Assistance is offered for the construction of buildings for arts and heritage use, for the renovation and repair of such buildings, and for the purchase of specialized equipment (but not for musical instruments or office equipment) and for feasibility studies of projects connected with capitalization issues. Like Component I, this component has not issued a call for proposals since 1994-1995. Only ad hoc projects have been funded. Nevertheless, of the amounts invested by the CIP from 1995-1996 to 1999-2000, 30% or \$13,725,426 were under this component, including multiyear financing of projects approved at the start of this past decade. Of this sum, \$1,883,400 (13.5%) was used to construct buildings, \$11,165,028 (83.7%) on renovations and repairs, \$331,000 (2.4%) on the purchase of equipment and \$60,000 (0.43%) to finance feasibility studies.



During this period, CIP Capital Assistance funds were distributed geographically as follows:

Distribution géographique

1995-1996 à 1999-2000



Graphique 3 : Source "Banque de données du PIC"

[Fig. 3: Geographical distribution, 1995-1996 to 1999-2000. TNL = Newfoundland & Labrador; IPE = Prince Edward Island; NE = Nova Scotia; CB = British Columbia. Source: CIP database.]

Federal government funding under the National Infrastructure Program as well as by various provinces was not without influence on CIP decisions to provide capital assistance. Nevertheless, it can be safely assumed that the dominant factor in analyzing infrastructure needs has been the distribution of cultural organizations which de facto reflects population distribution. In the year 2000, Canada's 30,750,100 citizens were distributed throughout the country as shown below:

Table I - Geographic distribution of Canada's population in 2000

| (thousands) | | | | | | | | | | | | |
|-------------|-------|------|------|--------|---------|------|------|--------|--------|------|------|------|
| N&L | PEI | NS | NB | Qc | On | Man | Sask | Al | BC | Yuk | NWT | Nun |
| 538.8 | 138.9 | 941 | 757 | 7372.4 | 11669.3 | 1148 | 1024 | 2997.2 | 4063.8 | 30.7 | 42.1 | 27.7 |
| (in %) | | | | | | | | | | | | |
| 1.75 | 0.45 | 3.06 | 2.46 | 24 | 38 | 3.73 | 3.33 | 9.75 | 13.2 | 0.1 | 1.14 | 0.1 |



Source : Statistics Canada

This means that the Atlantic region, with 7.72% of the population, received 16.6% of the funds; Quebec, with 24% of the population, received 44.7% of capital funding, while Ontario got 31.6% of the funds though 38% of Canadians live there; the Prairies (Manitoba, Saskatchewan, the North West Territories, and Nunavut), with 8.3% of the population, received 5.2%, and the Pacific region (Alberta, British Columbia, the Yukon), where 23% of Canadians live, received 2% of the funding.

From 1994 to 1998, Canada operated an Infrastructure Works Program designed as a national, matching funds partnership to foster cooperation among all levels of government, with the participation of the private sector, aimed to meet municipal infrastructure renewal needs. It is the view of CIP officials that the provincial, territorial and municipal governments appear to have adopted different strategies on how this program was to be used. Some provinces seem to have favored using the Infrastructure Works Program to finance work to build or renovate cultural facilities eligible for CIP Component II assistance, while others chose to finance such projects in partnership with the CIP. We do not have sufficient information to confirm or deny this assumption, and indeed the few data examined go the other way. In fact, for 1997-1998, it appears that in the Atlantic region, 16% of projects eligible for CIP funding were financed by the Infrastructure Works Program; in Quebec, 33.3%; in the Prairies, 32.9%; and in the Pacific region, 22.7%. We have no figures for Ontario.

The small amount of money spent on feasibility studies, as compared to what was spent on constructing, repairing or renovating buildings, also remains unexplained. The hypothesis that there was insufficient money available for Component I and thus no Investment Strategy to formulate, does not stand up to the fact that \$13,725,428 was spent under this component.

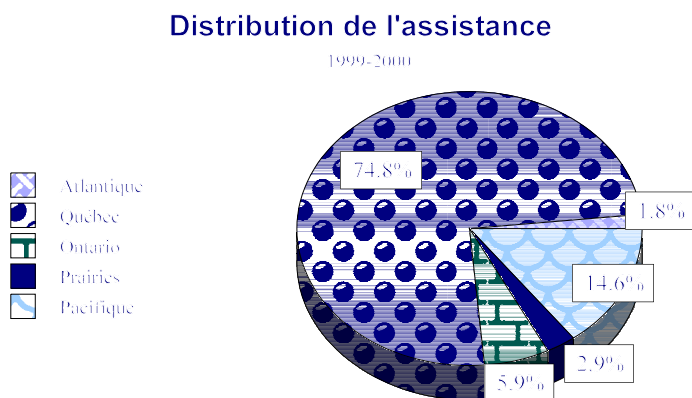
3.3 Component III - Festivals and special arts events

The goal of this component is to provide the Canadian public with occasions to see and appreciate the creations of Canadian professional artists from other provinces and territories as part of festivals or special Canada-wide arts events. To be eligible, festivals or events must contain at least 50% Canadian participation in all their components, which is evaluated on the basis of the latest edition placed on view, or the edition proposed. The festival or arts event must

run for at least three consecutive days and for no more than four weeks. The Department, according to administrative directives adopted in 1996-1997, pays the lesser of 15% of expenses or \$200,000. Looking over funding statistics we noted that after 1997 the \$200,000 limit was exceeded. Since 1994-1995, Component III of the CIP is the only one to have continued soliciting project proposals. This component is administered by regional offices, which recommend projects to be financed to the Minister of Canadian Heritage. From 1995-1996 to 1999-2000, 53% of the CIP budget went to festivals and special artistic events.

From 1995-1996 to 1999-2000, the CIP has signed more than 800 contribution agreements with festivals and special arts events. Of the 160 to 190 festivals and special arts events supported every year, by the CIP, a nucleus of seventy-four festivals receive a regular annual contribution, and have done so since 1993 (see Annex G). Festivals and special arts events are variable in their size and outreach. Here, outreach is evaluated in terms of the crowds they attract.

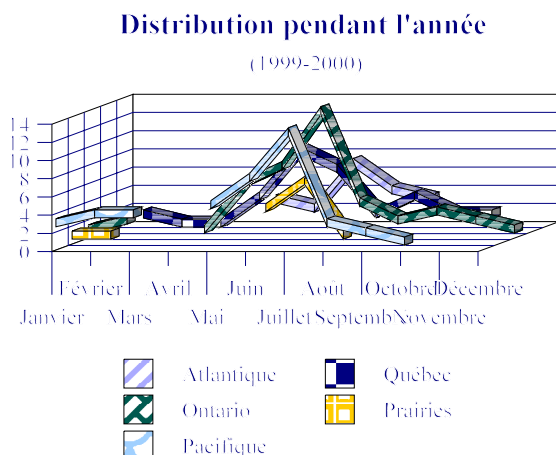
[Fig. 4 (below): Distribution of assistance, 1999-2000. Source: CIP database.]



Festivals and special arts events took place just about

everywhere in Canada, from Newfoundland to the Northwest Territories. In 1999, there were 10,278,125 admissions to a festival or special arts event somewhere in Canada (see Annex H). On view were artists of whom 56% were from the province where the event was held, 22% from another Canadian province, and 22% from outside Canada. However, these festivals and special arts events took place the year round but, for the most part, during the summer months (See Annex I)

[Fig. 5 (below): Distribution during the year (1999-2000). Source: CIP database.]



In 1999-2000, in funding festivals and special arts events, the CIP allotted \$248,300 (5.3%) to the Atlantic region, \$1,747,500 (37.3%) to Quebec, \$1,465,553 (31.3%) to Ontario, \$225,000 (5.2%) to the Prairies and \$974,000 (21%) to the Pacific region (see Annex F). Per visitor, this works out to \$1.34 in the Atlantic region, 23 cents in Quebec, \$2.41 in Ontario, 83 cents in the Prairies and 65 cents in the Pacific region. On the average, a show in the Atlantic region drew 165 visitors, while in Quebec, owing to mega-festivals, the figure was 2,275. In Ontario the average attendance per show was 165 persons, 114 in the Prairies, and 281 in the Pacific region (see Annex H). The return on investment is clearly highest in Quebec, followed by the Pacific and the Prairies. It would be reasonable to assume that since festivals and special arts events produced in the Atlantic region or in the Prairies draw a small attendance and thus generate less revenue, they must rely more heavily on volunteers to put them on.

Between 1995-1996 and 1998-1999, total revenues from festivals and arts events have posted a steady growth, except for the slump of 1996-1997, rising from an average of \$550,270 to \$710,299⁵. During this period, private sector contributions (42%) and revenues earned (35%) remained the principal source of income. As an average, public sector donations account for 23% of revenues. Private sector contributions, in three quarters of the cases, come from individual donors, fund-raising, and business sponsorships, the remainder being made up by income from

⁵CIP, *CIP, Financial Analysis of Festivals (94-95 to 98-99)*, p. 4



foundations, trusts and endowment funds. Average private sector contributions have gone from \$215,401 in 1995-1996 to \$299,900 in 1998-1999. Revenues of festivals and arts special events receiving CIP contributions every year since 1993 have also increased, but their own share has risen more slowly than for the whole category of festivals and special events. CIP contributions have fallen from 6% of the total festival and special arts events revenue in 1995-1996 to 3.8% in 1998-1999.

Expenses have followed the same upward trend as revenues, from an average of \$545,854 to \$704,387. All expense items increased (administrative costs, promotion and marketing, payroll and benefits, talent fees) except production, whose share of expenses has substantially fallen, from 29% of expenses in 1995-1996, to 16.3% in 1998-1999). The largest increase was in artists' fees (19% to 26%), followed by payroll and benefits (18% to 23.5%) and administrative costs (12% to 15.4%). Promotion and marketing costs have remained steady at about 19% of expenses. The vast majority of artists engaged for these events came from at least three different provinces or territories in 1999-2000 (see Annex J). Overall, the festival and special arts events industries pays its own way. Since 1995-1996, and leaving aside 1996-1997, it has even recorded modest surpluses.

4. Managing the CIP

The CIP is administered through five regional offices located in Moncton, Montreal, Toronto, Winnipeg and Vancouver, and their district offices, and by the headquarters of the Department of Canadian Heritage, in Hull. Organizers submit projects corresponding to the objectives of each component. Projects submitted are first examined to see if they meet criteria for eligibility, which vary from one component to the next.



Table II. - CIP eligibility criteria

| | |
|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Component I | <ul style="list-style-type: none">✓ The applicant is a professional arts organization constituted as a not-for-profit company under Section II of the Canada Business Corporations Act, or its equivalent in the provinces or territories. ✓ The activities of the applicant are Canada-wide in scope and involve at least three provinces or territories (two in the case of events in Official Language Minority Communities [OLMCs]). ✓ The project falls under one of the following categories: improvement of management practices; promotion, marketing, new audience development; new technological applications. |
| Component II | <ul style="list-style-type: none">✓ The applicant is a professional arts organization legally constituted as a not-for-profit company under Section II of the Canada Business Corporations Act or its equivalent in the provinces or territories; or a municipal or regional administration; or a provincial or territorial government organization. ✓ The project corresponds to one or more of the eligible sectors: construction of buildings used for arts or heritage purposes; renovation and repair of existing arts and heritage buildings; purchase of specialized equipment; or feasibility studies directly related to the objectives of the component. |



| | |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Component III | <ul style="list-style-type: none"> ✓ The applicant is a professional arts organization (see Component I). ✓ The activities of the application should have a Canada-wide dimension (presentation of works by Canadian professional artists from at least three provinces or territories, or two in the case of the OLMCs). ✓ Festivals and special arts events must: <ul style="list-style-type: none"> * Include in all their components at least 50% Canadian participation, which will be assessed on the basis of the programming of the most recent edition or of the edition proposed; * Take place over a period of at least three consecutive days and normally not exceed four weeks. |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

After passing the eligibility criteria hurdle, the projects that make it are now analyzed in the light of criteria specific to each of the components (see Annex K). These criteria were amended following the recommendations of the 1994 CIP program review. However, since 1994, Components I and II have financed ad hoc projects only. The official process of submitting project proposals was discontinued for lack of funds. Between 1995-1996 and 1999-2000, \$21,541,601 or 47% of CIP funding was granted without a call for proposals and without known criteria or justification that would explain why the projects financed were deemed acceptable as *ad hoc* projects. Was recourse had to the normal eligibility criteria for these components? In any case, why talk of *ad hoc* projects? Nothing in the files examined enables us to determine on what basis these decisions were taken. According to the files examined, no project follow up appears to have been made except administratively. The audited financial statements were filed generally together with a final report.

In the case of Component I, examination of the data contained in the CIP database, and of a sampling of files, lead us to believe that in fact the stabilization fund scenario has been financed as a test bench. Forty-nine percent of the funds dedicated to improvement of managing practices, or \$3,802,500, have been devoted to creating stabilization funds. And yet, nothing in the files



tells us about: the reasons that led PCH to use a third-party organization to deliver almost half of the CIP Component I resources; the bases or criteria used to select third-party organizations; the results that PCH expects from the investments made in its name by third-party organizations; follow-up mechanisms that would allow a report to be made to Parliament on the impact of that portion of Component I of the CIP whose delivery has been made through an intermediary and the effectiveness of delivering it through a third party. But even assuming that these funds were properly used by the intermediaries and that they have largely gone to the benefit of the performing arts and heritage sectors to which they were granted, the absence of structured and systematic information on the nuts and bolts of this attempt to deliver Component I of the CIP through a third-party organization, results at best in a lost opportunity to know the strengths and weakness of this formula and the advantages and disadvantages of the management of public funds by third-party organizations; and at worst, in a serious vulnerability in the management of public money.

Where Component III is concerned, it is the only one that has been open to applications for financial support, and examination of its files gave us little information on the decision making process for financing the projects accepted. The files are administrative files in which we find the contribution agreements, the Minister's letter notifying the organization of the amount of the contribution, the requests for payments and their supporting documentation. Here, too, follow-up is of an administrative kind - audited financial statements and, usually, a final report, of varying informative value and scope (for example: sometimes it bears on all the operations of the organization, other times only on the activity that has received CIP support). Nothing in the files enabled us to determine whether the final report had any effect on the program decisions taken. The CIP database did allow us to determine that a large proportion of recipients of financial aid for festivals of special arts events are habitués of the program. Seventy-four festivals have received funding every year since 1993. The project-oriented program continues nevertheless to ignore the recurrent character of several of its beneficiaries. Taking this reality into account would make it possible to automate, to some extent, the processing of requests, which would lighten the administrative load and shorten request processing times. We could also envision multi-year financing accompanied by an analysis of requests to verify the results expected from one or another event or festival, and accompanied by follow-up measures that would go beyond the simply administrative. As of today, the manner in which assistance requests is processed is identical to that of 1994, and most of the recommendations formulated in the 1994 review report remain pertinent (see Annex L). For example, it would still be desirable for "employees to put in writing the reasons why a request was accepted or rejected, and to communicate them to the



requester"⁶. In the file sample we reviewed, we found no case of any such practice. At most we found some charts of the check-list type, whose informative value is highly relative. It is unlikely that such lists were transmitted to the requester, and if they were, they certainly would have done little to tell him why his request was rejected or accepted. The recommendation to the effect "that the Department make project follow-up more formal to establish to what extent their objectives and those of the Program and the Department were attained [...]"⁷ is just as pertinent today.

5. Complementarity of the CIP

The universe of aid programs is in flux, and hence the necessity for regular re-evaluation of the activities (components) in place to achieve program objectives, specifically, in the case of the CIP, to assist professional, not-for-profit Canadian professional arts and heritage programs to undertake arts and heritage activities to facilitate a wider diffusion of their works and an exchange of artists and artistic creations.

5.1 Canada Council for the Arts - Outreach program

The CIP is not the only program to "offer Canadians a choice and to place the diversity of the Canadian experience within their grasp"⁸. The Canada Council for the Arts (CCA) makes grants and provides services to Canadian professional artists, groups and arts organizations in the fields of dance, media arts, music, theory, literature, publishing, visual arts and interdisciplinary fields. Through its Outreach program the CCA aims to increase, improve and widen the choices of presenters, of programmers and curators who wish to present the work of Canadian professional artists and to help professional Canadian artists and their managers to develop and reach new audiences and markets both in Canada and elsewhere. All these programs are generally oriented

⁶Review of the Cultural Initiatives Program, January 1994, p. xvii

⁷Ibid

⁸*Connecting to the Canadian Experience: Diversity, Creativity and Choice*<3i>. *Response of the Government of Canada to the Ninth Report of the Standing Committee on Canadian Heritage, 2000.*



towards the individual, whether it be the artist, the professional presenter, the curator, the artist's representative or groups of artists - artist-run centers, artists' associations, artistic organizations and presentation networks. The financial assistance provided by the CIP goes to institutions, Canadian professional arts and heritage organizations legally constituted as not-for-profit companies under Section II of the Canada Business Corporations Act or its equivalent in the provinces or territories, and which are Canada-wide in scope. The target clientele, though evidently related, are not necessarily the same.

5.2 Department of Canadian Heritage - National Arts Training Contribution Program

The National Arts Training Contribution Program, also managed by PCH, aids independent Canadian establishments set up as not-for-profit companies and which specialize in training Canadians who are planning a national or international professional career in the arts. It helps stabilize funding of current operational activities of the establishment's professional program. Funding applies to neither special projects or capital projects. Like the CIP, this program is designed for institutions. The National Arts Training Contribution Program helps train artists, while the CIP's training sub-component is intended to meet institutional needs for management training.

5.3 Department of Foreign Affairs and International Trade - Support for Canadian Festivals and Conferences

The program of the Arts and Cultural Industries Promotion Division of the Department of Foreign Affairs and International Trade occupies a unique niche. Its purpose is to promote the interests of Canada abroad by subsidizing international tours by Canadian companies, groups and artists in the fields of music, theater, dance or multi-disciplinary creation and interpretation. Its component of "Support for Canadian Festivals and Conferences" offers organizers of arts festivals and their associated conferences subsidies making it possible for them to invite foreign buyers and promoters to their activities. Priority is given to promoters from other countries who represent major festivals or salons abroad. The CIP supports festivals and events that offer Canadian artists a chance to show their wares before Canadian audiences and at the same time before foreign promoters, from one ocean to the other, to provide Canadians with an opportunity to enjoy Canadian artists from all over the country.

5.4 Infrastructure Canada

Infrastructure Canada has the goal of improving urban and rural infrastructure in Canada. Its objectives are to improve the quality of life of Canadians through investments that will improve environmental quality, support long-term economic growth, improve community infrastructure and build the infrastructures of the 21st Century. If the first priority of Infrastructure Canada is green municipal infrastructure, its secondary priorities include cultural and recreational facilities and infrastructure that supports tourism. The CIP, through its Component II, funds construction, repair and renovation of arts and heritage buildings. It would seem that in this case there is a possibility for overlap.

6. The Canadian performing arts universe

6.1 Audiences and performances

According to Statistics Canada's *Consumer Price Index*, the share of consumer income that Canadians spend on leisure (including movies and sports) grew by 22% between 1992 and 1998. This might lead one to think that the share of revenues earned by the performing arts - professional not-for-profit organizations, working in the fields of theater, music, dance and opera, would have followed a rising curve during that same period. But the number of spectators did not increase. In fact, in 1997, it fell by 4%, from 13 million to 12.5 million. On tour, the decline in spectators has been 16.3%, while at home the decline was 1.5%, to 7.97 million spectators. Revenues, including box-office receipts and merchandising profits, are down. While in 1990 they were 51.1%, they were 48.2% in 1997.⁹ The audience is fragmented. The homogeneity of the audience of the Seventies to Nineties has given place to an audience whose expectations are at once specific and diversified.

Sixty-one shows were presented at home, or 24,181 performances. The percentage of tour activities in Canada was 85% (10,306 performances of a total of 12,124 performances on tour).

⁹Statistics Canada, *Performing Arts Survey 1996-1997*, Focus on Culture, Spring 1999



Table II below shows that the average revenue per performance in tours outside Canada is higher. Canadian presence on foreign markets has grown over the past decade from 1640 to 1818 performances given all over the world. However, there has been a wide variation between years for the different markets. This decade marked a reduction of 40% in performances given in the United States and an increase of 110% in performances given in Europe. The number of performances in Asia and South America is on a rising trend.

Table II - Distribution of average revenue per performance Source : Statistics Canada Findings

| 1996-1997 | Theater (\$) | Music (\$) | Dance (\$) |
|--------------|--------------|---------------|--------------|
| At home | 3 841 | 10 898 | 5 927 |
| In Canada | 1 106 | 2 037 | 6 293 |
| Abroad | 5 020 | 12 664 | 10 145 |
| Total | 3 416 | 11 261 | 8 169 |

The importance of penetrating foreign markets and the development and building of audience loyalty has been understood. "The big tours designed to present a large number of shows in the big showplaces and in many cities, have given way to a multitude of shorter, less costly, and more flexible tours, with less imposing shows (fewer artists on the stage, simpler stage décor). In this way the companies have dealt with the increase in cost of living (costs of transport, accommodation, talent fees), given the lack of increase in revenues."¹⁰

6.2 Financial situation of the performing arts

6.2.1 Revenue sources

Despite these difficulties, revenues earned remain the main source of funding in the performing

¹⁰Poulin, Louise, *Recherche conjointe sur la diffusion des arts de la scène au pays et à l'étranger [Joint study on diffusion of the performing arts in Canada and abroad]*, 2000, p. 10



arts. In 1996-1997, revenues originating in the public sector (federal provincial and municipal governments) accounted for 31.5% of total revenues, while those from the private sector accounted for 20.%. The proportion of revenue originating in the private sector is growing: taking all disciplines together, it rose by 16.6% between 1994-1995 and 1996-1997, with opera receiving the greatest benefit with a growth of 47.9% in private sector revenue. On the other hand, dance companies experienced a drop of 10.5% in private sector revenue. About half the private sector contribution comes from individual gifts and from accumulated profit from special events, while corporate gifts and sponsorships account for a third. As for foundations, they represent only 7% of private sector support but, according to surveys conducted by Statistics Canada and Canadian Business for the Arts in Canada (CBAC), this share is on the rise. In the area of arts and culture, museums and heritage institutions are the main beneficiaries of subsidies paid out by foundations. Studies such as the CBAC Survey and a study by the Canadian Centre for Philanthropy have shown that it is the big organizations that primarily benefit from corporate support. In 1996-1997, the performing arts posted the following revenues:

Table III - Performing arts revenues, 1996-1997

| Discipline | Private sector | | Public sector | | Revenue earned | | Total revenue |
|------------|----------------|------|---------------|------|----------------|------|---------------|
| | \$ | % | \$ | % | \$ | % | \$ |
| Theater | 30,687,487 | 15.3 | 60,720,471 | 30.3 | 109,368,511 | 54.5 | 200,776,469 |
| Music | 29,287,127 | 25 | 38,620,138 | 33 | 49,142,254 | 42 | 117,049,519 |
| Opera | 14,281,429 | 32.4 | 11,165,481 | 25.3 | 18,608,540 | 42.2 | 44,055,450 |
| Dance | 10,551,267 | 18.6 | 21,552,424 | 37.9 | 24,736,533 | 43.5 | 56,840,224 |
| Total | 84,807,310 | 20.3 | 132,958,514 | 31.5 | 201,855,838 | 48.2 | 418,721,662 |

Source : Statistics Canada, *Focus on culture*, spring 1999

6.2.2 Volunteers

Arts and culture in Canada depend largely on volunteers. Statistics Canada's 1997 national survey, *Giving, Volunteering and Participating*, showed that in Canada there are 450,000 volunteers working in arts and culture organizations. But even so, these organizations come nowhere near to filling their need for volunteers. They are finding it difficult first to recruit them, then to keep them.

6.2.3 *The burden of debt*

Generally speaking, the weight of accumulated debt has lightened in recent years. But debt remains a continuing threat, despite sustained efforts to avoid it. Companies that had managed to wipe out their entire debt once again find themselves in debt for reasons outside their control. Taken as a whole, expenses in the performing arts continue to exceed revenues. Only opera posted accumulated surpluses, largely attributable to the \$1.6 million surplus of *L'Opéra de Montréal*. Seven of the nine remaining opera companies have deficits totaling over two million dollars. Sixty-seven percent of the dance companies responding to the CBAC survey had accumulated debt of upwards of four million dollars, or 13% of their operating budgets. Theater companies posted \$8.9 million in deficits, or 19% of their operating budgets. Almost half of the organizations active in the world of music are in debt for a total of \$14.5 million, or 20% of their operating budget. If we look at distribution by province, only Alberta and Prince Edward Island post accumulated surpluses.

7. Findings

7.1 Relevance of the CIP to the PCH mandate and the *Framework for Government Support of Culture*

The purpose of the CIP is "to aid Canadian professional, not-for-profit arts and heritage organizations to undertake the artistic and heritage activities which that will facilitate a wider diffusion of works as well as an exchange of artists and artistic creations in Canada." The goal of the Canadian government in regard to culture, as enunciated in 2000 in its *Framework for Government Support of Culture*, is "to ensure that Canadians have Canadian choices and to connect Canadians to the diverse Canadian experience" (see Annex A). The goal pursued by the CIP is thus clearly in harmony with the government's cultural objective. And since the Department of Canadian Heritage expects that its programs will aid "Canada's cultural institutions, organizations and industries to meet new challenges and Canadians to better know themselves and their history, identity and symbols," the presence of the CIP in PCH is without any doubt a relevant one.



7.2 Complementarity

In contrast to the Canada Council for the Arts program of promotion and diffusion, which is addressed to the individual as artist, or to the National Arts Training Program which is designed for institutions as the places where artists are trained, CIP's support targets Canadian institutions as being responsible for manifestations of Canadian culture (such as festivals), or the physical locations where they are created, produced and presented (such as *Ex Machina*), and is intended to provide relief for their direct operating costs (such as publicity, audience development, management training). However, since the launch of Infrastructure Canada, Component II of the CIP for financing construction, repair and renovation of arts and heritage buildings, has looked like a poor relation. Though cultural facilities are not an Infrastructure Canada priority, they are eligible all the same. The funds Infrastructure Canada has at its disposal leads us to believe that it is just as advantageous to be a second priority under Infrastructure Canada as to be a priority client of Component II of the CIP, assuming, of course, that municipalities and provincial governments do not divert the funds to road and health projects.

7.3 Resources

If the CIP seriously intends "to aid Canadian professional, not-for-profit arts and heritage organizations to undertake the artistic and heritage activities which that will facilitate a wider diffusion of works as well as an exchange of artists and artistic creations in Canada," it has at the present time neither the human nor financial resources needed to do the job. One evidence of this is, of course, the weakness of the budgets for Component II, not to speak of the experience of the stabilization fund. In the latter case, the facts lead us to think that those responsible for the CIP saw in it a promising opportunity. This fund seemed to be a suitable instrument for helping "improve the viability and effectiveness of cultural organizations." However, owing to lack of human resources to develop a pilot project and of sufficient budgetary resources to invest in one, these tests were attempted as *ad hoc* projects, without a comprehensive approach, without a frame of reference, without an evaluation protocol, and without measures to track results. When the CIP agreed to a million dollars' worth of funding for VAST (Vancouver Arts Stabilization Team), it did not foresee that the project would snowball and that the following year Alberta would submit a similar project, APASF (Alberta Performing Arts Stabilization Fund). As for



Component III, whose purpose is to "provide the Canadian public with opportunities to see and appreciate the work of Canadian professional artists from other provinces and territories in festivals and special arts events of a Canada-wide nature," it, too, lacks the means to achieve that purpose. Managed as a support program for *ad hoc* projects, it is in fact essentially a support program for a nucleus of festivals and special arts events. Acknowledging this reality would mean that this component would have to be redesigned. At the present moment the CIP has neither the human nor the financial resources to make a new start, which would require a structured approach and would go far beyond the traditional administration of assistance requests and contribution agreements.

7.4 Implementation

The dynamics of the performing arts have changed considerably since 1986. On the other hand, the CIP has only changed marginally. The inevitable adjustments have been made piecemeal, in an *ad hoc* fashion. Since 1994, Components I and II have been closed to calls for proposals. But how can this "lack of funds" be interpreted other than as a structural change in response to environmental pressures, when 47% of CIP budgets between 1995-1996 and 1999-2000 have been allocated precisely under these components? Certainly, these pressures have been of a financial nature, but so, too, are the needs. In terms of strategic development assistance, the needs of the arts sector have long outgrown band-aid assistance solutions (for example: hiring a consultant to handle a specific problem). The aid expected is structural in kind (for example: endow an artistic organization so that it can do more than survive; so that it can create and reach new audiences). The existing conception of Component I is less and less in line with the strategic objectives of the program and the needs of those it serves.

As for Component II, has it ever had a *raison d'être*? Does not Infrastructure Canada exist to meet capital funding needs? The purpose of Component II, despite the interpretation that the activities it pursues have placed upon it, is broader than support to capital investment, since its aim is to "increase public access to professional interpretative and visual arts and to heritage collections." This component should be re-thought, either to broaden the way its objective is conceived, or to transfer its responsibilities as presently defined to Infrastructure Canada, a program better equipped to handle capital requirements.

Where Component III is concerned, as currently defined, it would seem to have reached its



limits. Evidence of this is the high level of clientele loyalty. Seventy-four festivals and special events - approximately 40% of the annual client base - have received a contribution every year since 1993. As the CIP continues to function as if the projects financed were *ad hoc*, no long-term planning takes place, no follow-up measures are in place other than administrative measures (such as audited financial statements) and little attention is paid to the festival phenomenon as a point for diffusion of Canadian culture. Still, it is interesting to note that the vast majority of artists who appear in festivals and special arts events come from provinces and territories other than those where the event is held. As well, not all festivals are of the same kind or scope. Should not a distinction be made between festivals that have more to do with the tourist industry, and community festivals which depend on the work of a large contingent of volunteers?

7.5 Effectiveness

Has the CIP so far produced the results expected of it? Lacking a frame of reference and pertinent data, we cannot measure how effective the CIP is as a means "to aid Canadian professional, not-for-profit arts and heritage organizations to undertake the artistic and heritage activities which that will facilitate a wider diffusion of works as well as an exchange of artists and artistic creations in Canada." We can certainly trace the sources of organization revenue, count the number of performances, the numbers of spectators per performance, the number of festivals and special arts events, the number of new buildings etc., but these data do nothing to inform us of the effectiveness of CIP's investments, all the more so because its investments are treated as fragmentary responses to a one-time request for financial help. Nothing in the files gives us grounds to think that requests for aid are analyzed in terms of a strategic investment plan and that one demand, rather than another, is favored because it responds better to the needs of the country; neither is there any follow-up, except of a purely administrative kind.

7.6 Effects

The CIP has certainly contributed to the strengthening of arts and culture in Canada, if only because it has put in place infrastructure for diffusion. Festivals and the existence of adequate buildings have multiplied opportunities for Canadians to become acquainted with the diversity of Canadian culture. In a recent Ekos survey, 80% of respondents felt that the presence in their community of theater companies, musicians, artists, art works, cultural organizations or festivals



reinforced their sense of belonging to the community. And 69% thought that seeing or hearing artists from other parts of the country helped them understand Canada better.

8. Conclusion

During the last CIP review in 1994, the first recommendation was that "the Government of Canada adopt a cultural policy to serve as a framework for the implementation of a Cultural Initiatives Program and for other federal programs." Since then, the Government has adopted the *Framework for Government Support of Culture* whose objective is "to ensure that Canadians have Canadian choices and to connect Canadians to the diverse Canadian experience." Four of the nine sub-objectives of this Framework are directed at cultural organizations, industries and establishments to increase their ability to keep their clientele, take advantage of opportunities, and meet the challenges of globalization and new technologies, two of the nine relate to audience development, two address creativity and creative artists and, finally, one emphasizes the unique and distinct character of Quebec culture and the special needs of Francophone communities in the other regions of Canada. This is no more than to say that a majority of the objectives set by the *Framework* relate to the mandate of PCH which will see itself in years to come obliged to re-think its policies and programs in regard to this *Framework for Government Support of Culture*. While the Government was adopting the *Framework*, the federal public service recognized that only results-based management would meet the expectations of Canadians by offering them better targeted programs. This conceptually simple approach brought a revolution with it. It requires that programs be thought through so that we are clear about the results expected, and their implementation be tracked, that the necessary mid-course corrections are made, and that each year, a report is made to Parliament on the progress towards the results expected. Indeed, since 1997, under the Government Financial Management System, managers are responsible for ensuring that activities undertaken and funds invested are adequate in relation to the results to be obtained.

Thus, there is no more opportune moment for realigning the CIP whose purpose is more relevant than ever: "to assist Canadian non-profit, incorporated, professional arts and heritage organizations to undertake arts and heritage activities that will ensure greater exchange and circulation of artists and artistic achievements in Canada." Though the objective pursued is very current, CIP's mechanisms for interventions have aged and call for a new approach. The



fragmentary, piecemeal approach can no longer be defended in an environment where the issues are clearly interrelated and where all the boundaries are up for discussion, even those separating the arts from the cultural industries. Creativity, citizenship, tourism and economic impacts are only facets of a single reality, civic life in Canada. New approaches are already pointing the way and need only be institutionalized: the arts and heritage stabilization funds, for example. Others remain to be invented. The recommendations that follow are paths to explore, formulas to be adapted.

9. Recommendations

We recommend that:

1. the *Framework for Government Support of Culture* be used to redefine the results expected of the CIP;
2. in defining the long-term results expected from the program, we move beyond the dichotomy between products of the cultural industries and artistic products, though such distinction may later be reintroduced for administrative reasons, since in the field the initiatives financed by the CIP are not without effect on the clientele of the cultural industries (example: a singer who appears in festivals may also be a beneficiary of the Sound Recording Program);
3. in defining the results expected from the CIP, the reality of the Canadian public be taken into account, including, among other things, its geographic dispersion, the fragmentation of cultural realities, rural versus urban cultures, the relative distance between the main centers of diffusion of the arts, and the resources available;
4. the existing Component I of the CIP be converted into an arts and heritage stabilization fund delivered by third-party organizations and duly provided with the necessary resources and follow-up mechanisms;
5. the needs of Canadian professional arts and heritage organizations which the CIP up to now has tried to meet with Component II be the subject of discussions with Infrastructure Canada in order to develop a formula ensuring their access to the resources of this program, in which case the existing Component II could be eliminated. The funds for

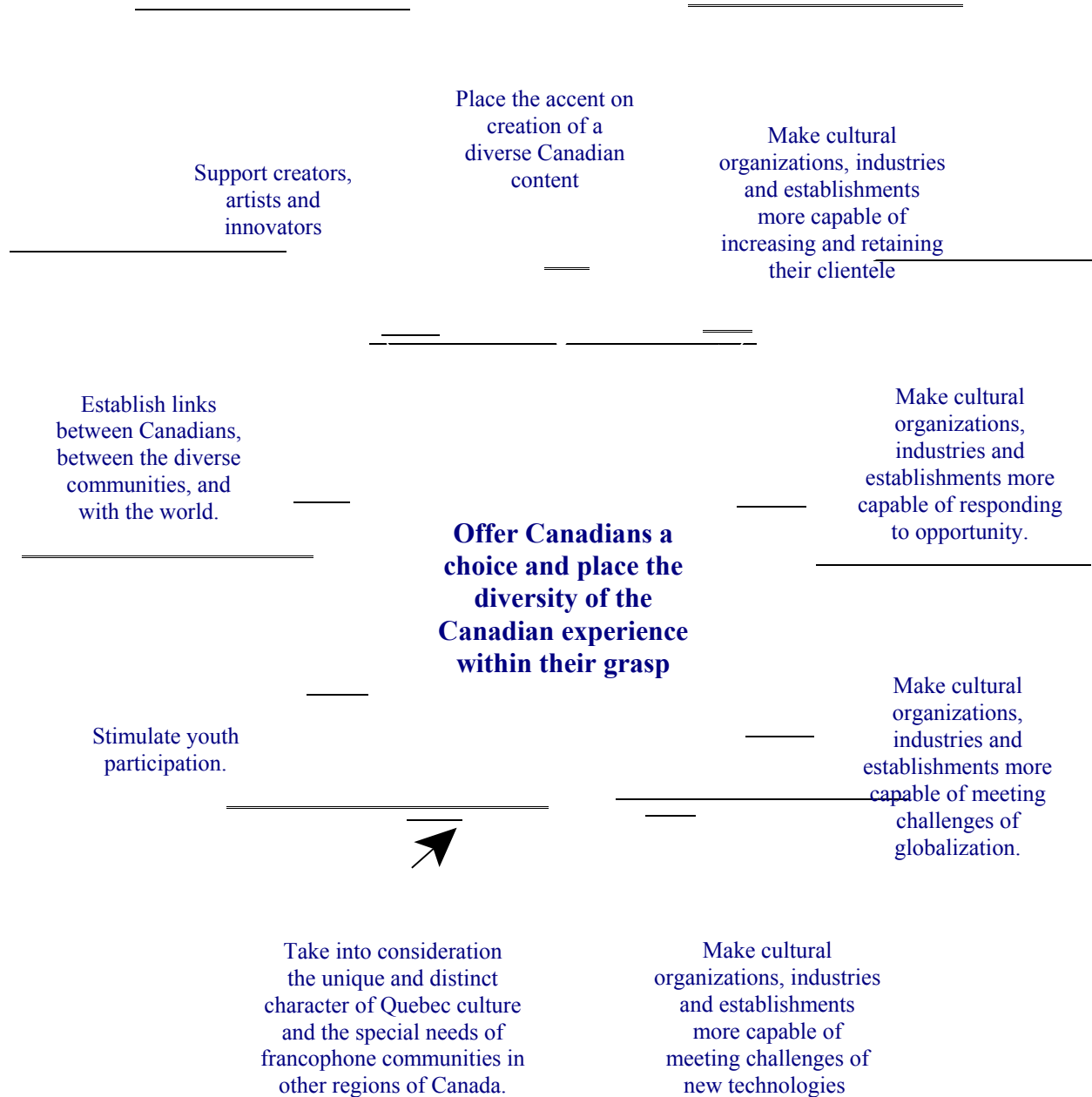


- creating places of creation and production could move to Component I, under management procedures to be defined in consultation with third-party organizations, and the funds used to finance places for outreach could be integrated into Component III, in a recasting of this component around the theme of diffusion and audience development;
6. where financing of construction or renovation of outreach locations are concerned, collaboration agreements be negotiated with the managers of Infrastructure Canada in order to avoid duplication;
 7. the "outreach and audience development" component be restructured between outreach events including projects sponsored by individual presenters or by networks of presenters, and festivals and business occasions, including the events contacts and meetings of the presenters' networks;
 8. support for partnerships among presenters, artists and communities be an integral part of the outreach and audience development component as a means of developing audiences and building audience loyalty;
 9. all projects be financed within a context of long-term planning, analyzed in light of the results expected from the CIP and that, without exception, financing be granted on a multi-year basis;
 10. the contribution agreement be provided not only with the traditional administrative follow-up, but also with criteria for evaluating the efficacy of the investment in regard to the results expected;
 11. the CIP be given the human resources, not only in terms of numbers but also in terms of training, to enable the necessary analyses and follow-up to be performed and to ensure that they are duly placed in the files.



Annex A

Framework for support of culture in Canada





Annex B

CIP logic model and management and accountability framework

A logic model relocates the activities of a program in context, both in regard to its own objectives, the strategic objectives of its home department, as well as those pursued by the government in a given field. In this case, the issue is the universe of arts and culture in Canada and the support that the federal government gives it.

The management and accountability framework measures the success of a given program, in this case the CIP, by identifying the results expected and the indicators for measuring how far the results have been attained. It also marks off the scope of the program and ties the resources investment to activities undertaken in the short term as well as to the results expected over the medium and long terms.

The CIP has thus recently been provided with a management and accountability framework. In the long term, it is hoped that :

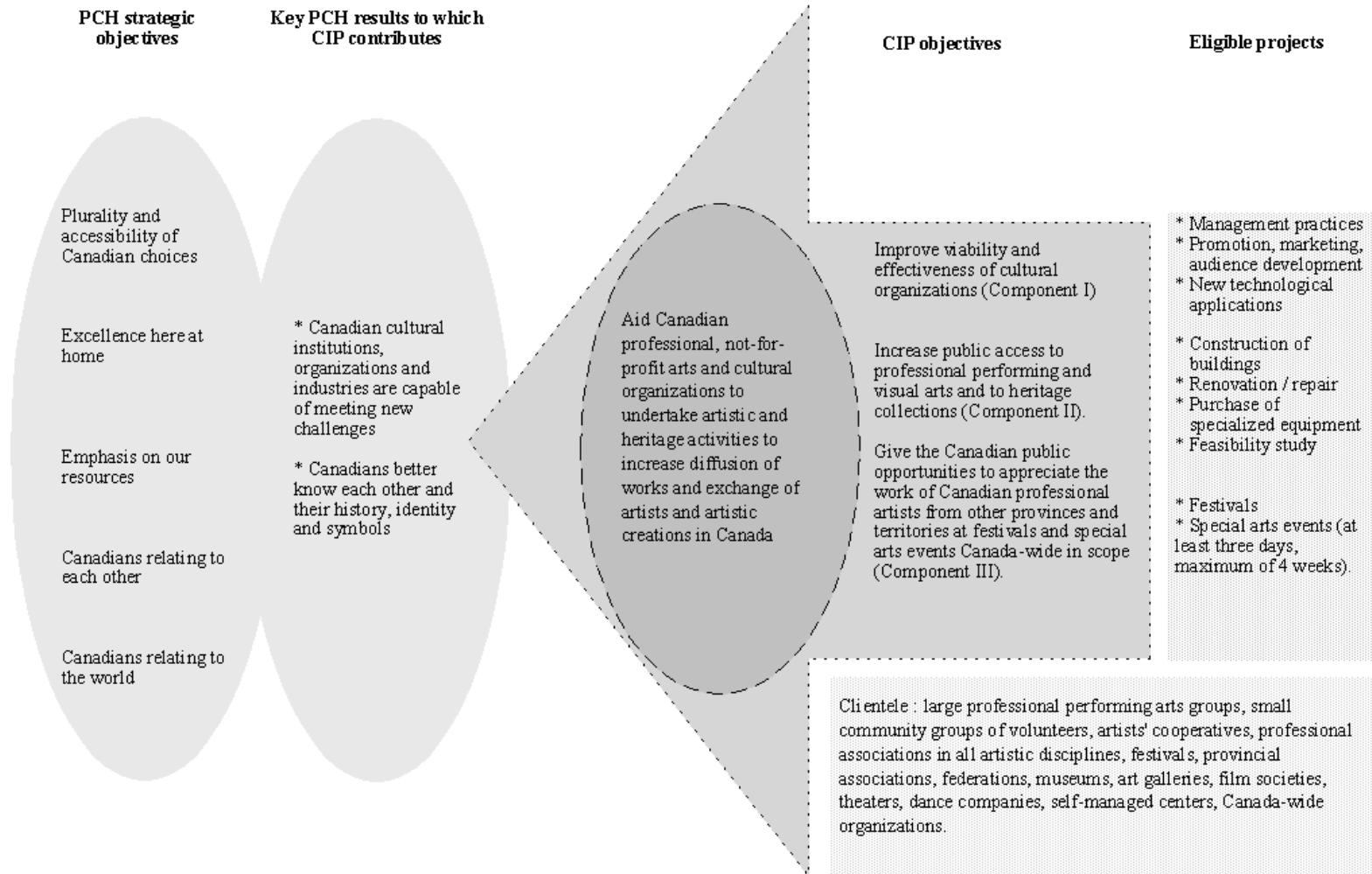
- Canadian arts and heritage organizations will present more cultural activities originating in the different regions of the country;
- Canadians will participate more in pan-Canadian artistic and cultural activities.

In the medium term, it is expected that the arts organizations will enjoy greater autonomy and financial independence. It is also important that physical infrastructure be constructed or improved, and better utilized for the creation, production or distribution of arts and heritage activities. Further, the CIP anticipates growth in the number of festivals and special arts events of Canada-wide scope, an increase in the number of Canadian artists invited to take part in arts or cultural activities outside their province or territory of origin, and an increase in attendance. The CIP hopes to reach Canadian artists and professional not-for-profit arts and cultural organizations, municipal and regional administrations, provincial and territorial government, and the Canadian people generally.

That is the vision to which CIP funding, as presently conceived, should contribute.



Cultural Initiatives Program logic model



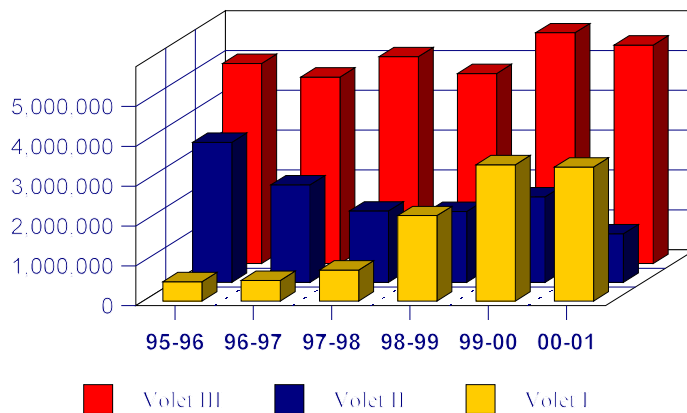


Annex C

| | 1995-1996 | 1996-1997 | 1997-1998 | 1998-1999 | 1999-2000 | 2000-2001 | Total |
|----------------------|-----------|-----------|-----------|-----------|------------|------------|------------|
| Component I | 485.9 | 517.972 | 776.374 | 2,144,084 | 3,421,222 | 3,361,500 | 10,707,052 |
| Component II | 3,515,277 | 2,447,447 | 1,789,919 | 1,780,469 | 2,146,918 | 1,220,000 | 12,900,030 |
| Component III | 5,027,349 | 4,683,518 | 5,196,361 | 4,773,043 | 5,797,872 | 5,487,000 | 30965.143 |
| Total | 9,028,526 | 7,648,937 | 7,762,654 | 8,697,596 | 11,366,012 | 10,068,500 | 54,572,225 |

* Amounts disbursed per year

Distribution du budget du PIC



[Distribution of CIP budget.

Volet=Component.]



Annex D

Documentation and information sources

- Statistics Canada, Survey of performing arts attendance and on participation in cultural activities
- Council for Business and the Arts in Canada, Annual Survey
- CAPACOA, Data evaluating activities and financing (revenues/expenditures) of presenters
- Canada Council for the Arts, Study of artistic tours in Canada
- Ekos, Annual survey on attitudes towards the arts in Canada and rates of participation
- Environics Research Group Limited, Survey of arts and heritage participation by Canadians, 2000
- Louise Poulin, Ginette Bergeron, Élisabeth MacKinnon, Roma Quapp, *Recherche conjointe sur la diffusion des arts de la scène au pays et à l'étranger au cours des dernière décennie [Joint research on outreach of performing arts in Canada and abroad over the past decade]*, May 2000
- Discussion document and minutes of consultations conducted by the CIP, 23 May to 21 July 2000
- CIP database
- Correspondence and minutes of discussions and meetings relating to funding of regional projects and on project funding via a national envelope
- Financial Analysis of Festivals supported by Cultural Initiatives Program, January 31, 2001



Annex E

Sampling of funding request files

Component I

| | | |
|-------|----------------------------------------------------------------|------------------------------------------------------------------------------|
| 95-96 | Alberta Performing Arts Stabilization Fund | Establishment and delivery of the Alberta Performing Arts Stabilization Fund |
| 96-97 | Grands Ballets Canadiens | Marketing strategies and audience development |
| 97-98 | Royal Conservatory of Music | Learning through the Arts Projects |
| 98-99 | Foundation for Heritage and Arts Stabilization and Enhancement | Implementation of the project FHASE 1998 (4 dossiers) |
| 99-00 | Vancouver Arts Stabilization Fund | Arts Partnering for Organizational Development |

Component II

| | | |
|-------|-----------------------------------------------|------------------------------------------------------------------------------------------|
| 95-96 | Ex Machina | Renovation and alteration to former Dalhousie fire hall |
| 96-97 | Chinese Cultural Centre of Greater Toronto | Construction of the Chinese Cultural Centre of Greater Toronto |
| 97-98 | Comité pour la salle multifonctionnelle | Construction d'une salle multifonctionnelle à Lamèque et achat d'équipements spécialisés |
| 98-99 | Société Maison de la francophonie à Vancouver | Renovation of Theatre Space (Studio 16) |
| 99-00 | Théâtre Périscope | Renovation and enlargement of Périscope Theater |



Canadian
Heritage

Patrimoine
canadien

Canada

Component III

| | | |
|-------|-----|---------------------------------------------------|
| 95-96 | NB | Festival International de la Musique Baroque 1995 |
| | On | Caribana 1995 |
| | Qc | Carnaval de Québec |
| | Man | Winnipeg Folk Festival 1995 |
| 96-97 | Al. | Fringe Theatre Event 1996 |
| | BC | Vancouver International Children's Festival 1996 |
| | Yu | Yukon International Story Telling Festival |
| 97-98 | NF | Year of the Arts Celebrations 1997 |
| | On | International Festival of Authors 1997 |
| | Qc | Festival de théâtre des Amériques 1996 |
| | NWT | Great Northern Arts Festival 1997 |
| 98-99 | PEI | Festival of Fathers |
| | NS | Scotia Festival of Music 1998 |
| | Man | Festival du Voyageur 1999 |
| | Sas | Saskatchewan Jazz Festival 1998 |
| 99-00 | On | Governor General's Performing Arts Awards 1999 |
| | BC | ArtScan 2000 |
| | Qc | Bourse Rideau |



**CIP Database
Analysis - Component I - 1995 to 2000**

NB: Amounts are sums allotted and not the sums disbursed during the year

| Management | Promotion | Technologies | Total |
|------------|-----------|--------------|-----------|
| 6 496 485 | 1 107 500 | 212 188 | 7 816 173 |

| | Management | | | | | Total |
|-------------|------------|--------|--------|-----------|-----------|------------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | | | | | | 0 |
| PEI | | | | | | 0 |
| NS | 5 000 | | | 825 000 | 150 000 | 980 000 |
| NB | | | | | | 0 |
| Qc | 20 000 | | 5 000 | 1 500 000 | | 1 525 000 |
| On | | | 30 000 | | 1 221 485 | 1 251 485 |
| Man | | | | | 1 000 000 | 1 000 000 |
| Sask | | | | | 500 000 | 500 000 |
| Al | 1 000 000 | | 4 000 | | 40 000 | 1 044 000 |
| BC | | 87 000 | | 59 000 | 50 000 | 196 000 |
| Yuk | | | | | | 0 |
| NWT | | | | | | 0 |



| | | | | | | |
|--------------|------------------|----------------|----------------|------------------|------------------|------------------|
| Nun | | | | | | 0 |
| Total | 1 025 000 | 87 000 | 39 000 | 2 384 000 | 2 961 485 | 6 496 485 |
| | Promotion | | | | | |
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | Total |
| NFLD | | | | | | 0 |
| PEI | | | | 5 000 | | 5 000 |
| NS | | | | | | 0 |
| NB | | | | | | 0 |
| Qc | | 217 500 | 74 500 | 175 000 | 12 500 | 479 500 |
| On | | | 255 000 | 1 000 | 82 000 | 338 000 |
| Man | | 9 000 | | | | 9 000 |
| Sask | | 65 000 | | | | 65 000 |
| Al | | | | | | 0 |
| BC | 40 000 | 101 000 | | 70 000 | | 211 000 |
| Yuk | | | | | | 0 |
| NWT | | | | | | 0 |
| Nun | | | | | | 0 |
| Total | 40 000 | 392 500 | 329 500 | 251 000 | 94 500 | 1 107 500 |



Canadian
Heritage

Patrimoine
canadien

Canada

| | Technologies | | | | | Total |
|--------------|---------------|---------------|--------------|---------------|----------|----------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | | | | | | 0 |
| PEI | | | | | | 0 |
| NS | | | | | | 0 |
| NB | | | | | | 0 |
| Qc | | | | | | 0 |
| On | 2 288 | | | | | 2 288 |
| Man | | | | | | 0 |
| Sask | | | | | | 0 |
| Al | | | | | | 0 |
| BC | 70 400 | 42 000 | 7 000 | 74 000 | | 193 400 |
| Yuk | 11 500 | 5 000 | | | | 16 500 |
| NWT | | | | | | 0 |
| Nun | | | | | | 0 |
| Total | 84 188 | 47 000 | 7 000 | 74 000 | 0 | 212 188 |



CIP Database
Analysis - Component II - 1995-2000

| Construction of buildings | Renovation/Repair | Purchase of equipment | Feasibility study | Total |
|---------------------------|-------------------|-----------------------|-------------------|------------|
| 1 883 400 | 116 566 028 | 331 000 | 60 000 | 13 925 428 |

| | Construction of buildings | | | | | Total |
|--------------|---------------------------|------------------|----------------|----------------|----------|------------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | | | | 175 000 | | 175 000 |
| PEI | | | | | | 0 |
| NS | | | | | | 0 |
| NB | | | 455 000 | | | 455 000 |
| Qc | | 78 400 | | | | 78 400 |
| On | | 750 000 | | | | 750 000 |
| Man | 100 000 | | | | | 100 000 |
| Sask | | 500 000 | | | | 500 000 |
| Al | | | | | | 0 |
| BC | | | | | | 0 |
| Yuk | | | | | | 0 |
| NWT | | | | | | 0 |
| Nun | | | | | | 0 |
| Total | 100 000 | 1 328 400 | 455 000 | 175 000 | 0 | 1 883 400 |



Canadian
Heritage

Patrimoine
canadien

Canada



| | Renovation/Repair | | | | | Total |
|--------------|-------------------|----------------|----------------|------------------|----------------|-------------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | | | | | | 0 |
| PEI | | | 80 000 | | | 80 000 |
| NS | 1 500 000 | | | | | 1 500 000 |
| NB | 32 000 | | 25 000 | | | 57 000 |
| Qc | 1 000 000 | 950 000 | 315 000 | 3 325 000 | 400 000 | 5 990 000 |
| On | 3 165 000 | | 311 528 | 100 000 | | 3 576 528 |
| Man | | | | | | 0 |
| Sask | | | | | | 0 |
| Al | | | | | | 0 |
| BC | | 15 000 | | 247 500 | | 262 500 |
| Yuk | | | | | | 0 |
| NWT | | | 10 000 | 175 000 | | 10 000 |
| Nun | | | | | | 0 |
| Total | 5 697 000 | 965 000 | 741 528 | 3 847 500 | 400 000 | 11 650 528 |



Canadian
Heritage

Patrimoine
canadien

Canada

| | Purchase of equipment | | | | | Total |
|--------------|-----------------------|---------------|----------------|----------|----------|----------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | | | | | | 0 |
| PEI | 5 000 | | | | | 5 000 |
| NS | 23 000 | | | | | 23 000 |
| NB | | | | | | 0 |
| Qc | | | 133 000 | | | 133 000 |
| On | | 55 000 | | | | 55 000 |
| Man | 105 000 | | | | | 105 000 |
| Sask | | | | | | 0 |
| Al | | | | | | 0 |
| BC | | 10 000 | | | | 10 000 |
| Yuk | | | | | | 0 |
| NWT | | | | | | 0 |
| Nun | | | | | | 0 |
| Total | 133 000 | 65 000 | 133 000 | 0 | 0 | 331 000 |



Canadian
Heritage

Patrimoine
canadien

Canada

| | Feasibility | | | | | Total |
|--------------|---------------|---------------|----------|----------|----------|---------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | | | | | | 0 |
| PEI | | | | | | 0 |
| NS | | | | | | 0 |
| NB | | | | | | 0 |
| Qc | | | | | | 0 |
| On | | 25 000 | | | | 25 000 |
| Man | | 55 000 | | | | 55 000 |
| Sask | 35 000 | | | | | 35 000 |
| Al | | | | | | 0 |
| BC | | | | | | 0 |
| Yuk | | | | | | 0 |
| NWT | | | | | | 0 |
| Nun | | | | | | 0 |
| Total | 35 000 | 25 000 | 0 | 0 | 0 | 60 000 |



CIP Database
Analysis - Component III - 1995 to 2000

| | Festivals and special arts events | | | | | Total |
|--------------|------------------------------------------|------------------|------------------|------------------|------------------|-------------------|
| | 95-96 | 96-97 | 97-98 | 98-99 | 99-00 | |
| NFLD | 11 700 | 41 700 | 711 700 | 37 200 | 6 200 | 808 500 |
| PEI | 15 800 | 13 800 | 10 000 | 80 000 | 11 000 | 130 600 |
| NS | 80 800 | 84 300 | 154 600 | 89 600 | 118 600 | 527 900 |
| NB | 71 100 | 57 100 | 99 500 | 59 500 | 112 500 | 399 700 |
| Qc | 2 260 500 | 1 812 500 | 2 214 000 | 1 780 000 | 1 747 500 | 9 814 500 |
| On | 1 417 000 | 1 332 500 | 1 105 100 | 1 324 500 | 1 465 553 | 6 644 653 |
| Man | 171 500 | 166 000 | 340 500 | 164 000 | 164 000 | 1 006 000 |
| Sask | 87 000 | 54 500 | 69 250 | 41 750 | 56 000 | 308 500 |
| Al | 305 000 | 310 000 | 271 000 | 281 000 | 303 000 | 1 470 000 |
| BC | 687 000 | 749 000 | 562 000 | 590 000 | 612 000 | 3 200 000 |
| Yuk | 29 000 | 29 000 | 27 000 | 31 000 | 59 000 | 175 000 |
| NWT | 25 000 | 25 000 | 27 000 | 25 000 | 25 000 | 127 000 |
| Nun | | | | | | 0 |
| Total | 5 161 400 | 4 675 400 | 5 591 650 | 4 503 550 | 4 680 353 | 24 612 353 |



Canadian
Heritage

Patrimoine
canadien

Canada

Annex G

Festivals receiving contributions since 1993

- Atlantic**
- Atlantic Fringe Festival Society
 - Centre Bras d'or Association
 - Festival Acadien de Caraquet Inc.
 - Festival by the Sea/Festival sur mer inc.
 - Festival International de Musique Baroque Inc.
 - Jazz East Rising Association
 - Labrador Creative Arts Festival Inc./Labrador East Integrated School Board
 - Lunenburg Folk Harbour Society
 - Musique Royal
 - Resource Centre for the Arts
 - Scotia Festival of Music
- Ontario**
- Algoma Arts Festival Association
 - Edward Johnson Music Foundation (Guelph Spring Festival Inc.)
 - Festival of the Sound
 - Fringe Festival of Independent Dance Artists
 - Fringe of Toronto Theatre Festival
 - Hamilton Wentworth Creative Arts (Festival of Friends)
 - Hamilton Wentworth Creative Arts (Earthsong Festival)
 - Harbourfront Corporation (1990) - Milk
 - Harbourfront Corporation (1990) - Molson Dry/Heineken
 - Huntsville Festival of the Arts
 - International Readings at Harbourfront
 - London International Children's Festival
 - Native Earth Performing Arts Inc.
 - Northern Lights Festival Boréal
 - Ottawa International Jazz Festival Inc.
 - Salon du Livre de Toronto
 - Three Centuries Festival
- Pacific**
- Calgary International Children's Festival Society
 - Canadian Institute of the Arts for Young Audiences
 - Coastal Jazz & Blues Society
 - Dawson City Music Festival Association
 - Edmonton Folk Music Festival Society
 - First Vancouver TheatreSpace Society
 - Fringe Theatre Adventures Society (Chinook Theatre Society)
 - Frostbite Music Society
 - Harrison Festival Society
 - Hornby Festival Society
 - Intrepid Theatre Company Society



Jazz City Festival Society
Salt Spring Festival of the Arts Society
Sunshine Coast Festival of the Written Arts
Vancouver Folk Music Festival Society
Vancouver International Writers Festival Society
Vancouver Recital Society
Vancouver Society for Early Music
Victoria Jazz Society
Works International Visual Arts Society

Prairies

25th Street Theatre Centre Inc
Festival du Voyageur Inc.
Festival of the Midnight Sun Society
Great Northern Arts Festival
Jazz Winnipeg Inc.
Manitoba Theatre Centre/Winnipeg Fringe Festival
Northern Saskatchewan International Children's Festival Inc.
Saskatchewan Jazz Festival Inc.
West End Cultural Centre Words on Stage/Winnipeg International Writers
Festival
Winnipeg Folk Festival
Winnipeg International Children's Festival
Winnipeg Symphony Orchestra Inc.

Quebec

Carrefour mondial de l'accordéon de Montmagny
Centre d'arts d'Orford J.M.C.
Corporation du Centre d'Art de Baie-Saint-Paul
Coup de coeur francophone
Domaine Forget de Charlevoix inc.
Festi-Jazz international de Rimouski
Festival d'été international de Québec
Festival international de jazz de Montréal
Festival international de Lanaudière
Festival international du film sur l'art
Festival Juste pour Rire
Francofolies de Montréal
Productions Plateforme inc



**Festivals and special arts events (1999-2000)
Participation**

| Regions | Nbre de représentations | Assistance | Artistes de votre province/territoire | Artistes d'autres provinces/territoires | Artistes étrangers |
|------------------------|--------------------------------|-------------------|----------------------------------------------|------------------------------------------------|---------------------------|
| Atlantic | 1129 | 186018 | 259 | 208 | 65 |
| Quebec | 3381 | 7693140 | 1428 | 296 | 740 |
| Ontario | 1772 | 608133 | 1163 | 466 | 297 |
| Prairies | 2579 | 293601 | 373 | 243 | 130 |
| Pacific | 5336 | 1497233 | 957 | 470 | 392 |
| Total | 14197 | 10278125 | 4190 | 1683 | 1624 |
| Origin of artists (%): | | | 56% | 22% | 22% |



**Year-round distribution of festivals and special arts events
(1999-2000)**

| Total | January | February | March | April | May | June | July | August | September | October | November | December |
|------------------------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|----------|----------|----------|
| Atlantic 21 | | | 1 | | 3 | 2 | 7 | 4 | 3 | | 1 | |
| Quebec 34 | | 2 | 1 | 1 | 4 | 9 | 7 | 2 | 4 | 2 | 2 | |
| Ontario 44 | 1 | 2 | | 1 | 6 | 8 | 14 | 4 | 2 | 3 | 2 | 1 |
| Prairies 15 | 1 | 1 | | | | 4 | 7 | 1 | | 1 | | |
| Pacific 43 | 3 | 4 | 4 | | 5 | 8 | 13 | 3 | 2 | 1 | | |
| 157 | 5 | 9 | 6 | 2 | 18 | 31 | 48 | 14 | 11 | 7 | 5 | 1 |



**Circulation of artists
(1999-2000)**

| Origin of artists | 1 (province or territory) | 2 (provinces or territories) | 3 (provinces or territories) | 4 (provinces or territories) | 5 (provinces or territories) | 6+ (provinces or territories) |
|--------------------------|----------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|-------------------------------------------------|--------------------------------------------------|
| Atlantic | | 1 | 6 | 1 | 6 | 5 |
| Quebec | 1 | 2 | 7 | 6 | 5 | 9 |
| Ontario | | 2 | 7 | 8 | 10 | 7 |
| Prairies | | 0 | 2 | 3 | 3 | 8 |
| Pacific | | 3 | 5 | 12 | 9 | 14 |
| Total | 1 | 8 | 27 | 30 | 33 | 43 |



Criteria for assessing projects submitted under the CIP

| | |
|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Component I</p> | <p>Status the organization</p> <p>Profile of the organization in the artistic contest and within its community Sound management practices Financial viability of organization Human resources available to undertake the project Current promotion/marketing strategies and business plans Success in audience development activities in its own province or territories and elsewhere in the country Degree of interaction with artists, companies and audience of other provinces and territories</p> <p>Relevance of project</p> <p>Affinity of project with program objectives Relevance of project to development of the organization Contribution of project to upgrading of promotion/marketing and new audience (and especially youth) development initiatives Feasibility of project Concrete and measurable results Creation of innovative partnerships Intensified collaboration between organizations of the same type Credibility of third party (consultants, training programs) Effect on other organizations</p> <p>Financial considerations</p> <p>Power to attract diverse sources of revenue to the project Budget prepared Project is financially viable Will increase revenue</p> |
| <p>Component II</p> | <p>The request should include:</p> <p>a concise statement of the goals and objectives of the project a detailed description of the project, particularly of the technical and artistic considerations in play, and the anticipated advantages. Where requests for assistance for feasibility studies are concerned, the parameters of the study will be submitted; proof that the board of directors is authorizing the project the amount requested under the CIP; a detailed breakdown of a balanced budget for all the activities of the project; proof that funds are coming from at least two sources of financing other than the Government of Canada. For feasibility studies, one other financing source only; investment forthcoming from the company making the application; copy of letters patent of the applicant organization or charter of its formation as a non-profit company; a description of the mandate, objectives and principal activities of the organization; the names, telephone numbers and titles of two persons responsible for the management of the project;</p> |



| | |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Component III</p> | <p>Programming</p> <ul style="list-style-type: none">mandate of the organizationarticulate artistic vision, demonstrated by programmingprofile of organization in the artistic context and in the communityCanadian content (participation of established or emerging Canadian artists)work conditions offered artist (technical aspects, program, artists' fees) <p>Access and audience development</p> <ul style="list-style-type: none">initiatives undertaken to reach new audiencesoutreach activities conceived in partnershiptrends in organized activities and in box-office revenuesinnovative advertising approachesquality or marketing toolsbreadth and nature of media coveragecollaboration with similar events on the national and international scenes <p>Management and finances</p> <ul style="list-style-type: none">management of the organization and accountability of managersratio of expenses devoted to artists' fees and to administration and marketingfinancial reliability of the festival or eventemployment potential% of revenue self-generatedability to collect revenues from various sources |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|



**Review of Cultural Initiatives Program
January 1994
Summary of recommendations**

Recommendation 1

That the Department acceded to the request of the arts and heritage worlds, which is that the Government of Canada adopt a cultural policy to serve as a framework for implementation of the Cultural Initiatives Programs and for other federal programs.

This policy should demonstrate the government's commitment to support cultural development in Canada by supporting the establishments, organizations and persons who are to the arts, heritage and culture.

Recommendation 2

That the Department study the advisability of consulting its strategies partners when developing a federal cultural policy.

Recommendation 3

That assistance to management be made one component, and that objectives are reviewed in the light of the following principles:

- this component supports initiatives which would have long-term effects on the framework and on methods for managing arts establishment;
- it primarily supports management development projects in which the applicant's employees participate directly, at all stages.

Recommendation 4

That the new management assistance component help organizations to improve their management capabilities through projects that combine the following elements:

- strategic planning
- organizational development
- financial planning
- development of fund-raising and marketing campaigns

Each request should be accompanied by a description of how the projects fits into the overall management of the organization and the results that would be obtained within a specified period.

Recommendation 5

That the Department of Canadian heritage reiterate its commitment to support only capital projects in which others public administrations and the private sector take part.

That the Department continue to require from every organization requesting aid for this purpose assurances that it will have sufficient resources for the long-term operation of the facilities.

Recommendation 6



Canadian
Heritage

Patrimoine
canadien

Canada

That the Department confirm that the festival and special events components forms an intergral part of the CIP and review its objectives and the eligibility and assessment criteria as well as the methods used to assess the success of the project.

Recommendation 7

That the objectives of the festival and special events component demonstrate the intention to support only festivals and special events that satisfy the following three criteria:

- organized and presented by a professional organization;
- oriented primarily towards the arts, culture, or both;
- be Canadian or international in scope.

Recommendation 8

That the eligibility criteria of the festivals component be revised and the contain definitions of the terms "arts", "cultural", "international" and "professional".

Recommendation 9

That after having revised the festivals component criteria, notification be made to all the festivals currently receiving assistance that the orientation of their programs and their eligibility will be re-assessed over the next two years in the light of the new criteria.

Recommendation 10

That the Department recognize that it would be more appropriate to call contributions paid out to festivals for project over five successive ears or more, "annual contribution".

That a category for eligible arts or cultural festivals subsidized for five or more successive years be created in the festival component.

Recommendation 11

That assessment of every request submitted in the annual contribution category include a rigorous assessment of all the request submitted and the results of previous contributions.

Recommendation 12

That all festivals receiving a contribution of more than \$25,000 be obliged to submit an audited financial statement for the entire festival, including a detailed report on the activity financed, rather than a report of the not-for-profit organization concerned.

Recommendation 13

That following this review, the Department re-examine the objectives of the CIP and revise them in the light of its priorities, the needs of the arts and cultural world, and the conclusions of this report.

Recommendation 14

That the Department implement one or more of the three following options:

- to continue the finance projects, but take more care to respect the definitions of "project" more fully;
- apply the concept of "weaning" (decreasing funding) to CIP contribution;



Canadian
Heritage

Patrimoine
canadien

Canada

- recognized that funding of support is the more effective form of assistance, both for the Department and for the organization or activity assisted, and develop a component for this purpose.

Recommendation 15

That if the CIP be at any time recast, the Department structure the program in line with these approaches.

Recommendation 16

That eligible activities be clearly substantiated and be communicated to the regional offices as well as to the clients; any exception to the application of eligibility criteria and any variation in interpretation by region shall be agreed, documented and communicated to employees and to clients.

Recommendation 17

That the Department specify CIP assessment criteria and communicate them to the stakeholders in writing.

That employees put in writing the reasons a request has been accepted or rejected, and that these reasons be communicated to the applicant.

Recommendation 18

That the Department specify what it expects by way of letters of support from politicians, and that it communicate its expectation to clients.

Recommendation 19

That the Department make the request form, the related instructions, and project assessment criteria clearer.

That the Department reduce processing time for requests to a maximum of four months (three at regional offices and one in Ottawa).

Recommendation 20

That the Department [*sic*] automate processing of requests.

Recommendation 21

That the Department study the advisability of making use of external adviser and technical experts, and of those from provincial governments.

Recommendation 22

That the Department make project follow up more formal so as to establish to what degree their objectives and those of the Program and of the Department have been attained, and that it use data just obtained to analyze continuously the performance of the Program, of the organizations, and of the projects.

Recommendation 23

That responsibility for analyzing the results of the different series of contributions approved in the regions and at headquarters, and of drawing up an overview, be tasked to the Director of Cultural Strategic Initiatives.

Recommendation 24

That the Department improve communications between the regions, headquarters, and client.



Canadian
Heritage

Patrimoine
canadien

Canada

Recommendation 25

That each regional office be provided with a CIP consultative committee.

Recommendation 26

That the Department simplify the structure for managing the contribution agreement.

Recommendation 27

That the Department, when it reviews the strategic orientation of the Program, takes into account the degree to which other support programs may meet the needs of the clientele.

Recommendation 28

That the Department develop service standards and performance indicators and that it use them to manage the Program.

Recommendation 29

That the Department give careful study to the other types of delivery systems proposed.

That the Department make a detailed examination of the preferred model, that of strategic partnerships with other main stakeholders, with a view to implementation as early as possible.

Recommendation 30

That every six months a list be published of all the projects supported by the CIP; this list would contain simply the names of the beneficiaries, the titles and short descriptions of the projects, and the amounts granted.

Recommendation 31

That cultural development officer positions continue to be filled by persons who have experience in the worlds of the arts and cultures and who have credibility there.

Recommendation 32

That officials of the Department of Canadian Heritage and of the CIP encourage the regional offices to pursue initiatives aimed at existing ethnic or linguistic groups and to broaden them wherever possible.

Recommendation 33

That the Department formulate criteria in respect of the eligibility of pan-Canadian service organizations.



Canadian
Heritage

Patrimoine
canadien

Canada

Annex M

Minutes of CIP consultations 23 May to 21 July

Scope of consultations

Forty-five provincial or municipal representatives in 12 provinces or territories were consulted and 12 discussion groups were held bringing together 170 festival directors, presenters of seasons, artists and directors of companies, representatives of artistic associations, of all disciplines, of all cultural backgrounds and all geographical origins. The Canadian Conference of the Arts, CAPACOA and RIDEAU also promoted among their membership a consultative website that was active until 21 July.

Cities visited were: Montreal, Ottawa, Toronto, Moncton, Halifax, St-John's, Vancouver, Victoria, Whitehorse, Edmonton, Calgary, Québec, Yellowknife, Regina and Winnipeg. Representatives from Prince Edward Island were invited to Moncton and those from Labrador to St-John's. Representatives from Nunavut joined the Yellowknife group.

Findings

Very broad diversity of types of presenters.

Programming of seasonal presenters is more conservative, given the need to stay within budget.

Presenters enjoying financial and administrative stability offer more diversified programming and outreach activities.

Presenters are at the end of their rope for lack of resources.

With the exception of Quebec, presenters receive very little government support, whether federal or provincial.

Budget reductions at Radio-Canada and the CBC and the merger of the two main Canadian airlines have contributed to presenters' exhaustion.

Suggestions

Develop a program to support operations and initiatives of presenters who showcase artists in a professional setting.

Encourage diversification of programming, outreach activities, professional development, audience development (including the young audience), as well as networking, co-productions, commissioning of works and the presentation of foreign artists.

Encourage cooperation among the different levels of government as well as between the various federal actors who are interested in the diffusion of the performing arts (Canada Council, NAC, DFAIT, PCH).

Respect the personality of the presenters and the local context.

Support development initiatives in the communities that would include non-professionals.

Definitions

Professional presenter

A presenter who selects his/her programming and plans his/her activities based on a clear and specific artistic vision nourished by his/her knowledge of the local community and professional artistic circles, and whose operations are managed in accordance with the community's professional criteria (including the negotiation of contracts and payment of fees) and who offers artists working conditions consistent with their professional standards.



Canadian
Heritage

Patrimoine
canadien

Canada

Diversified programming

Diversification of supply means greater choice for the Canadians in a given community. Greater choice of artistic disciplines, artistic genres (classical, traditional, contemporary, experimental, etc.), of artists' and achievements' cultural origins, greater linguistic or regional diversity on the stage.

Outreach activities

Outreach activities include all types of auxiliary activities developed in a community to increase the impact of the artists presented by a presenter. These include workshops, reading and artist in residence programs.



Canadian
Heritage

Patrimoine
canadien

Canada

Management Response

The Cultural Initiatives Program has been replaced by the Cultural Spaces Canada, Arts Presentation Canada and Canadian Arts and Heritage Sustainability programs.

The recommendations contained in the evaluation report were taken into consideration in the development of these programs.