

Cultural Investment by the City of Saskatoon

2009 to 2012



Report prepared by Kelly Hill



May 2014

Table of Contents

| | |
|--|----|
| <i>Executive Summary</i> | 1 |
| <i>Section 1: Introduction</i> | 7 |
| <i>Section 2: Local structure, plans, and non-financial supports for the cultural sector</i> | 8 |
| <i>Section 3: Saskatoon's cultural investment</i> | 13 |
| <i>Appendix: Definition of municipal cultural investment</i> | 22 |

Executive Summary

The main goal of this study is to quantify the City of Saskatoon's current investment in the arts, culture, and heritage using established methodology and definitions. Another important goal is to track whether the level of investment has increased or decreased since 2009.

Benchmarking of cultural investment levels can help municipal representatives understand how their city compares with other municipalities across the country. This information can be very useful, given the growing recognition that local investment in culture contributes to economic and social development. As noted in the City of Saskatoon's Culture Plan, "culture is inextricably linked to the city's economic, environmental, and social well-being". The Culture Plan also notes that "opportunities for culture and recreation are among Saskatoon's greatest strengths and vital to building a healthy city".

Via the Creative City Network of Canada, Hill Strategies Research approached staff members from a number of cities to see if they were interested in a custom study of cultural investments for four fiscal years (2009, 2010, 2011, and 2012). Seven cities decided to participate in this year's data capturing effort: Richmond, Edmonton, Saskatoon, Windsor, Hamilton, Oakville, and Halifax. The project is modelled on a similar study conducted for five of Canada's largest cities (Vancouver, Calgary, Toronto, Ottawa, and Montreal) as well as a separate study for the City of Mississauga.

No data currently cover municipal cultural spending in any detail, as Statistics Canada's *Government Expenditures on Culture* dataset only provides an estimate of cultural spending in *all* Canadian municipalities, with no breakdowns by municipality and only limited breakdowns by type of spending. Furthermore, Statistics Canada has discontinued the *Government Expenditures on Culture* survey.

As context to the analysis of Saskatoon's cultural investment, the next section of the summary provides information about the City's plans and non-financial supports for culture.

Saskatoon's plans and non-financial supports for the cultural sector

In September 2011, Saskatoon Council approved the City's first-ever Culture Plan. Some of the goals of the Culture Plan are to:

- Support the economy, including the creative sector;
- Attract and retain youth;
- Ensure that Saskatoon has a thriving and lively downtown;
- Maintain Saskatoon neighbourhoods' character and unique identity;
- Ensure that residents of all ages and income levels have access to arts and cultural opportunities; and
- Position the arts as a way to build bridges between cultures.

Providing a five to ten year vision for culture in Saskatoon, the Culture Plan identifies six strategic directions:

1. Arts sector support
2. Heritage
3. Youth
4. Diversity
5. Neighbourhoods
6. City Centre

The remaking of the Mendel Art Gallery into the Rемаi Art Gallery of Saskatchewan is a major development in Saskatoon's cultural sector. The Rемаi Art Gallery will be the largest in the province, bringing world-class national and international exhibitions to Saskatoon and celebrating Western Canada's contribution to the visual arts world.

In addition to its direct financial support for culture, the City of Saskatoon also provides significant indirect or non-monetary supports for the sector:

- Property tax abatements for arts and heritage organizations worth \$193,000 in 2012.
- Donation of services for arts, heritage, and festivals. These donations have been valued at about \$24,000.

Definition of municipal cultural investment

"Municipal cultural investment" includes operating, grant, and capital expenditures related to the performing arts, visual and media arts, crafts, design, museums, heritage, special events, multidisciplinary activities, creative and cultural industries, city-owned cultural facilities, cultural districts, public art, and other art purchases.

Net investment represents what is spent on cultural programs and services from the municipal tax base. Net investment, which excludes other sources of funding or revenue, is the main focus of this summary.

The raw cultural investment data were compiled by Saskatoon cultural staff members for 2009, 2010, 2011, and 2012 using the same definition of cultural services as other cities that have participated in this process. City staff held teleconferences with representatives from other municipalities and Hill Strategies Research to discuss the definition of culture before collecting and submitting their draft data. Kelly Hill of Hill Strategies Research closely examined the data submitted by City staff to ensure accuracy and consistency with other participating cities. A number of minor adjustments were made to the submitted data based on discussions between Hill Strategies and cultural staff members.

Note: While Saskatoon's arts and culture staff work within the Community Development Division of the City's Community Services Department, support for culture spans a number of municipal departments. The financial data in this report go beyond budgets managed directly by the Community Development Division, including City work units such as the Recreation & Sport Division, Saskatoon Land Division, the Planning & Development Division, City Clerks – City Archives, the Saskatoon Public Library, the Mendel Art Gallery Board, and Facilities & Fleet Management Division. Capital investments made by the City to build or maintain key cultural facilities, spaces, and infrastructure are also included.

Over \$10 million – or \$47 per local resident –invested in Saskatoon's cultural sector in 2012

The City of Saskatoon invested a net amount of \$10.5 million in the cultural sector in 2012, including \$5.2 million in operating expenditures, \$840,000 in grants, and \$4.4 million in capital expenditures.

The City of Saskatoon's investment represents \$47.05 per local resident in 2012 (based on the 2011 census population of 222,200). This includes \$23.43 in operating expenditures, \$3.78 in grants, and \$19.84 in capital expenditures.

The relatively large capital expenditures in 2012 reflect, in large part, the City of Saskatoon's substantial investment in the redevelopment of the Mendel Art Gallery into the Remai Art Gallery of Saskatchewan. The City's capital expenditures on culture were only \$1.64 per capita in 2009.

Operating expenditures increased from \$22.34 per capita in 2009 to \$23.43 in 2012, a 5% increase. (Like all figures in this report, these changes have not been adjusted for inflation or population growth.) While operating expenditures include administrative and staff costs, the largest components relate to City-owned facilities such as the Mendel Gallery, TCU Place, and local heritage properties.

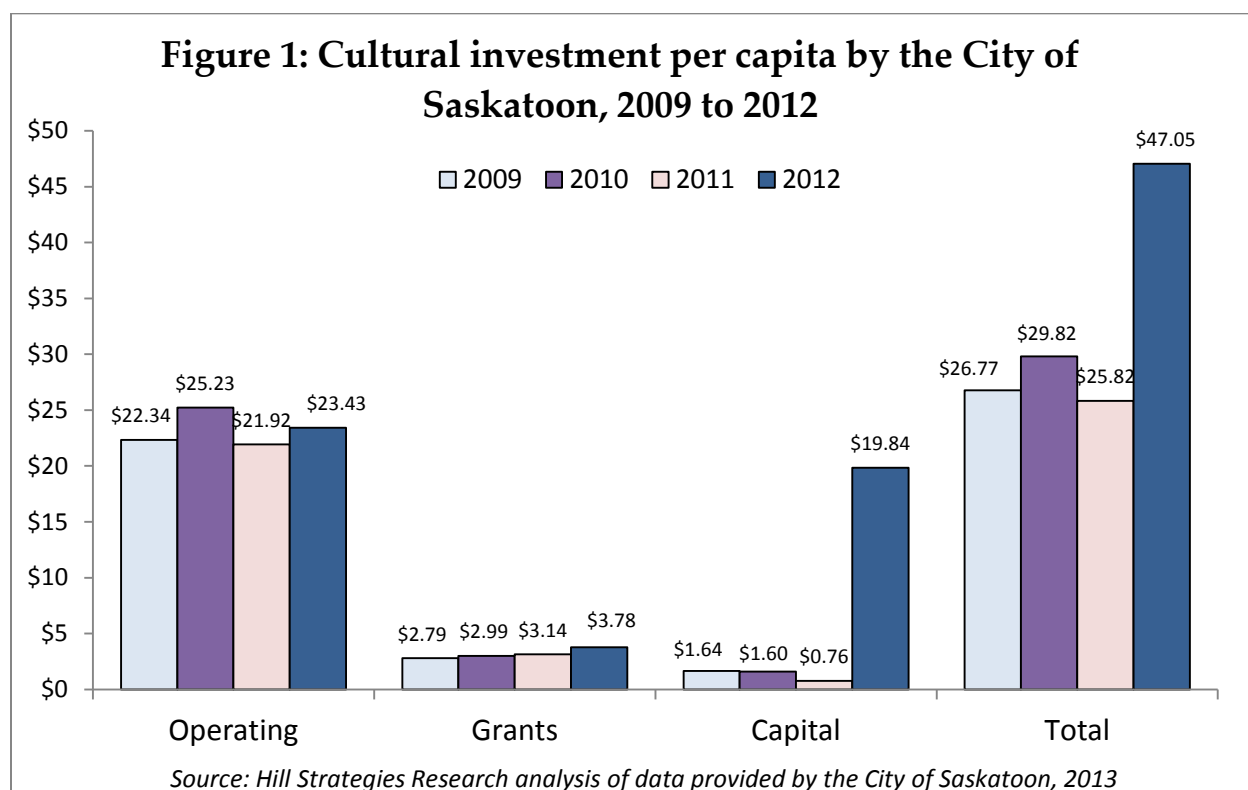
Grants from the City of Saskatoon to arts, culture, and heritage organizations increased from \$2.79 per resident in 2009 to \$3.78 in 2012. This 35% increase reflects the increase in operating and project grants as well as the phase-in of a capital granting program.

Two key indicators are examined in this report: 1) average spending over all four years; and 2) spending in 2012, the most recent year.

Overall cultural investment increased by 76% between 2009 and 2012

The City of Saskatoon's net cultural investment increased from \$5.9 million in 2009 to \$10.5 million in 2012, a 76% increase. On a per capita basis, the City of Saskatoon's investment in culture increased from \$26.77 per local resident in 2009 to \$47.05 in 2012.

Figure 1 demonstrates that the change in per capita investment was driven by a sharp increase in capital investments in 2012.



Saskatoon ranks second among seven cities on four-year average investment

Seven cities participated in the measurement of their cultural investments between 2009 and 2012: Edmonton (2011 census population of 812,200); Hamilton (519,900); Halifax (390,100); Saskatoon (222,200); Windsor (210,900); Richmond, B.C. (190,500); and Oakville (182,500).

The amounts invested by each of the cities fluctuated from year to year between 2009 and 2012. For this reason, the average annual investment per capita was compared between the cities, in addition to single-year data for 2012. An analysis of the four-year average investment in culture shows that Edmonton (\$34.39) ranks ahead of Saskatoon (\$32.36), followed by the other five cities: Richmond (\$23.52); Hamilton (\$23.51); Oakville (\$19.28); Halifax (\$17.19); and Windsor (\$12.49).

Operating expenditures on culture averaged \$23.23 in Saskatoon over the four-year period. This ranks first among the seven participating cities, followed by Hamilton (\$14.22), Halifax (\$12.85), Edmonton (\$11.77), Richmond (\$11.72), Oakville (\$10.30), and Windsor (\$4.53).

The four-year average of Saskatoon's cultural grants (\$3.17) ranked sixth among the seven cities, behind Edmonton (\$10.59), Richmond (\$5.60), Hamilton (\$4.49), Windsor (\$3.65), and Halifax (\$3.63), and ahead of only Oakville (\$0.99).

Capital expenditures on culture averaged \$5.96 in Saskatoon over the four-year period, ranking fourth among the seven cities. Capital expenditures over the four-year period were highest in Edmonton (\$12.03), followed by Oakville (\$8.00), and Richmond (\$6.20). The other three cities ranked below Saskatoon: Hamilton (\$4.80), Windsor (\$4.31), and Halifax (\$0.71).

2012: Saskatoon had substantial cultural investments compared with other cities

As noted above, the City of Saskatoon's net investment in culture was \$47.05 per capita in 2012 (with a large capital investment in that year). This level of investment ranks Saskatoon above the six other cities participating in this study (\$38.68 in Edmonton, \$31.85 in Richmond, \$24.10 in Hamilton, \$17.25 in Halifax, \$16.69 in Oakville, and \$15.30 in Windsor).

If Saskatoon's large capital investments are removed from the calculations, the City invested \$27.21 via operating expenditures and grants in 2012. By this revised measure, Saskatoon still ranks first among the seven cities, above Edmonton (\$23.90), Hamilton (\$19.50), Richmond (\$19.32), Halifax (\$16.66), Oakville (\$14.20), and Windsor (\$9.52).

Saskatoon's per capita investments via operating expenditures (\$23.43) and capital expenditures (\$19.84) both ranked first among the cities in 2012. Operating expenditures in the other cities were \$14.89 in Hamilton, \$13.22 in both Richmond and Oakville, \$13.24 in Halifax, \$11.83 in Edmonton, and \$5.87 in Windsor. Capital expenditures in the other cities were \$14.77 in Edmonton, \$12.53 in Richmond, \$5.79 in Windsor, \$4.59 in Hamilton, \$2.48 in Oakville, and \$0.59 in Halifax.

Saskatoon's cultural grants (\$3.78) ranked fourth among the seven cities in 2012, behind Edmonton (\$12.07), Richmond (\$6.09), and Hamilton (\$4.61), but ahead of Windsor (\$3.65), Halifax (\$3.42), and Oakville (\$0.98).

The growth in cultural investment in Saskatoon between 2009 and 2012 (76%) is larger than that measured in the other cities (53% in Oakville, 39% in Richmond, 33% in Windsor*, 23% in Edmonton, 17% in Hamilton, and a 5% decrease in Halifax). None of these figures were adjusted for inflation or population growth. (**Windsor's investments in 2009 were somewhat lower than normal because of a strike by municipal staff in that year. This would inflate the rate of change in Windsor between 2009 and 2012.*)

Details of Saskatoon's cultural investment

Table 1 provides details about the net cultural investment by the City of Saskatoon between 2009 and 2012, as well as the corresponding per capita amounts. (Net investment represents what is spent on cultural programs and services from the municipal tax base.)

| Table 1: Net cultural investment by the City of Saskatoon, 2009 to 2012 (2011 Census population: 222,200) | | | | | | | | |
|---|-----------------------------------|--------------|--------------|---------------|--------------------------------|----------------|----------------|----------------|
| Type of investment | Expenditures (\$ millions) | | | | Per capita expenditures | | | |
| | 2009 | 2010 | 2011 | 2012 | 2009 | 2010 | 2011 | 2012 |
| Operating expenditures | \$5.0 | \$5.6 | \$4.9 | \$5.2 | \$22.34 | \$25.23 | \$21.92 | \$23.43 |
| Grants | \$0.6 | \$0.7 | \$0.7 | \$0.8 | \$2.79 | \$2.99 | \$3.14 | \$3.78 |
| <i>Subtotal: Operating + grants</i> | <i>\$5.6</i> | <i>\$6.3</i> | <i>\$5.6</i> | <i>\$6.0</i> | <i>\$25.13</i> | <i>\$28.21</i> | <i>\$25.06</i> | <i>\$27.21</i> |
| Capital expenditures | \$0.4 | \$0.4 | \$0.2 | \$4.4 | \$1.64 | \$1.60 | \$0.76 | \$19.84 |
| Total (operating + grants + capital) | \$5.9 | \$6.6 | \$5.7 | \$10.5 | \$26.77 | \$29.82 | \$25.82 | \$47.05 |
| <i>Source: Hill Strategies Research analysis of data provided by the City of Saskatoon, 2013</i> | | | | | | | | |

Section 1: Introduction

The main goal of this study is to quantify the City of Saskatoon's current investment in the arts, culture, and heritage using established methodology and definitions. Another important goal is to track whether the level of investment has increased or decreased since 2009.

Benchmarking of cultural investment levels can help municipal representatives understand how their city compares with other municipalities across the country. This information can be very useful, given the growing recognition that local investment in culture contributes to economic and social development. Culture has myriad social connections, including strong relationships with education, citizens' social engagement, volunteering, and improved health. As noted in the City of Saskatoon's Culture Plan, "culture is inextricably linked to the city's economic, environmental, and social well-being". The Culture Plan also notes that "opportunities for culture and recreation are among Saskatoon's greatest strengths and vital to building a healthy city".

Included in this study: operating, grant and capital expenditures related to ...

- *performing arts*
- *visual and media arts*
 - *crafts*
 - *design*
 - *museums*
 - *heritage*
 - *special events*
- *multidisciplinary activities*
- *creative and cultural industries*
- *city-owned cultural facilities*
 - *cultural districts*
 - *public art*
- *other art purchases*

Via the Creative City Network of Canada, Hill Strategies Research approached staff members from a number of cities to see if they were interested in a custom study of cultural investments for four fiscal years (2009, 2010, 2011, and 2012). Seven cities decided to participate in this year's data capturing effort: Richmond, Edmonton, Saskatoon, Windsor, Hamilton, Oakville, and Halifax.

The project is modelled on a similar study conducted for five of Canada's largest cities (Vancouver, Calgary, Toronto, Ottawa and Montreal)¹ as well as a separate study for the City of Mississauga.

No data currently covers municipal cultural spending in any detail, as Statistics Canada's *Government Expenditures on Culture* dataset only provides an estimate of cultural spending in *all* Canadian municipalities, with no breakdowns by municipality and only limited breakdowns by type of spending. Furthermore, Statistics Canada has discontinued the *Government Expenditures on Culture* survey.

¹ *Municipal Cultural Investment in Five Large Canadian Cities*, Hill Strategies Research Inc., January 2012.

Section 2: Local structure, plans, and non-financial supports for the cultural sector

This section contains a general overview of the cultural services structure in the City of Saskatoon. This information provides context for the analysis of financial support for the cultural sector in the next section of the report.

City staff members provided Hill Strategies with documents and web links providing information about Saskatoon's organizational structure, plans, and non-financial supports for the cultural sector. Hill Strategies reviewed this information and created the following description, which covers:

- Arts and culture – Vital to building a healthy city
- Local initiatives and municipal structure
- Culture Plan
- Key directions
- Remai Art Gallery of Saskatchewan
- Indirect supports for culture

Arts and culture – Vital to building a healthy city

As noted in the City of Saskatoon's Culture Plan, "opportunities for culture and recreation are among Saskatoon's greatest strengths and vital to building a healthy city". Furthermore, "culture is inextricably linked to the city's economic, environmental and social well-being".

Local initiatives and municipal structure

While Saskatoon's arts and culture staff work within the Community Development Division of the City's Community Services Department, support for culture spans a number of municipal departments. Some key components of cultural support in Saskatoon include:

- Cultural Grant Program (major arts institutions, festivals, heritage)
- Cultural community development
- Arts programming, Culture Days
- Heritage: Facade Rehabilitation and Renovation Grant, special projects (e.g., Doors Open)
- Built heritage database
- Community heritage register
- Heritage awards
- City archives - reference services
- Local history room – Saskatoon Public Library
- Public art – permanent and temporary
- Commemoration program

- Mendel Art Gallery
- Historic cemeteries: Nutana and Woodlawn National Historic Site both have designation
- Stewards of Heritage Properties: Marr Residence, Albert Community Centre, 1913 Superintendent's Residence – Saskatoon Forestry Park & Zoo, Bowerman House
- TCU Place - Sid Buckwold Theatre

These civic programs and initiatives are supported by or involve the following City work units: Community Development Division; Recreation & Sport Division; Saskatoon Land Division; Planning & Development Division; City Clerks – City Archives; Facilities & Fleet Management Division; Saskatoon Public Library; Mendel Art Gallery Board.

City of Saskatoon – Arts and Culture

<http://www.saskatoon.ca/DEPARTMENTS/Community%20Services/Communitydevelopment/artsculture/Pages/arts.aspx>

The underpinnings of many of Saskatoon’s current cultural undertakings were established in the City’s successful bid to be a Cultural Capital of Canada in 2006. The initiatives and projects that resulted from this designation helped thousands of people to engage in a collective creative experience. For example, Saskatoon residents viewed public art that offered an interpretation of their collective past. Artists-in-the-community led residents to act in plays about their neighbourhoods while young artists gained skill and confidence guided by talented mentors. People participated in the dances of other cultures, and they joined thousands in celebrations of the city’s centennial. Equally important was the engagement of the community as a whole on the need and value of the arts, culture, and heritage to our city. Cultural Capitals proved to be a defining moment in Saskatoon’s cultural evolution – so much so that it led to calls for Saskatoon to sustain the momentum through the development of a culture plan.

Culture Plan

In September 2011, Saskatoon Council approved the City’s first-ever Culture Plan. Some of the goals of the Culture Plan are to:

- Support the economy, including the creative sector;
- Attract and retain youth;
- Ensure that Saskatoon has a thriving and lively downtown;
- Maintain Saskatoon neighbourhoods’ character and unique identity;
- Ensure that residents of all ages and income levels have access to arts and cultural opportunities; and
- Position the arts as a way to build bridges between cultures.

Six guiding principles were key in the development of the Culture Plan: accessible, inclusive in diversity, collaborative, sustainable, innovative, and responsible leadership. The Culture Plan involved extensive community consultations, including discussions with:

- A wide range of City departments and divisions;
- Not-for-profit arts, culture, and heritage organizations;
- Individual artists from a range of disciplines;
- Business leaders inside and outside the creative industries;
- The University of Saskatchewan;
- Local school boards;
- Community associations; and
- Hundreds of residents through the *Saskatoon Speaks – City Visioning* community conversations.

The Culture Plan also outlines the role that the City of Saskatoon can play in culture, specifically as an enabler, convenor, broker and facilitator.

City of Saskatoon Culture Plan (2011)

<http://www.saskatoon.ca/DEPARTMENTS/Community%20Services/Communitydevelopment/artsculture/Pages/CulturePlan.aspx>

Key directions

Providing a five to ten year vision for culture in Saskatoon, the Culture Plan identifies six strategic directions:

1. Arts sector support
2. Heritage
3. Youth
4. Diversity
5. Neighbourhoods
6. City Centre

Aiming to build capacity within the cultural sector, strategies related to arts sector support include developing a strong knowledge base and understanding of cultural resources throughout the city; coordinating roles, responsibilities and delivery mechanisms among funding and support agencies to address Culture Plan objectives; and focusing on building long-term stability within Saskatoon’s cultural sector.

In the area of heritage, the Culture Plan strives to ensure that cultural heritage is conserved and valued. Strategies within this strategic direction include identifying and conserving Saskatoon’s distinctive natural and built heritage resources; piloting and promoting innovative approaches

to interpreting and promoting cultural heritage resources and experiences; and building upon the City's and community's capacity to support heritage conservation.

The youth-related strategy aspires to cultivate the conditions for youth and young professionals to thrive, including strategies to: explore partnerships to develop small business supports focused on artists and creative entrepreneurs; connect youth to training opportunities in the cultural sector; and leverage partnerships with educational institutions to generate opportunities for new research and mentorship.

The diversity strategy seeks to value and celebrate diversity and strengthen opportunities for cultural interaction by supporting and enabling cross-cultural initiatives in the community as well as developing opportunities for diverse cultural expression in civic spaces and places.

Regarding neighbourhoods, the Culture Plan endeavours to support and enable cultural development at the neighbourhood level. Neighbourhood-related strategies include: developing a neighbourhood-based cultural facility strategy; integrating a cultural approach to the community planning and development process; initiating and supporting partnerships to deliver a cultural campaign, unique to each neighbourhood; and developing a Public Art Program that includes new policies and procedures for commemorative and interpretive public art.

The Culture Plan also aims to develop the city centre as a cultural district. Strategies related to City Centre cultural development include reinforcing the clustering of cultural infrastructure and activities in the city centre and facilitating access by walking, biking and transit; supporting the emergence of River Landing as a new cultural gathering place; and supporting collaborative efforts that enhance tourism destinations, products and experiences.

Remai Art Gallery of Saskatchewan

The remaking of the Mendel Art Gallery into the Remai Art Gallery of Saskatchewan is a major development in Saskatoon's cultural sector. The Remai Art Gallery will be the largest in the province, bringing world-class national and international exhibitions to Saskatoon and celebrating Western Canada's contribution to the visual arts world.

On June 3, 2011, Saskatoon philanthropist Ellen Remai announced a donation of \$30 million to the project, on behalf of the Frank and Ellen Remai Foundation. The gift provides for \$15 million toward the construction costs of the 12,600-square-metre, four-storey gallery, and \$500,000 annually for 30 years to enhance the new gallery's exhibition programming.

The three levels of government have committed a total of \$51 million for construction of the new gallery, and the remainder has been raised by the Board of Trustees through a \$20-million private sector fundraising campaign. The Remai Art Gallery of Saskatchewan is expected to open in 2016.

Indirect supports for culture

In addition to its direct financial support for culture, the City of Saskatoon also provides significant indirect or non-monetary supports for the sector:

- Property tax abatements for arts and heritage organizations worth \$193,000 in 2012.
- Donation of services for arts, heritage, and festivals. These donations have been valued at about \$24,000.
- Approval, development, and planning work related to cultural areas such as the plan to develop the City Centre as a cultural hub.

The City also owns and operates spaces and facilities that help activate and encourage culture to happen. For example, riverbank parks are home to the community's major festivals, the riverbank amphitheatre at River Landing serves as a cultural gathering place, and the City also has a portable stage that it rents for a low fee.

Section 3: Saskatoon's cultural investment

This section provides the overall dollar value and per capita calculation of Saskatoon's financial support for the cultural sector in 2009, 2010, 2011, and 2012. Comparisons with other cities that participated in the data collection process are also provided here, based on per capita amounts using the 2011 census population.²

Definition and methodology

"Municipal cultural investment" includes operating, grant and capital expenditures related to the performing arts, visual and media arts, crafts, design, museums, heritage, special events, multidisciplinary activities, creative and cultural industries, city-owned cultural facilities, cultural districts, public art, and other art purchases.³ In cases where recreation or other facilities or squares are partially used for culture, a portion of the expenses has been included in the study.⁴

The definition used in this report bears many similarities to, but is slightly narrower than, what Statistics Canada measured in order to produce estimates of government spending on culture.⁵

Public libraries are an important community resource and often a venue for significant cultural activity. However, in Saskatoon, as in many cities, public libraries are managed by a separate library board. For this reason, as well as to focus on other types of cultural investments, library expenditures are excluded from this study.

The data represent actual amounts spent in each year, not budgeted amounts.

The raw cultural investment data were compiled by Saskatoon cultural staff members for 2009, 2010, 2011, and 2012, using the same definition of cultural services as other cities that have participated in this process. City staff held teleconferences with representatives from other participating cities and Hill Strategies Research to discuss the definition of culture before collecting and submitting their draft data. Kelly Hill of Hill Strategies Research closely examined the data submitted by City staff to ensure accuracy and consistency with other cities.

² Population data from the 2011 census were used in order to ensure the comparability of the population estimates between the participating cities.

³ The detailed definition is provided in an appendix.

⁴ These expenses are allocated by the number of cultural events as a proportion of total events in the facility or by the square footage of spaces with a cultural use as a proportion of total square footage. The exception to this rule is local arenas, which have not been considered cultural facilities for the purposes of this report because they are most commonly used for large sporting events. It should be noted, however, that large-scale concerts and performances sometimes take place in arena facilities.

⁵ Key differences relate to the exclusion, in this study, of some heritage-related expenditures and the exclusion of library expenditures. These modifications are not intended to imply that excluded aspects of the definition are less important for creative-city building. Rather, the modifications reflect the simple fact that these items could not be reliably measured for this study. As noted in the introduction to this report, Statistics Canada's *Government Expenditures on Culture* dataset, which has now been discontinued, provided an estimate of cultural spending in all Canadian municipalities, with no breakdowns by municipality and only limited breakdowns by type of spending.

A number of minor adjustments were made to the submitted data based on discussions between Hill Strategies and cultural staff members.

The cultural investment data capture both “gross” and “net” investment. Gross expenditures include investment from the municipal tax base as well as all other sources of funds that are used for cultural investment, including transfers from other levels of government for cultural projects or programs, revenues from ticket sales for city-owned or operated cultural spaces, rental revenues for city-owned cultural spaces, and sponsorships of city-managed cultural programs and events.

Net investment represents what is spent on cultural programs and services from the municipal tax base. Net investment, which excludes other sources of funding or revenue, is the main focus of this report.

Data limitations

Per capita figures, although a widely used basis for comparison, are not a perfect comparator between cities, especially in cases where there is a large population disparity.⁶

Furthermore, municipal cultural investments tend to fluctuate from year to year. For example, a city that has made a major (but short-term) capital investment in a cultural facility may rank very highly for a short period of time but may not have the largest ongoing support for the cultural sector.

In addition to overall cultural investments per capita, two other key measurements are provided in this report to attempt to address these concerns: 1) operating and grant expenditures per capita (eliminating the effects of large capital spending); and 2) average annual investment per capita over the whole period (2009 to 2012).

In theory, another key indicator might be operating and grant expenditures on culture as a percentage of total municipal operating spending. However, cities in different provinces have significantly different financial responsibilities and therefore significantly different spending levels.⁷ As such, comparisons on this basis between cities in different provinces are not appropriate.

⁶ For example, a very small city that has a city-owned museum or performing arts centre might have much higher per capita cultural spending than a very large city with a broad range of cultural programs and services.

⁷ For example, take the cities of Saskatoon, Saskatchewan (population 222,200) and Windsor, Ontario (population 210,900). Despite their similar population levels, Saskatoon’s total spending in 2012 was approximately one-half of that of Windsor. The majority of this difference is due to the absence of spending on social and family services in Saskatoon. This is the largest line item in Windsor’s budget.

Over \$10 million – or \$47 per local resident – invested in Saskatoon's cultural sector in 2012

The City of Saskatoon invested a net amount of \$10.5 million in the cultural sector in 2012, including \$5.2 million in operating expenditures, \$840,000 in grants, and \$4.4 million in capital expenditures.

The City of Saskatoon's investment represents \$47.05 per local resident in 2012 (based on the 2011 census population of 222,200). This includes \$23.43 in operating expenditures, \$3.78 in grants, and \$19.84 in capital expenditures.

The relatively large capital expenditures in 2012 reflect, in large part, the City of Saskatoon's substantial investment in the redevelopment of the Mendel Art Gallery into the Remai Art Gallery of Saskatchewan. Saskatoon's capital expenditures were very low in 2009 (\$1.64 per capita). This amount did not change in 2010 (\$1.60) and decreased in 2011 (\$0.76) before increasing exponentially in 2012 (\$19.84) due to the investment in the Remai Gallery.⁸ Like all figures in this report, these changes have not been adjusted for inflation or population growth.

City of Saskatoon grants increased substantially

Grants from the City of Saskatoon to arts, culture, and heritage organizations increased from \$2.79 per resident in 2009 to \$3.78 in 2012. This 35% increase reflects the increase in operating and project grants as well as the phase-in of a capital granting program. Figure 2 shows that Saskatoon's cultural granting increased in every year between 2009 and 2012.

Saskatoon operating expenditures increased very slightly

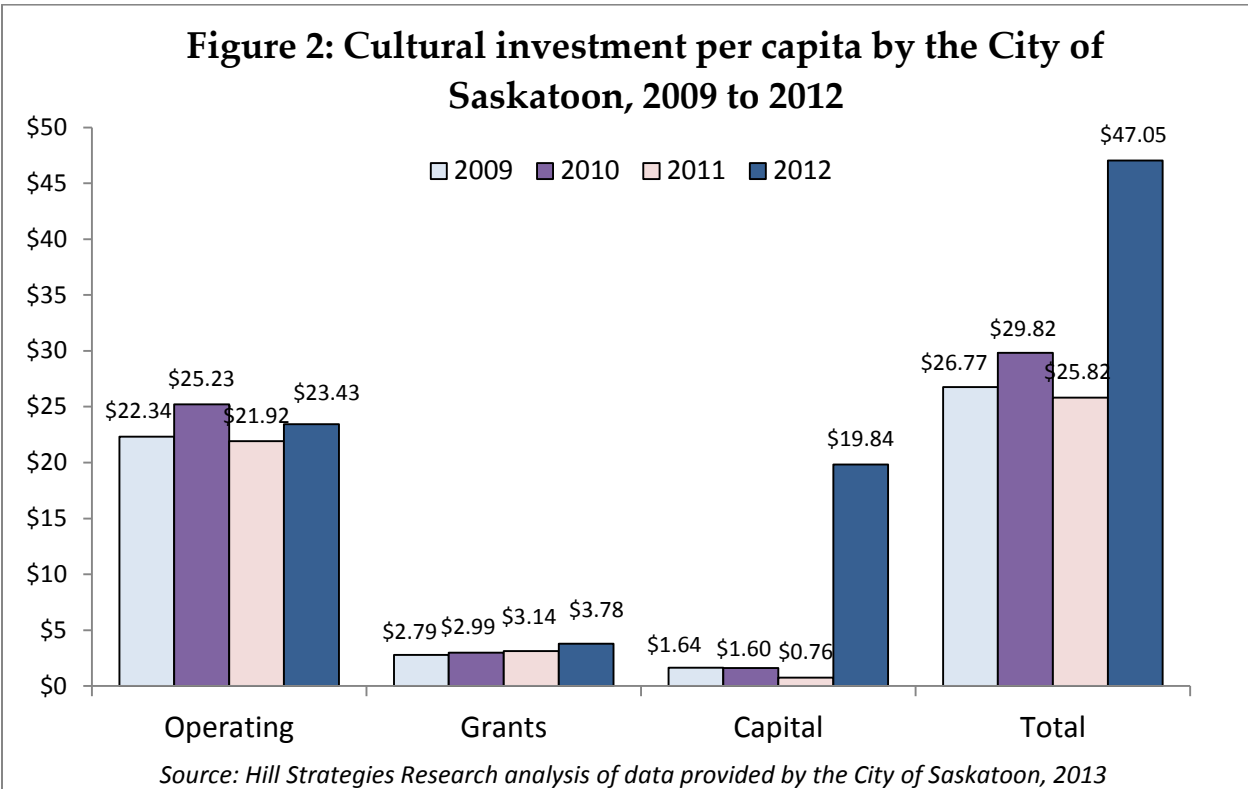
As shown in Figure 2, operating expenditures increased from \$22.34 per capita in 2009 to \$23.43 in 2012, a 5% increase. While operating expenditures include administrative and staff costs, the largest components relate to City-owned facilities such as the Mendel Gallery, TCU Place, and local heritage properties.

Overall cultural investment increased by 76% between 2009 and 2012

The City of Saskatoon's net cultural investment increased from \$5.9 million in 2009 to \$10.5 million in 2012, a 76% increase (not adjusted for inflation or population growth).

Saskatoon's investment in culture increased from \$26.77 per local resident in 2009 to \$47.05 in 2012. Figure 2 demonstrates that the change in per capita investment was driven by a sharp increase in capital investments in 2012.

⁸ A growing need for capital refurbishment in the cultural sector has also been identified in reports such as *Under Construction: The State of Cultural Infrastructure in Canada*. Nancy Duxbury (Ed.). Vancouver: Centre of Expertise on Culture and Communities, Simon Fraser University (2008).



Figures 3 and 4 provide a breakdown of the City’s net investment in culture in 2009 and 2012. As shown in Figure 3, the City’s investment in the cultural sector in 2009 was dominated by operating expenditures (83%), followed by grants (10%), and capital expenditures (6%). Figure 4 shows that, in 2012, operating expenditures were still the largest component (50%), but capital expenditures were also significant (42%). Grants – although larger in 2012 than in 2009 – represented only 8% of total cultural expenditures in 2012.

Figure 3: Breakdown of City of Saskatoon cultural investment in 2009

Total: \$5.9 million

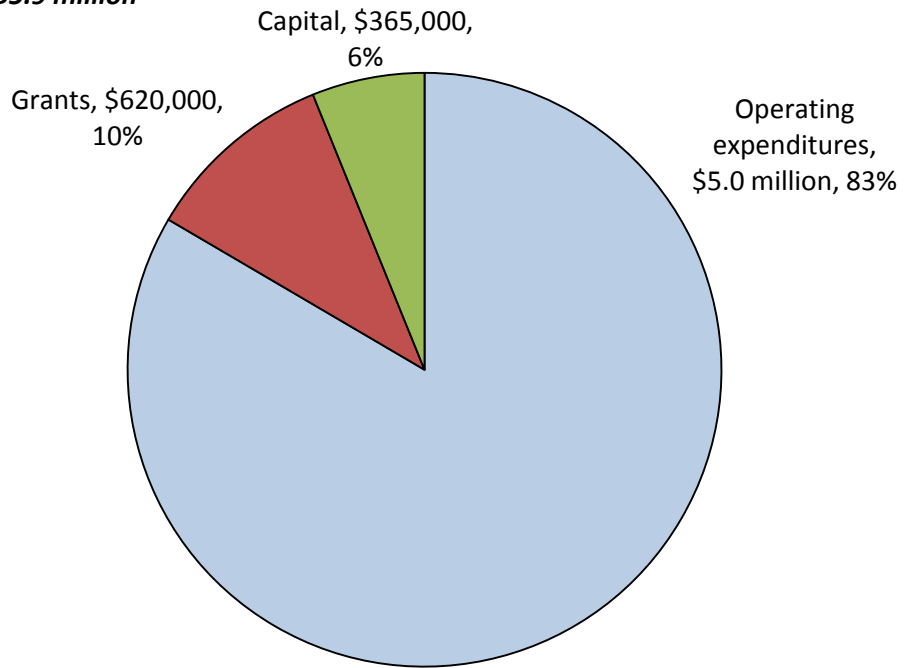
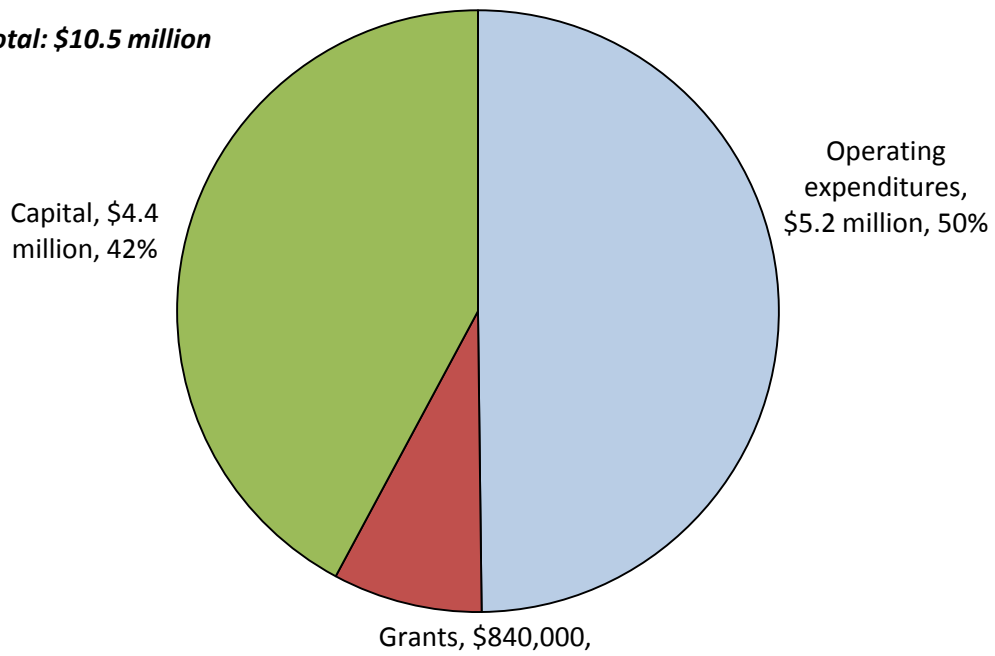


Figure 4: Breakdown of City of Saskatoon cultural investment in 2012

Total: \$10.5 million



Source: Hill Strategies Research analysis of data provided by the City of Saskatoon, 2013

Four-year average: Saskatoon ranks second among seven cities

Only a limited number of cities have conducted this type of measurement of their municipal cultural investments. As such, the pool of comparison cities is somewhat limited. Seven cities participated in the measurement of their cultural investments between 2009 and 2012.

- Edmonton (2011 census population of 812,200)
- Hamilton (519,900)
- Halifax (390,100)
- Saskatoon (222,200)
- Windsor (210,900)
- Richmond, B.C. (190,500)
- Oakville (182,500)

The amounts invested by each of the cities fluctuated from year to year between 2009 and 2012. For this reason, the average annual investment per capita was compared between the cities, in addition to single-year data for 2012. An analysis of the four-year average investment in culture shows that Edmonton (\$34.39) ranks ahead of Saskatoon (\$32.36), followed by the other five cities: Richmond (\$23.52); Hamilton (\$23.51); Oakville (\$19.28); Halifax (\$17.19); and Windsor (\$12.49).

Operating expenditures on culture averaged \$23.23 in Saskatoon over the four-year period. This ranks first among the seven participating cities, followed by Hamilton (\$14.22), Halifax (\$12.85), Edmonton (\$11.77), Richmond (\$11.72), Oakville (\$10.30), and Windsor (\$4.53).

The four-year average of Saskatoon's cultural grants (\$3.17) ranked sixth among the seven cities, behind Edmonton (\$10.59), Richmond (\$5.60), Hamilton (\$4.49), Windsor (\$3.65), and Halifax (\$3.63), and ahead of only Oakville (\$0.99).

Capital expenditures on culture averaged \$5.96 in Saskatoon over the four-year period, ranking fourth among the seven cities. Capital expenditures over the four-year period were highest in Edmonton (\$12.03), followed by Oakville (\$8.00), and Richmond (\$6.20). The other three cities ranked below Saskatoon: Hamilton (\$4.80), Windsor (\$4.31), and Halifax (\$0.71).

2012: Saskatoon had substantial cultural investments compared with other cities

As noted above, the City of Saskatoon's net investment in culture was \$47.05 per capita in 2012 (with a large capital investment in that year). This level of investment ranks Saskatoon above the six other cities participating in this study (\$38.68 in Edmonton, \$31.85 in Richmond, \$24.10 in Hamilton, \$17.25 in Halifax, \$16.69 in Oakville, and \$15.30 in Windsor).

If Saskatoon's large capital investments are removed from the calculations, the City invested \$27.21 via operating expenditures and grants in 2012. By this revised measure, Saskatoon still

ranks first among the seven cities, above Edmonton (\$23.90), Hamilton (\$19.50), Richmond (\$19.32), Halifax (\$16.66), Oakville (\$14.20), and Windsor (\$9.52).

Saskatoon's per capita investments via operating expenditures (\$23.43) and capital expenditures (\$19.84) both ranked first among the cities in 2012. Operating expenditures in the other cities were \$14.89 in Hamilton, \$13.22 in both Richmond and Oakville, \$13.24 in Halifax, \$11.83 in Edmonton, and \$5.87 in Windsor. Capital expenditures in the other cities were \$14.77 in Edmonton, \$12.53 in Richmond, \$5.79 in Windsor, \$4.59 in Hamilton, \$2.48 in Oakville, and \$0.59 in Halifax.

Saskatoon's cultural grants (\$3.78) ranked fourth among the seven cities in 2012, behind Edmonton (\$12.07), Richmond (\$6.09), and Hamilton (\$4.61), but ahead of Windsor (\$3.65), Halifax (\$3.42), and Oakville (\$0.98).

The growth in cultural investment in Saskatoon between 2009 and 2012 (76%) is larger than that measured in the other cities (53% in Oakville, 39% in Richmond, 33% in Windsor*, 23% in Edmonton, 17% in Hamilton, and a 5% decrease in Halifax). None of these figures were adjusted for inflation or population growth. (**Windsor's investments in 2009 were somewhat lower than normal because of a strike by municipal staff in that year. This would inflate the rate of change in Windsor between 2009 and 2012.*)

Saskatoon's investment in 2009 compared with six larger cities

Five large cities participated in the initial study of cultural investments between 2006 and 2009. Following the publication of the initial report, the City of Mississauga undertook a process of measuring their cultural investment between 2008 and 2011. Given the availability of their data for at least one identical year, these cities are also potential comparator municipalities. However, their population bases are much larger than Saskatoon's:

- Toronto (2011 census population of 2,615,100)
- Montreal (1,649,500)
- Calgary (1,096,800)
- Ottawa (883,400)
- Mississauga (713,400)
- Vancouver (603,500)

A proper comparison with the five large cities in the original study requires two adjustments to the above analysis of Saskatoon's per capita investment: 1) The focus is on 2009, the first year covered by this report but the only year in common with the previous study. 2) In order to be consistent with the previous study, Saskatoon's population from the 2006 census is used, rather than 2011 census data.

Using the City's 2006 census population (202,400), Saskatoon's level of investment in 2009 was \$29.38. Compared with the five large cities, Saskatoon would have been surpassed by Montreal (\$54.91), Vancouver (\$47.33), and Calgary (\$42.39) in that year. The cultural investment by the City of Saskatoon in 2009 was larger than that by Ottawa (\$27.58), Toronto (\$18.98), and Mississauga (\$9.44).

Full details: Saskatoon cultural investment

Table 2 provides full details about the gross and net cultural investment by the City of Saskatoon between 2009 and 2012, as well as the corresponding per capita amounts. Gross cultural investment in Saskatoon increased from \$8.2 million in 2009 to \$13.1 million in 2012, a 59% increase (not adjusted for inflation or population growth). Gross expenditures include investment from the municipal tax base as well as all other sources of funds that are used for cultural investment, including transfers from other levels of government for cultural projects or programs, revenues from ticket sales for city-owned or operated cultural spaces, rental revenues for city-owned cultural spaces, and sponsorships of city-managed cultural programs and events. Net investment – the main focus of this report – represents what is spent on cultural programs and services from the municipal tax base.

Table 2: Cultural investment by the City of Saskatoon, 2009 to 2012
(2011 Census population: 222,200)

| Type of investment | <i>Expenditures (\$ millions)</i> | | | | | | | |
|--|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Gross | | | | Net | | | |
| | 2009 | 2010 | 2011 | 2012 | 2009 | 2010 | 2011 | 2012 |
| Operating expenditures | \$7.2 | \$8.1 | \$7.6 | \$7.8 | \$5.0 | \$5.6 | \$4.9 | \$5.2 |
| Grants | \$0.6 | \$0.7 | \$0.7 | \$0.8 | \$0.6 | \$0.7 | \$0.7 | \$0.8 |
| <i>Subtotal: Operating + grants</i> | \$7.9 | \$8.7 | \$8.3 | \$8.7 | \$5.6 | \$6.3 | \$5.6 | \$6.0 |
| Capital expenditures | \$0.4 | \$0.4 | \$0.2 | \$4.4 | \$0.4 | \$0.4 | \$0.2 | \$4.4 |
| Total (operating + grants + capital) | \$8.2 | \$9.1 | \$8.5 | \$13.1 | \$5.9 | \$6.6 | \$5.7 | \$10.5 |
| Type of investment | <i>Per capita expenditures</i> | | | | | | | |
| | Gross | | | | Net | | | |
| | 2009 | 2010 | 2011 | 2012 | 2009 | 2010 | 2011 | 2012 |
| Operating expenditures | \$32.62 | \$36.32 | \$34.31 | \$35.26 | \$22.34 | \$25.23 | \$21.92 | \$23.43 |
| Grants | \$2.79 | \$2.99 | \$3.14 | \$3.78 | \$2.79 | \$2.99 | \$3.14 | \$3.78 |
| <i>Subtotal: Operating + grants</i> | \$35.42 | \$39.30 | \$37.45 | \$39.04 | \$25.13 | \$28.21 | \$25.06 | \$27.21 |
| Capital expenditures | \$1.64 | \$1.60 | \$0.76 | \$19.84 | \$1.64 | \$1.60 | \$0.76 | \$19.84 |
| Total (operating + grants + capital) | \$37.06 | \$40.90 | \$38.22 | \$58.88 | \$26.77 | \$29.82 | \$25.82 | \$47.05 |
| <i>Source: Hill Strategies Research analysis of data provided by the City of Saskatoon, 2013</i> | | | | | | | | |

Appendix: Definition of municipal cultural investment

Division of cultural investments into gross and net expenditures

The data in this report captures both “gross” and “net” investments for operating, grant and capital expenditures on culture. The text of the report focuses on the net cultural investments, while detailed tables in the report also contain the gross investment figures.

Gross expenditures

Gross expenditures include investments from the municipal tax base as well as all other sources of funds that are used for cultural investments, including transfers from other levels of government for cultural projects or programs, revenues from ticket sales for city-owned or operated cultural spaces, rental revenues for city-owned cultural spaces, and sponsorships of city-managed cultural programs and events.

Net expenditures

In general, net investments represent what is spent on cultural programs and services from the municipal tax base. For the most part, net investments exclude all other sources of funding or revenue.

Local cultural funding does not have to come from property taxes to be included in the data. For example, proceeds from a hotel levy should be included, provided that there is municipal discretion involved in applying the levy and/or distributing the proceeds. These amounts could be included in performing arts, heritage, or other areas that are funded by the proceeds.

Net expenditures might also include some exceptional items related to discretionary municipal cultural investments. Because the decision-making process for investing the funds is at the discretion of the local city council (or individual local politicians) and is similar to the process of directing municipal tax revenues, these exceptional items are included in the net investment figures even though they do not come from regular tax revenues.

An example of discretionary municipal cultural investments relates to funds received in Ontario via “Section 37” negotiations with developers. These private funds, negotiated between the developer, the local councillor and city staff, are directed toward community benefits in return for higher density. In cases where these community benefits are allocated to cultural spaces and activities, these funds would be included in net municipal investments in culture.

Non-monetary (indirect) investments, such as property tax relief for not-for-profit cultural organizations, are excluded from the data.

Specific items included in the definition of cultural investments

Operating

Expenditures from the municipal operating budget on:

Live performing arts

- City-owned and/or city-operated theatres

Visual and media arts, crafts, and design

- Art purchases paid through the operating budget
- Public art development (Public art purchases should be included in the capital section.)
- Urban planning involvement in cultural programs such as public art or design
- Awards for urban design
- Most urban design expenditures are excluded from the study.

Museums and heritage

- Museum and heritage services
- Science-related museums
- Historic sites and heritage buildings that are used for cultural purposes (if city-owned or city-funded)
- Heritage planners or other similar staffers (who may work outside of the cultural services department but are dedicated to culture/heritage work).
- Heritage or historical archives (excluding archives related solely to city decision-making)

Cultural development, special events and multidisciplinary activities

- Cultural development
- Community arts / "Cultural mediation"
- Culture-dedicated centres
- Special projects (time-limited)
- Cultural festivals and special events (If these include cultural and non-cultural elements, only the cultural portion of these expenditures was included.)
- Cultural awards
- Parks board arts and culture program (only if a specific budget line identifies arts and cultural program expenditures within the Parks and Recreation budget, a parks agency or board of the municipality, or a parks arm's-length organization)

- Supplementary funding to schools for arts and music programming: Halifax, by Council decision-making, allocates amounts directly for school arts and music programs. This amount is included in operating expenditures.

Creative and cultural industries

- Film and TV development and support / film or screen-based media office (including arm's length organizations)
- Support to creative and cultural industries (animation, publishing, music, etc.)

General administration related to municipal cultural service delivery

- Management and administrative expenses related to the cultural services department's programs and services (such as wages, salaries, benefits and purchases of goods and services)
- Utility expenses for city-owned cultural facilities paid through the operating budget
- Consultants' fees for cultural projects

Grants

Expenditures from the municipal operating and/or capital budget on:

Live performing arts

- Funding of individuals and organizations in circus, dance, music, opera, and theatre. Includes grants administered by the municipal government and those administered by an arm's length organization.

Visual and media arts, crafts, and design

- Funding of individuals and organizations in visual and media arts, crafts, and design. Includes grants administered by the municipal government and those administered by an arm's length organization.

Museums and heritage

- Funding of individuals and organizations involved in museums, archives and built heritage. Includes grants administered by the municipal government and those administered by an arm's length organization.

Cultural development, special events and multidisciplinary activities

- Funding of individuals and organizations involved in multidisciplinary arts activities, cultural festivals and events, community arts (cultural mediation), arts education and leisure-time non-professional arts activities. Includes grants administered by the municipal government and those administered by an arm's length organization.

Creative and cultural industries

- Funding for interactive digital media was included by those municipalities that fund this type of activity through their cultural services department, typically via a screen-based media office.
- Funding of individuals and organizations involved in writing, publishing, radio, TV, broadcasting and sound recording. Includes grants administered by the municipal government and those administered by an arm's length organization.

Capital improvement grants

- Grants for capital improvements by cultural organizations in all disciplines. Includes grants administered by the municipal government and those administered by an arm's length organization.

General administration related to arm's length delivery of cultural grants

- Funding for the administrative expenses related to the arm's length delivery of cultural grants (such as arts councils).

Capital

Expenditures from the municipal capital budget on:

City-owned cultural facilities

- Annual maintenance and repair of city-owned cultural facilities
- Major renovations of city-owned cultural facilities
- One-time or emergency capital expenditures on city-owned cultural facilities
- Capital expenditures related to historic / heritage buildings that have a cultural use

Cultural districts

- Development and revitalization of cultural districts. Excluded are any costs for revitalization of historic neighbourhoods or squares.

Public art, other art purchases, and maintenance costs

- Purchase or development of public art that resides on public spaces
- Other art purchases
- Plaques and statues maintained by the city's cultural services department

Specific items excluded from the definition of cultural investments

All other city expenditures are excluded from the study. In particular, expenditures on the following items are excluded.

Exclusions from operating and grant expenditures

Inter-departmental costs such as finance, human resources and corporate marketing

- Operating 'overhead' or costs associated to the running of the office that are paid by other departments such as Finance, Human Resources, Corporate Marketing, etc.
- Operating expenditures from other city-run departments, boards, agencies or commissions such as economic development, social services, planning, transportation, water, fire, police, public transit, etc., unless there is a line item for arts and cultural expenditures (as may be the case with public art or heritage planning).
- Expenses for culture-related tourism marketing initiatives are only included if the initiatives are managed by cultural staff members, not a tourism or economic development office.

Zoos and aquariums

- Zoos and aquariums were excluded from the study frame because they are typically managed by a separate entity that does not have a close link with the cities' cultural services departments.

Recreation, sports, nature parks, horticulture and agriculture

- Community or recreational centres offering cultural leisure / sports programs (other than the culture-dedicated centres noted above in the inclusions)
- Non-professional arts training in community centres are excluded (as per the above bullet point). Often, these expenditures are quite small and difficult to separate from non-cultural expenses in the same locations.
- Cultural events in municipally-owned sports venues (hockey arenas, etc.): Because arenas are most commonly used for large sporting events, expenses on concerts and other performances held in municipally-owned arenas are excluded from the data.
- Major events that are predominantly sports-related in nature. An example is the Calgary Stampede, which is largely a sporting event and was not included in the large cities study (based on the narrower definition of "culture" used in the report).
- Nature parks
- Horticultural societies
- Agricultural exhibitions, centres and fairs

Other exclusions

- Tax exemptions and in-kind services
- Religious organizations

- Language training
- Development and promotion of languages
- Non-cultural Aboriginal activities

Exclusions from capital expenditures

Exceptional capital investments

- Large capital investments for which a full accounting of the net costs was not available during the timeframe of the study.
- Exceptional capital investments meet the following criteria: 1) The net expenditure for the cultural capital project is at least as large as the city's other net capital expenditures for cultural purposes within the same fiscal year; 2) Financing for the capital project is complex and occurs over more than one fiscal year; and, most importantly, 3) Financing for the capital project was not finalized within the timeframe of the fiscal years analyzed in the study.

Certain expenditures on historic or heritage buildings, facilities, neighbourhoods, or squares

- Capital expenditures related to historic or heritage buildings with a non-cultural use
- Restoration costs for heritage buildings for which the future use is unknown (i.e., may or may not have a cultural use).
- Costs for revitalization of historic neighbourhoods or squares
- *Note: While these items could certainly be considered cultural expenditures, there were significant disparities in the original study between Montreal and the four other cities in terms of expenditures on these items, partly because Montreal is a much older city than the four others.*

Public art on privately-owned spaces

- Capital expenditures related to public art that resides on private spaces (typically purchased by private developers through a municipal requirement or incentive policy). However, the gross spending figures include some rare cases where privately-commissioned public art works reside on public spaces.

Plaques and statues maintained by other city departments

- Capital expenditures related to plaques and statues maintained by other city departments