Arts and Culture Impact Assessment: Vancouver Island & Gulf Islands Super Region

Final Report

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1. Executive Summary

Nordicity was commissioned by Digital Innovation Group (DIG) **to assess the impact of the arts ecosystem** of the Vancouver Island and Gulf Islands Super Region (which refers to the *Vancouver Island and Coast Economic Region*). The work investigated both the economic and non-economic impacts of the local arts and culture sector through a literature review, survey, key informant interviews, and focus group discussions. The final report contained herein summarizes the findings across several analytical streams, as outlined below.

Engagement with the Arts

There is a wide range of participation and engagement across the region, including consuming artistic content, creating art, and producing cultural activities.

- Most survey respondents indicated that they **attend and/or participate in arts and culture events (85%)**, and/or that they are an **artist**, creator, maker or creative professional (**67%)**.
- Respondents indicated **spending approximately $300** on consuming arts and culture in the region in 2019.

Community and Social Impacts

The local arts and culture sector plays an important role in increasing social connection and wellbeing as well as creating attractive communities where people want to live. The impact assessment's findings corroborate existing research evidencing the association of arts participation with better mental health and higher levels of life satisfaction. Research suggests that these social impacts can have up to an **equivalent social return on investment of approximately 5:1**.[1]

- **Health and wellbeing:** 97% of survey respondents agreed strongly that the local arts sector in their community improves personal wellbeing (mental and/or physical).
- **Social cohesion:** 95% agreed that the local arts sector provides a shared sense of belonging in the community. There was also almost unanimous agreement that the arts sector connects communities and builds understanding between people from different cultural backgrounds.
- **Community empowerment:** The research found very high levels of volunteering in the arts and culture sector across the region. Research participants agreed that the sector encourages civic mindedness and community connection.
- **Local image and identity:** 94% of survey respondents agreed that the arts sector helps to create a distinct local identity. Interview and focus group participants described how, for example, arts councils are frequently active in downtown renewal and community arts projects, contributing to rejuvenation, creating uniqueness, and attracting visitors.
- **Imagination and vision:** Artists are thought leaders, with an almost clairvoyant ability to perceive issues of emerging importance and convey them to others in emotive ways. Interview participants described how the arts can raise difficult questions in a way that is different from political discourse, challenging others to reflect and act upon collective problems in unique ways.

[1] Jackson, A., and McManus, R. (2019). SROI in the art gallery; valuing social impact. Cultural Trends. Volume 28, 2019, Issue 2-3. https://doi.org/10.1080/09548963.2019.1617937

- **Personal development:** 98% of survey respondents agreed that the local arts sector creates opportunities for personal learning. Interviewees also emphasized how the arts encourage alternative ways of thinking and positive introspection that can lead to a more profound understanding of others and oneself.

Business Impacts

Nearly all businesses that participated in the survey **(95%) reported that the local arts sector makes the community a better place to do business**. There were also high levels of agreement that that the local sector provides networking opportunities (94%) and grows tourism which, in turn, increases demand for products/services (93%).

- The arts and culture sector is crucial to business vitality. **71% of businesses said that arts and culture closures from the pandemic negatively affected their ability to generate revenue**, with 42% reporting 50% or more decrease in revenue in 2020 compared to 2019.
- Arts and culture events are strong drivers of business revenue. 91% of survey respondents reported spending money at local businesses before or after cultural events, averaging more than **$60 per event**. Using cultural organization audience estimates, approximately **$400 million was spent at local businesses before/after cultural events** in the region in 2019.

Arts Ecosystem Profile

Based on estimates from key informants, there are approximately **35,000 artists in the region**, operating primarily in visual and applied arts (73%).

- **61% of artists generate revenue**, averaging $18,000 in arts income.
- The lower-than-average income data relates to the fact that a significant majority of **artists (77%) supplement their arts income** with other sources.
- Artists **spend 90% of their expenses within British Columbia,** with 70% being spent within the region more specifically.

Leveraging online lists, propriety NAICS-based databases, and the online survey, Nordicity identified more than **1,100 cultural organizations** in the region largely in visual and applied arts (47%) and live performance (31%).

- There exist a large cohort of **mature organizations in the region**, with 56% of respondents indicating being established for **over 20 years**.
- The **average revenue is approximately $147,000**, with average expenditures over $140,000.
- Labour (41%) is the main expenditure with three quarters of expenses being spent within the region (and only 10% outside of BC), **minimizing economic leakage** (i.e., money being spent outside the region).
- Cultural organizations average only 2 full time employees but engage more than 40 volunteers on average. Based on 120 hours per volunteer and average arts sector hourly wages, this time is **valued at $115 million**.
- **Arts councils** were recognized for maximizing the potential benefits of arts activity by acting as **community convenors** and helping partners **access a range of support** for the arts.

Economic Impact

Significant economic impact was generated in 2019 through the activity of the artists and cultural organizations described above, as well as from cultural tourism spending. Based on extrapolated survey data, cultural organizations welcomed approximately **1.2 million cultural tourists** from outside of the region in 2019. Additionally, **95% of survey respondents agreed that the arts attract tourists** and research suggests that cultural tourists spend more and stay longer than other types of tourists.[2]

Combining the activities of organizations, artists, and cultural tourism, the **total direct economic output of arts and culture activity in the region was more than $900 million in 2019.** Through this output, the sector contributed more than **$675 million in GDP**, including indirect and induced impacts. In addition, it supported nearly **22,000 FTEs** and more than **$525 million in labour income**.

Table 1: Total economic impact of arts and culture in 2019

	Organizations	Artists	Tourism	Total
Direct Output ($M)	174	401	335	910
Total GDP ($M)	162	322	192	676
Total Employment (FTEs)	3,260	15,630	3,030	21,920
Total Labour Income ($M)	139	249	138	526

Source: Nordicity online survey and analysis and BC Stats Input Output Model

Looking Ahead

Nearly **80% of survey respondents reported that they would consider making an annual contribution to support arts and culture** post-COVID, averaging over **$200** per person.

Survey respondents also indicated belief that the arts and culture sector in the region has significant potential to help aid recovery from COVID-19 by:

- Building community and a shared sense of identity (84% of survey respondents agreed)
- Strengthening the region's unique identity, growing tourism, and attracting new residents (79% agreed)
- Encouraging better health outcomes, mental and/or physical (72% agreed)

10 promising opportunity areas were revealed by which to enhance the local arts and culture offer in the super region, as follows:

1. **Break down silos within the arts and culture sector and between sectors**. Currently, many feel that artistic disciplines are too siloed within their respected areas, and that there is a need to better integrate the arts into the fabric of the community. New collaborations could help address this issue, for example partnerships between the arts and culture and private sector.
2. **Address the overreliance on volunteers** – volunteers are often an essential part of "making things happen", demonstrating high levels of civic engagement in the region. However, insufficient funding for staffing means that there can be an overreliance on volunteers. Coordinating volunteers involves significant administration time, restricting organizational capacity and sometimes leading to burnout.

[2] Americans for the Arts (2017). Arts & Economic Prosperity 5 https://www.americansforthearts.org/sites/default/files/aep5/PDF_Files/ARTS_AEPsummary_loRes.pdf

3. **Develop more sustainable funding sources** – securing reliable funding is well-understood as one of the biggest challenges facing artists and arts organizations. Many participants felt that more cross-sector funding and government support is required.
4. **Build new community arts spaces** – there is insufficient public infrastructure for the arts in some communities, with few convening spaces. Creating more multi-use arts spaces could put arts and culture "on the map" in communities, creating a cultural tourism destination and a call to action for tourism marketing. Such spaces would also act as creative hubs, helping to break down silos between artistic disciplines.
5. **Create affordable housing and workspaces** – creating more affordable housing and workspaces for artists would help enable them to stay within desired creative hubs and to contribute further within the local arts ecosystem.
6. **Bolster focus on equity, diversity and inclusion** – there is a strong need and desire to support a wider range of practitioners in the region and connect with wider audiences. There is a particular need to connect with and support Indigenous artists.
7. **Share more and grow discoverability** – there is a need to strengthen awareness of the benefits that arts and culture offer the community. Additionally, continually sharing up-to-date information about what is happening across the region, e.g., via local or regional listings, would inspire even greater public engagement and participation.
8. **Grow digital capacity and digital integration** – while many arts councils and artists successfully moved various forms of content and programming online during the pandemic, there remains a strong need for digital skills training for artists and arts and culture organizations.
9. **Champion local artistic and cultural heritage** – the region has an incredibly rich, exciting, and valuable cultural heritage, from Northwest Coast First Nations and Pacific Northwest-inspired art, and a long list of famous artists. Raising the profile and capacity of arts and culture has a strong potential to grow tourism.
10. **Include arts and culture in tourism recovery strategies** – the vibrant role arts could play in post-COVID resilience and recovery is currently somewhat overlooked by some tourism strategies. Embedding the arts into tourism strategies could attract more visitors, promote longer stays, and drive more discretionary spending in communities.

2. Introduction

Nordicity was commissioned by Digital Innovation Group (DIG) **to assess the impact of the arts ecosystem** of the Vancouver Island and Gulf Islands Super Region in 2019. For this study, the region or 'super region' refers to census boundaries within the *Vancouver Island and Coast Economic Region.*[3]

The **DIG ART's Impact Survey** was one of the key consultation tools used to investigate both the economic and non-economic impacts of arts in the regions. To gain input from a wide range of stakeholders, Nordicity developed a self-selected (open access) survey including responses from artists, arts councils, cultural organizations and the broader community. The survey was hosted on the Canadian online survey software Voxco. As part of the data collection plan, the survey was distributed widely through DIG platforms such as digarts.ca, various social media platforms, local print media, and individual arts networks. Over the period of 60 days (**May to June, 2021**), the survey captured information from **more than 1,500 respondents**.[4] Not only did the survey encourage a broad canvassing of opinions on key issues relating directly to the current arts ecosystem, it also collected financial estimates and audience numbers from cultural organizations and artists.

In addition to the survey, further research was conducted through **1:1 interviews** and **focus group sessions** which explored topics in more detail. Interviews and focus group participants included artists, cultural organizations, arts councils, tourism and economic development representatives, and community partners. These sessions provided valuable comments and elaboration on a variety of topics. The two focus groups were held on June 25th and 29th 2021, and 10 interviews were conducted between June 30th to August 4th 2021.

Document Map:

- Section 3 illustrates community engagement with the arts across the super region.
- Section 4 explores community and social impacts of the local arts and culture sector.
- Section 5 reports on local business impacts connected to the arts and culture sector.
- Section 6 outlines a profile of the island arts ecosystem.
- Section 7 provides an economic impact assessment of the arts ecosystem.
- Section 8 looks at the role that the arts sector can play in COVID-19 recovery.
- Section 9 details potential opportunities to further enhance the arts and culture offer.
- Appendix A elaborates on methodological practices used in this work.

[3] https://www2.gov.bc.ca/assets/gov/data/geographic/land-use/administrative-boundaries/census-boundaries/development-region/map_development_region_vancouver_island_coast_1.pdf

[4] Note, as respondents were not required to answer every question, the number of responses ("n" value) varies between questions. This number includes those who provided at least basic profile information.

3. Community Engagement with the Arts

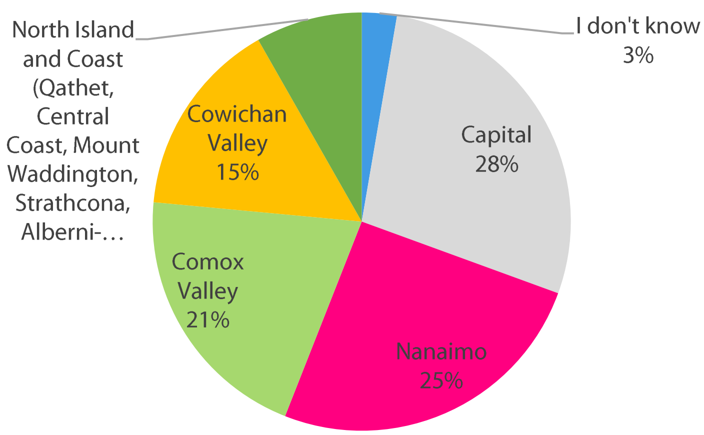
One of the key objectives of the research was to assess how the community engages with, and experiences, arts in the region. "Community engagement" can be understood as a process of public participation and involvement that promotes relationship building through learning, action, and the expression of needs and values.[5] The survey findings show a wide range of participation and engagement with arts and culture in the region, from consuming arts content to creating art and producing cultural activities.

3.1 Respondent Profile

The survey gathered a wide range of responses from a large number of respondents. Speaking to demographics, 70% of respondents identified above the age of 50 and 77% of respondents were female. Additionally, when asked about self-identifying within a minority group, 69% of respondents did not identify within any designated groups. As such, the profile of survey respondents had a bias towards participants who were more active or interested in the arts than the average person, and towards female respondents in a higher age category (see Appendix A for further analysis of respondent demographics). With this in mind, it is important to note that the survey results provide a snapshot in time from a certain segment of the population. The snapshot also indicates an important opportunity to focus on broadening engagement when conducting similar research in the future, to increase participation from youth, Indigenous peoples, and equity-deserving groups, for example.

As seen below, the survey generated strong representation across the super region (except for the North Island and Coast). The largest group of respondents were from the Capital Regional District (28%), followed closely by Nanaimo (25%), and Comox Valley (21%).

Figure 1 Within which regional district do you reside? (n=1590)



Source: Nordicity online survey

3.2 Arts and Culture Participation

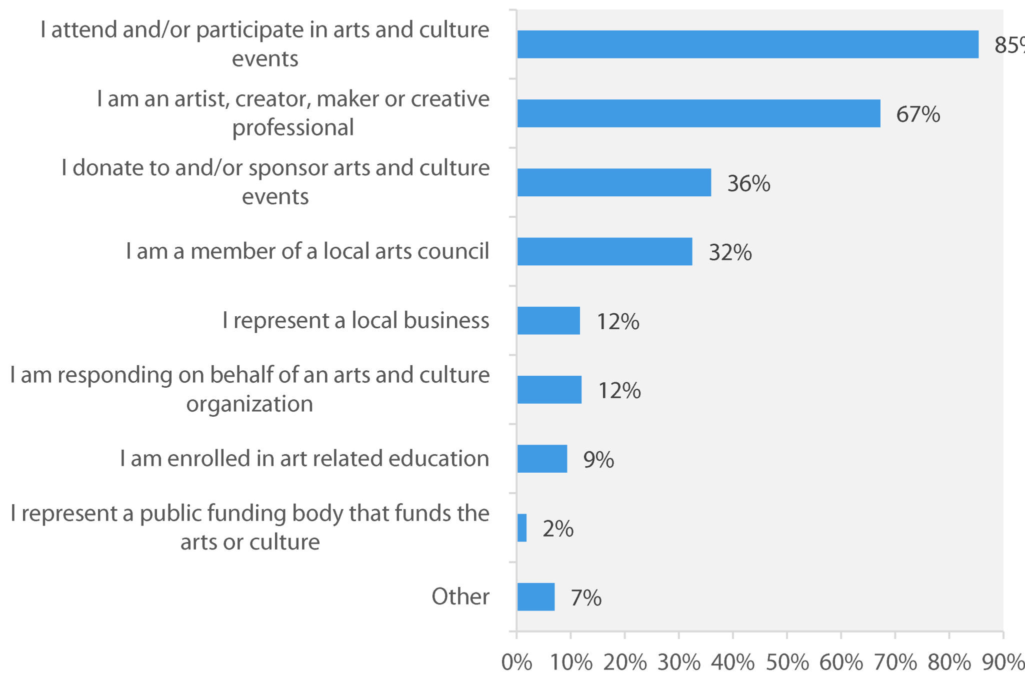
When asked how they engage with arts and culture, most of the respondents indicated attending and/or participating in arts and culture events (85%); and/or being an artist, creator, maker or creative

[5] Community Engagement: How arts and cultural strategies enhance community engagement and participation. American Planning Association. [How Arts and Cultural Strategies Enhance Community Engagement and Participation (planning-org-uploaded-media.s3.amazonaws.com)]

professional (67%).[6] Other respondents indicated that they support arts and culture events by donating and/or sponsoring them (36%) or by being a member of a local arts council (32%).

These numbers show that many contribute significantly to the arts and culture sector in their communities. It should be noted, however, that participants were able to select multiple responses to this question, reflecting that an individual may engage with the arts in a multitude of ways.

Figure 2 How do you engage with arts and culture in the region? (n= 1650)



Source: Nordicity online survey

Wide-ranging participation in the arts was also found in response to the question "Prior to March 2020 (before the pandemic), how often were you involved in arts and culture in the region?" For example, **77% reported interacting with digital content and 68% were creating art several times a week** or more. Additionally, 69% indicated that they were attending arts and culture events more than once a month. Large cohorts also indicated frequently working, volunteering, or collaborating with cultural organizations.

Overall, most respondents were attending and visiting art shows, events, or classes every month or so, and interacting with digital content from arts/culture creators and creating/performing art more frequently, either every day or a few times a week. This indicates that, even before the pandemic closures and the pivot to increased online content and programming, **there was a high level of engagement with digital arts content before COVID-19**. In terms of *frequency* of participation, digital engagement was already higher than in-person attendance visiting galleries, museums and/or other cultural destinations, or attending arts and culture events.

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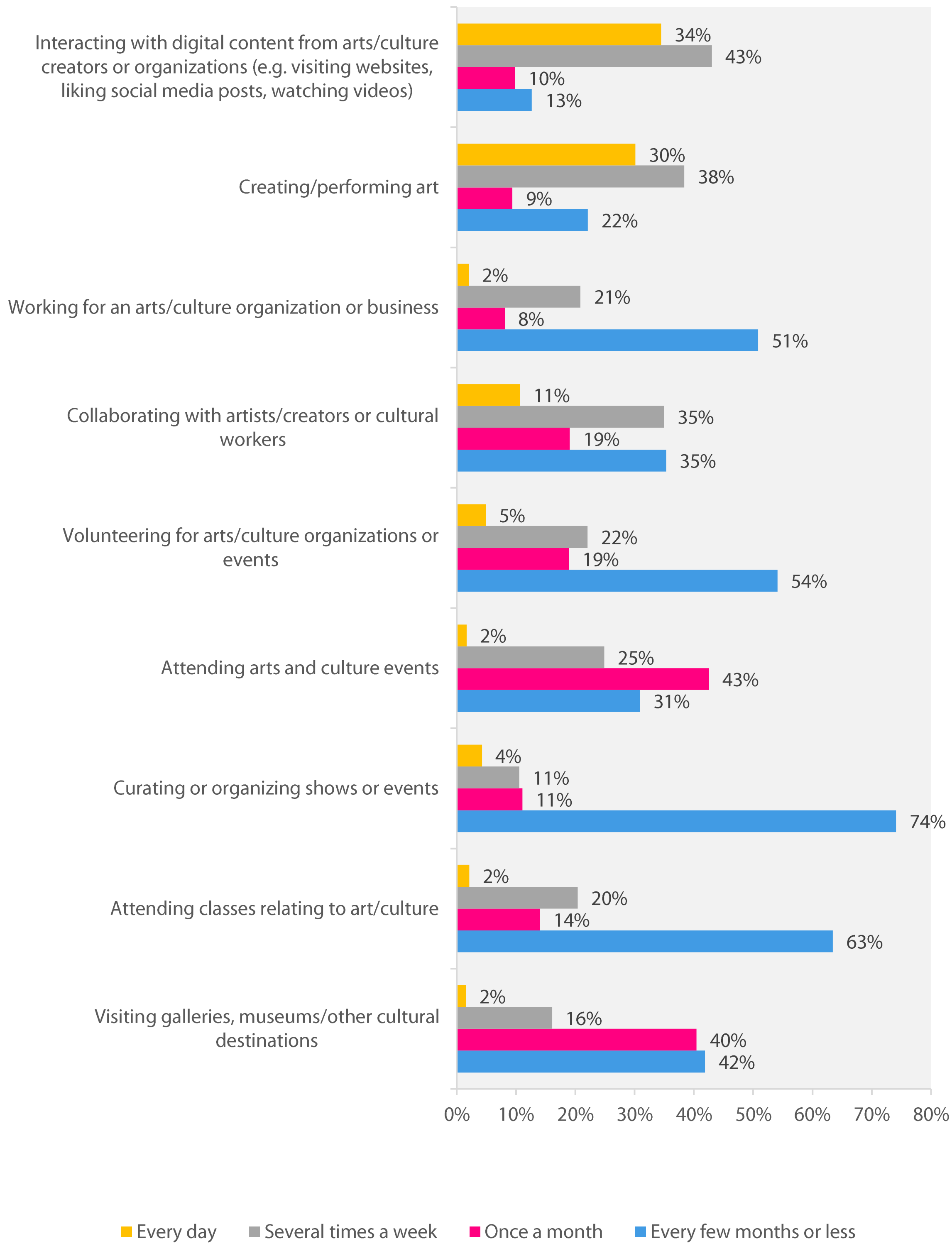
[6] Note, while an inclusive definition was used during the survey, the report will refer to this segment as 'artist' for simplicity.

Figure 3 Prior to March 2020 (e.g. before the pandemic), how often were you involved with arts and culture in the region? (n= 1152)

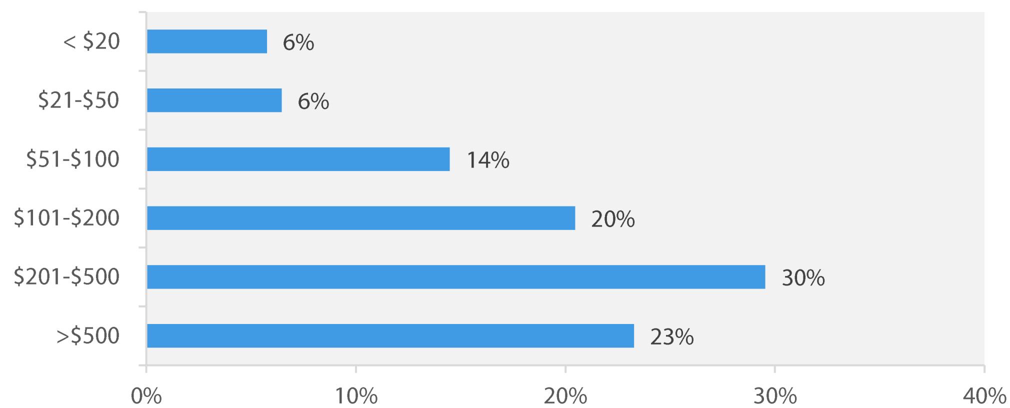


Source: Nordicity online survey

3.3 Spending on Arts and Culture

On average, **survey respondents indicated spending roughly $300 on consuming arts and culture in the region in 2019**. As illustrated below, the largest cohort of respondents indicated spending between $200 and $500.

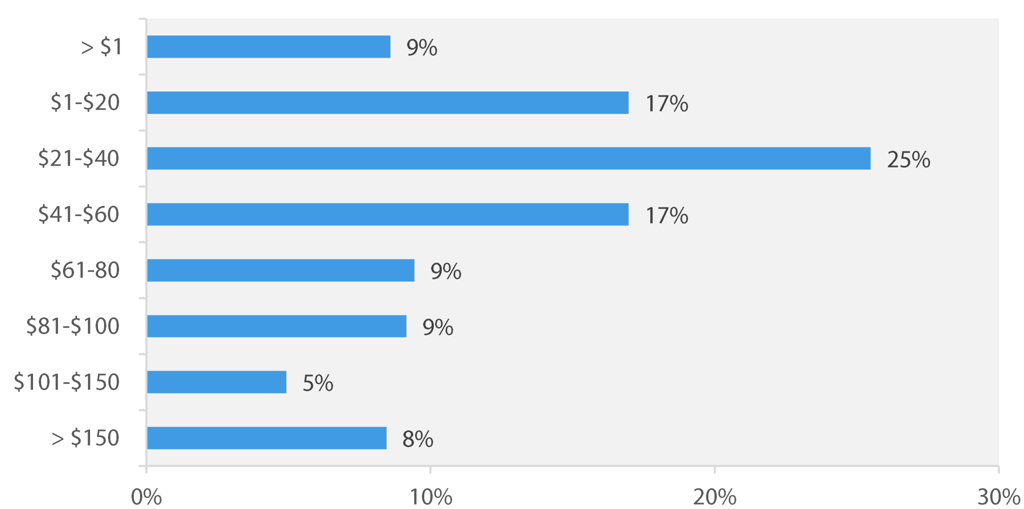
Figure 4 In 2019, approximately, how much did you spend participating in or consuming arts and culture in the region (e.g., buying art, tickets to events or galleries)? (n= 1422)



Source: Nordicity online survey

Interaction or participation in arts and culture in the region additionally contributes to the local community's economy through additional spending in other areas. Significantly, respondents noted spending an average of **$60 within the community before or after participating in a single cultural event**. Overall, 40% of respondents said they would spend between $41-$150, and 8% reported that they would spend $150 or over at a single cultural event. As described further in Section 5.2.1, this generated approximate total of $**400 million in additional spending at local businesses** in the region.

Figure 5 On average, as an individual, how much do you typically spend in the community, before/after participating in a single cultural event (e.g. local restaurants, bars, shops)? (n=1420)



Source: Nordicity online survey

4. Community and Social Impacts

In addition to being an important source of employment and income, the arts and culture sector generates a range of significant spillovers to the wider economy, including social and community benefits.[7] **Numerous existing studies have found that participating in arts and culture activities is positively linked with greater life satisfaction**, quality of life and happiness indicators. Across Canada, cultural participation is thought to contribute to the connectedness of Canadians, the promotion of wellbeing; the empowerment of citizens, identity formation, social cohesion, value and behaviour change and community development.[8] Nonetheless, **the sector remains largely undervalued in the policy debate**[9] – both in the region and worldwide – due to an absence of comparable statistics that reveal the full economic and social impacts of arts and culture.

> "Cultural and creative sectors are a driver of innovation, a source of creative skills with strong backward and forward linkages in the economy, and they act as a magnet that helps drive growth in other sectors such as tourism. Beyond their economic impacts, they also have significant social impacts, from supporting health and well-being, to promoting social inclusion and local social capital."
>
> \- Organisation for Economic Co-operation and Development (OECD), Economic and social impact of cultural and creative sectors: Note for Italy G20 Presidency Culture Work Group, 2021

Even with comparable statistics, it would not be feasible **to fully capture the intrinsic value of arts and culture** and the benefits that it offers to individuals and society. While recognizing the limitations of this study in fully capturing its value, this section takes a deep dive into the impacts that the local arts sector is having in the region.

At the kick-off event for Nordicity's Arts Impact Assessment for DIG, 120 online attendees[10] on the Island – including artists, arts councils, tourism and economic development representatives, municipal staff and community partners – were invited to share what they see as arts and culture's biggest impacts. An interactive word cloud was generated (Figure 6 below), highlighting benefits that arts and culture offer the super region. Key impacts, according to event attendees, include contributing to **community connections**, **celebrating diversity, creating vibrancy, beauty and joy**, while contributing to **inclusion and education**, as well as the **economy**.

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[7] OECD (2021). Economic and social impact of cultural and creative sectors: Note for Italy G20 Presidency Culture Work Group, 2021 https://www.oecd.org/cfe/leed/OECD-G20-Culture-July-2021.pdf

[8] Government of Canada (2016). Social Impacts and Benefits of Arts and Culture: A Literature Review. Department of Canadian Heritage, February 2016 http://publications.gc.ca/collections/collection_2018/pch/CH4-187-2016-eng.pdf

[9] OECD (2021). Economic and social impact of cultural and creative sectors: Note for Italy G20 Presidency Culture Work Group, 2021 https://www.oecd.org/cfe/leed/OECD-G20-Culture-July-2021.pdf

[10] Including 10 representatives of organizations in Nanaimo.

Nordicity

Figure 6 Impact of arts and culture in the region according to local stakeholders

Following this departure point, Section 4.1 below presents an overview of survey results relating to social and community impacts. Second, Section 4.2 brings together findings from the surveys, interviews, focus groups and literature review, and analyzes them using a thematic framework with six dimensions: health and wellbeing, social cohesion, community empowerment, local image and identity, imagination and vision, and personal development.

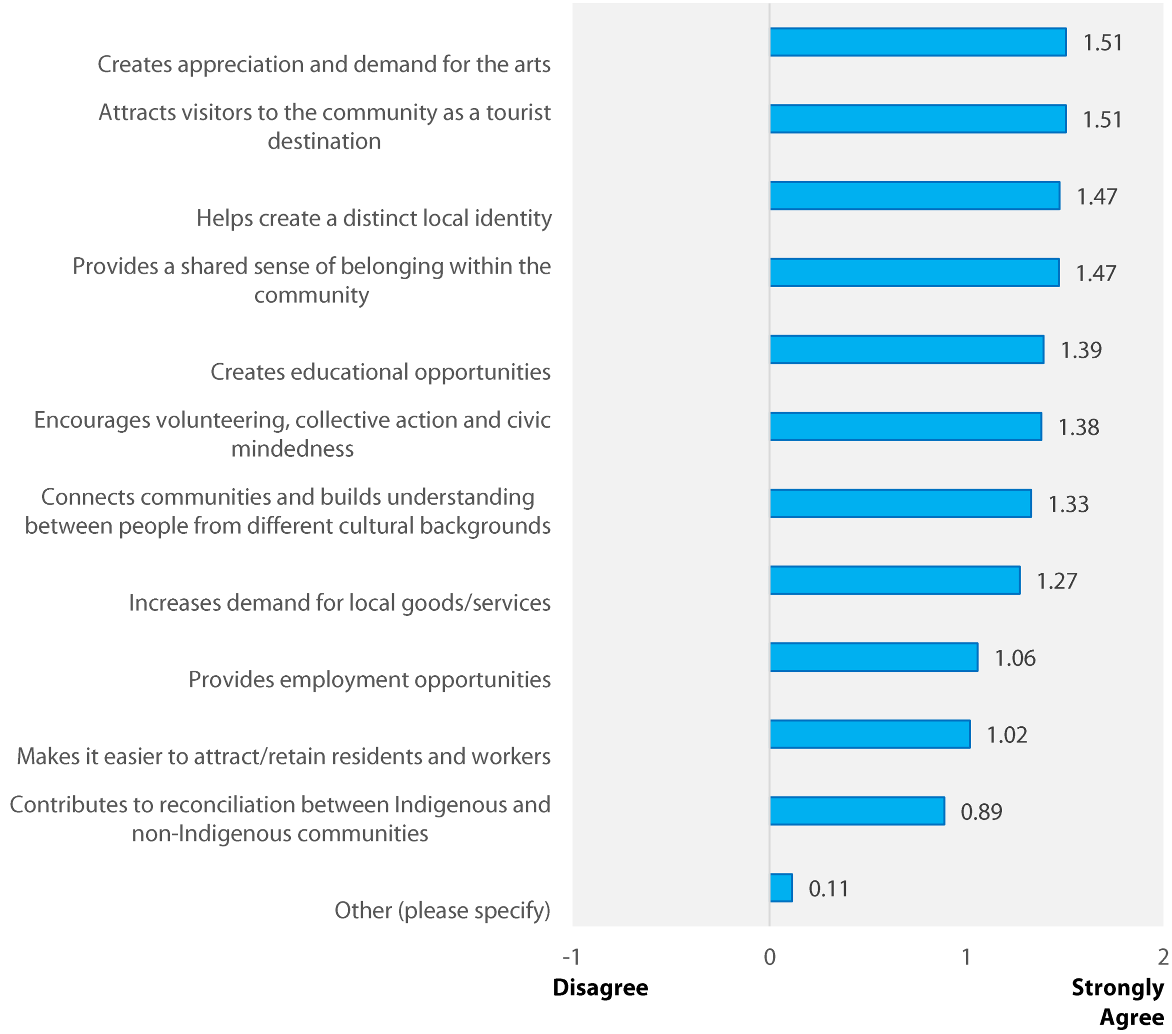
4.1 Key Survey Findings

The survey presented participants with a list of statements on the potential community and social impact of the arts, asking them to rate their level of agreement on a four-point scale from "strongly agree" to "strongly disagree". Figures 7 and 8 below show participants' average levels of agreement with a range of statements, ranking them from the statements most strongly at the top, to least strongly agreed with at the bottom.

Regarding **community impacts** (Figure 7) there was almost unanimous agreement that the local arts sector attracts visitors to the community as a tourist destination, creates appreciation and demand for the arts, helps create a distinct identity, and provides a shared sense of belonging within the community. Interestingly, respondents were in least agreement with the statement that the local arts and culture sector "contributes to reconciliation between Indigenous and non-Indigenous communities". Although 83% agree that it does, building connections with Indigenous communities and artists was identified as a key need and important opportunity area by interview and focus group participants. This need is discussed further in sections 4.2.2 and 9.6 below.

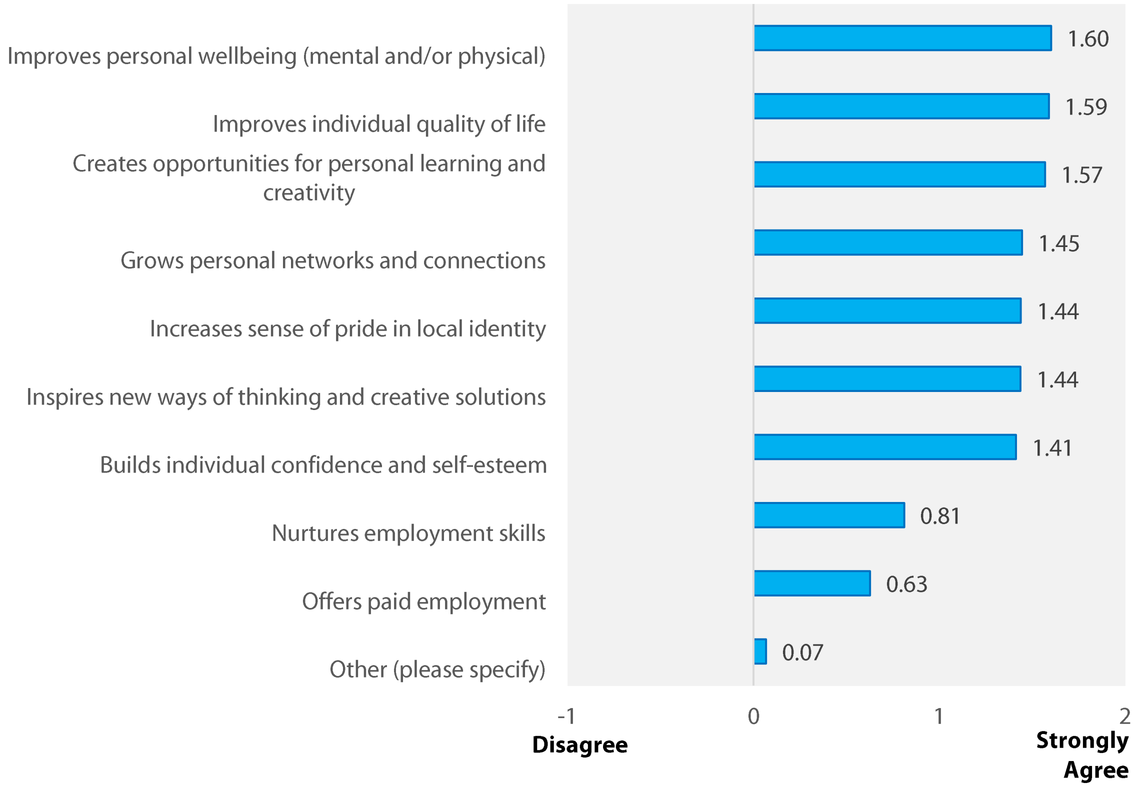
When asked about **social impacts** in the survey (Figure 8) respondents strongly agreed with most statements. This demonstrates the diverse array of social benefits that the local arts sector provides according to community members, although the bias of the sample must be recognized given that many participants are actively engaged with the arts. It is worth noting that although "creates opportunities for personal learning and creativity" was the third biggest social impact according to survey respondents, "offers paid employment" was the social impact statement that participants were least likely to agree with. These findings are explored in more detail below.

Figure 7 Please rank your level of agreement with the following statements regarding community impact. (n= 1371)



Source: Nordicity online survey

Figure 8 Please Rank your level of agreement with the following statements regarding social impact. (n= 1321)



Source: Nordicity online survey

4.2 Diving Deeper: Qualitative Analysis

This section takes a deeper dive into the social and community impact of the arts sector in the region. It **triangulates findings from the interviews, focus groups, survey results and relevant existing literature**, aiming to gain a more nuanced understanding of the impact of the arts on the community.

To analyze the data from these different sources, Nordicity drew upon the work of the researcher and community artist François Matarasso. Matarasso's influential study *Use or Ornament? The Social Impact of Participation in the Arts* (1997) remains one of the most widely cited research papers on the social impact of arts and culture.[11] Matarasso's empirical research project investigated the impact of over 60 participatory arts programs worldwide, and identified 50 social benefits from participating in the arts. The numerous benefits identified fell under six broad themes, or dimensions: personal development,

[11] The paper has been cited by over 1,245 scholars.

social cohesion, community empowerment, local image and identity, imagination and vision, and health and wellbeing.[12]

When analyzing the primary data from this study, Nordicity found that Matarasso's six dimensions were highly relevant. As Matarasso acknowledged in his study, there is an overlap between some of the categories, but considering each of them individually is helpful for consistency when analyzing the impacts of diverse forms of participation with arts and culture.[13] As such, Nordicity used them as a broad thematic framework against which to group and assess the data. The research findings on the social and community impacts of arts and culture in the region are discussed below in relation to the six dimensions.

4.2.1 Health and Wellbeing

Following Matarasso, "health and wellbeing" relates to health benefits and education through the arts, and people's enjoyment of life.[14]

The majority of survey respondents **97% agreed strongly that the local arts sector in their community improves personal wellbeing** (mental and/or physical), making it the most prominent social impact according to participants.

Interviewees described several ways in which arts and culture provide both individual and communal health and wellbeing benefits. From the point of view of individuals, the arts improve quality of life by **contributing to independence, confidence and pride**, and having a **powerful therapeutic role of improving mental health outcomes**. Others also spoke about the physical benefits that arts and culture created through participating in activities and programs, as the sector encourages people to get outside and along others to volunteer and connect in the community.

> "Personally, it has helped my mental health, and provided me connections to other people with similar struggles."
>
> \- Survey participant

> "Art is fundamental to quality of life, as places with vibrant arts are to live great places to live."
>
> \- Survey participant

The arts sector also has an important role in **contributing to the wellbeing of the wider community**. Often acting in a voluntary role, some arts groups and artists essentially provide services to the public. These "services" include downtown renewal, regenerating community spaces and making them more colourful, interesting and attractive; running educational arts programs; and running therapeutic programs for patients in hospitals. For example, Campbell River Arts Councils runs arts and health initiatives with the local hospital and seniors homes, and works with community groups to incorporate artworks into the hospital and shared community spaces to improve the physical environment.

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[12] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts. Comedia, Bournes Green, Stroud. https://www.artshealthresources.org.uk/wp-content/uploads/2017/01/1997-Matarasso-Use-or-Ornament-The-Social-Impact-of-Participation-in-the-Arts-1.pdf

[13] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 24.

[14] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 24.

> "As an individual with a disability, music is a social convener and therapy for my damaged brain."
>
> - Survey participant

These findings on the health benefits of the regional arts sector tally with the results of academic studies that have investigated the impact of the arts on mental and cognitive health. For example, a 2020 research study on arts and mental health using longitudinal data from 23,660 individuals found that **frequent arts participation and cultural attendance were associated with lower levels of mental distress** and higher levels of life satisfaction, with arts participation also associated with **better mental health**.[15] There is also emerging evidence that arts-based activities have health benefits for people living with dementia, increasing wellbeing, quality of life, cognitive function, and communication skills. A longitudinal mixed-methods study 'Dementia and Imagination' (2018)[16] of arts activities conducted with 125 people with mild to severe dementia and 146 caregivers in the UK resulted in a **5.18:1 social return on investment (SROI), with £5.18 of social return on each £1 spent**.[17] Among numerous positive outcomes, the most prominent outcome was that 36.7% of patients with dementia experienced an increase in wellbeing, generating a social value of £373,350 ($550,318 USD).[18]

4.2.2 Social Cohesion

"Social cohesion" relates to connections between people and groups, intercultural and intergenerational understanding.[19]

> "Arts and culture can create new ways of connecting and interacting with one another."
>
> - Focus group participant

95% of survey respondents agreed that the local arts sector provides a shared sense of belonging within the community, making this the fourth strongest community impact. There was also almost unanimous agreement (93%)

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[15] Wang, S., Mak, H.W. & Fancourt, D. Arts, mental distress, mental health functioning & life satisfaction: fixed-effects analyses of a nationally-representative panel study. BMC Public Health 20, 208 (2020). https://doi.org/10.1186/s12889-019-8109-y

[16] Jones, C., Windle, G., & Edwards, R. T. (2020). Dementia and Imagination: A Social Return on Investment Analysis Framework for Art Activities for People Living With Dementia. *The Gerontologist*, 60(1), 112–123. https://doi.org/10.1093/geront/gny147

[17] Social Return on Investment (SROI) analysis measures values that are not traditionally reflected in financial statements, aiming to capture both the economic impact and social outcomes of an intervention to the community, estimating costs and benefits, including money generated and/or money saved. The 'Dementia and Imagination' study applied financial proxies to outcomes including increased well-being/improved mood, increased confidence/self-esteem and reduced social isolation/increased sense of belonging. The primary source of financial proxies was the HACT Social Value Bank, the largest bank of methodologically consistent and robust social values, which can be used provide an assessment of social impact, provide evidence of value for money, and compare the impact of different programs. Source: Jones, C., Windle, G., & Edwards, R. T. (2020). Dementia and Imagination: A Social Return on Investment Analysis Framework for Art Activities for People Living With Dementia. *The Gerontologist*, 60(1), 112–123. https://doi.org/10.1093/geront/gny147

[18] Jones, C., Windle, G., & Edwards, R. T. (2020). Dementia and Imagination: A Social Return on Investment Analysis Framework for Art Activities for People Living With Dementia. *The Gerontologist*, 60(1), 112–123. https://doi.org/10.1093/geront/gny147

[19] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 23.

that the arts sector connects communities and builds understanding between people from different cultural backgrounds.

> "Art is how we make the image of how we feel and see ourselves as Canadian; what it means to be Canadian."
>
> - Focus group participant

In interviews, arts and culture was described as helping to build a sense of shared identity, place, belonging, and camaraderie with others. Across the region, the arts sector brings people together within and across communities and cultures. It can also encourage new partnerships and inter-sector cooperation and collaboration, although several participants in communities across the region described silos between sectors (discussed further in Section 9.1, Opportunity to Break Down Silos Within and Between Sectors).

One focus group participant raised the point that **museums and galleries are not neutral spaces**; this led to a discussion of how the arts have the ability to shift cultural awareness by encouraging people to think deeply about important issues. This ability to present different and sometimes challenging ideas mean that the arts (and spaces such as galleries and museums) have significant potential when it comes to social cohesion, inclusion, and reconciliation. The art and culture sector can play a crucial role in relationship building and the breaking down of barriers, stimulating discussion and inspiring mutual learning.

> "Arts and culture is an increasingly inclusive sector that is helping to build understanding between people of different backgrounds."
>
> - Focus group participant

Despite the strong potential of the arts to encourage intercultural understanding and deep thinking on important topics, a comparatively low 83% of survey respondents agreed that the local arts sector contributes to reconciliation between Indigenous and non-Indigenous communities. While an agreement rate of 83% is still high in general terms, it was the least prominent community impact according to the survey results. Interview findings corroborated this point, with several art council interviewees describing how **more needs to be done to connect with and support Indigenous arts and culture** in the region. They emphasized that relationship building must be a priority moving forwards to honour First Nations culture and champion Indigenous artists.

> "In an era when discourse can be quite fragile, arts can be a way to] maintain and grow comradery with ourselves and others."
>
> - Interview participant

The literature on the impact of the arts stresses how cultural participation and inclusion contributes to social cohesion and other positive outcomes. For example, a 2017 study on culture and social wellbeing in New York City found that the presence of cultural resources in a neighbourhood was significantly associated with improved outcomes around personal security, schooling, and health.[20] The study also highlighted how the cultural ecosystem in a neighbourhood contributes to social connection and political and cultural voice.[21]

[20] Stern, M. J., and Seifert, S. C. (2017). The Social Wellbeing of New York City's Neighborhoods: The Contribution of Culture and the Arts. University of Pennsylvania. https://repository.upenn.edu/siap_culture_nyc/1/

[21] Stern, M. J., and Seifert, S. C. (2017). The Social Wellbeing of New York City's Neighborhoods: The Contribution of Culture and the Arts. University of Pennsylvania. https://repository.upenn.edu/siap_culture_nyc/1/

4.2.3 Community Empowerment

"Community empowerment" can be understood as organisational capacity building, consultation and involvement in democratic processes and support for community-led initiatives.[22] Participants across the survey, interviews and focus groups agreed that the arts sector encourages volunteering, collective action, and consideration of and connection with others. On a community level, interview and focus group participants described how active the arts sector is across the super region, with **high levels of volunteering and dynamic community partnerships empowering communities** by making them more vibrant, dynamic and inclusive places to live. On an individual level, participation in the local arts and culture sector connects people to others in the community and helps them to feel a sense shared ownership of where they live.

> "The arts bring together talent, a huge volunteer base, and the ability to connect with others"
>
> - Interview participant

> "Many festivals would simply not exist without the contributions of volunteers"
>
> - Interview participant

Although the high level of volunteerism has a huge positive impact on communities, there is an overreliance on volunteers in the arts and culture sector due to a lack of sustainable funding for paid positions. These challenges and linked opportunities are described in Sections 9.2 and 9.3 below.

4.2.4 Local Image and Identity

"Local Image and Identity" relates to a sense of place and belonging, local distinctiveness and the image of groups or public bodies in a location.[23]

> "Arts bring colour and joy to the community!"
>
> - Survey participant

There was strong agreement that **the local arts sector helps to create a distinct local identity, with 94% of survey respondents in agreement**, placing it in the 'top three' most prominent community impacts. Interview and focus group participants elaborated on this widely shared opinion, describing how the arts locally build stronger communities by adding to a distinct sense of place and creating reasons to visit.

> "Rejuvenation is what the arts do - they bring a sense of life to places."
>
> - Interview participant

The arts also play an **active role in downtown renewal** in the region, offering wide benefits to the community, **including for local business owners as well as residents** as rejuvenation projects such as murals, "pop ups" and public art installations increase footfall and attract more investments. This theme is explored further below in Section 5.2.1 (Making the Community a Better Place to Do Business).

[22] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 23.

[23] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 23.

4.2.5 Imagination and Vision

"Imagination and vision" concerns creativity, professional practice, positive risk-taking.[24] Participants agreed that the arts sector in their communities inspires new ways of thinking and creative solutions, as individuals to challenge themselves, try new things, and innovate.

> "Art expands the minds of people and makes life more vibrant."
>
> - Interview participant

Interview participants described how artists are thought leaders, with an often clairvoyant ability to perceive issues of emerging and future importance and convey them to others in emotive ways. In doing so, the arts sector encourages others to see things from different perspectives, **fostering deeper consideration and thoughtfulness of issues that affect society**. The arts can raise difficult questions in a way that is often more accessible and less divisive than political discourse, challenging others to consider issues relating to social inclusion (or exclusion) and the need for action on climate change, for example. Additionally, **the arts can create, inspire and encourage innovation** – both from artists individually and by working collectively with people in other sectors. The COVID-19 pandemic has led to increased digital innovation within the art and culture, which is explored further in Section 9.10 (Grow Digital Capacity and Digital Integration) below.

> "Arts challenge the conversation and connect us to issues that may be difficult to talk about."
>
> - Interview participant

4.2.6 Personal Development

> "Most of us in our busy lives don't have the chance for deep reflection on things that are happening in society. Art has the ability to inspire deep thinking to also express things that people find it difficult to express and to create and shift cultural awareness – for example with issues like reconciliation, homelessness, climate change."
>
> - Focus group participant

"Personal development" relates to change at an individual level, including increased confidence, education, skills building, and growing personal social networks.[25] There was **strong agreement that the local arts sector creates opportunities for personal learning** (with an average of 98% of survey respondents in agreement, making it the third most 'popular' social impact out of a choice of 10 in the survey). There was also strong agreement that the local arts sector grows personal networks and connections.

Interviewee and roundtable participants described how art is a medium through which experimentation and innovation is encouraged, leading to new opportunities and solutions to social and community challenges. As the arts encourage deep and **alternative ways of thinking**, as well as positive introspection that can lead to a more profound understanding of others as well as oneself. Additionally,

> "Through art I learn from others and have [found] a sense of community."
>
> - Survey participant

[24] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 24.

[25] Matarasso, F. (1997). Use or Ornament? The Social Impact of Participation in the Arts, p. 23.

participating in the arts often increases confidence and the desire to pursue new training opportunities, which in turn provides new practical and social skills.

> "Art education nurtures an appreciation and understanding of the human condition."
>
> - Survey participant

One aspect of personal development where **the arts could have more impact is in relation to work opportunities and nurturing employment skills**. A comparatively low 80% of survey respondents agreed with the statement "the arts in my community nurture employment skills", placing the statement was in the bottom two of social impacts. This finding may reflect the reality, according to many interview and focus group participants, that there are limited opportunities for paid roles in the arts sector compared to other industries, partly due to overreliance on volunteers and inadequate funding for positions. The sentiment that it is difficult to find paid employment work in arts that pays a living wage is understood as a challenge within the sector, and was a strong theme in focus group discussions. Indeed, although 75% of survey respondents agreed that the arts sector provides employment opportunities in the community, it was in the bottom three community impacts (i.e., statements that survey participants were least likely to agree with). Furthermore, the statement "provides employment opportunities" was the social impact statement that respondents were least likely to agree with.

Existing research indicates that personal development opportunities offered by arts and culture organizations creates **wider community benefits**. While the benefits of education are well recognized worldwide, and in recent years there has also been a move towards calculating Social Return on Investment (SROI) to assign an equivalent economic value to activities such as educational programming. Although SROI analysis was beyond the scope of this impact assessment, other recent studies have indicated **strong returns (e.g., 5:1) on arts investment in terms of social impact**. For example, the Turner Contemporary Gallery in Margate, UK, found that for every £1 spent by the gallery on life-long learning £4.09 was generated, and that there was a £5.15 return for every £1 spent on formal education programs.[26]

[26] Jackson, A., and McManus, R. (2019). SROI in the art gallery; valuing social impact. Cultural Trends. Volume 28, 2019, Issue 2-3. https://doi.org/10.1080/09548963.2019.1617937

5. Business Impacts

5.1 Context: Synergies between the Arts and Business

Existing research has widely acknowledged the role of arts and culture in enhancing and strengthening local business in communities, offering operational as well as human capital benefits.[27] Obvious connections between the arts and business include branding, with illustrations, graphics and music commissioned globally in order to market companies' products and services; artistic murals and artworks being used to help define and promote a company's culture; and firms' growing pursuit of "design thinking" as they seek to apply creative and innovative approaches to management and business.[28] Beyond these examples, there are also many indirect links, some of which are described in the subsections below.

The changing preferences of business, and the increasingly shared belief that companies should promote positive societal values and give back to their communities, mean that **there is a growing need for cross-sectoral expertise, understanding and broader skillsets**.[29] New combined educational programs underscore this trend; for example, students can now study for a MBA and MA of Fine Arts at the Schulich School of Business and an MA in Art Business plus Fine Art Major at Sotheby's Institute of Art.[30]

> "Arts and culture have many positive impacts for business, and have the opportunity to do more in the areas of demand, networks, creative thinking, reconciliation, and employment opportunities."
>
> \- Survey respondent

In some ways, the arts and business have fundamental characteristics in common, as they both seek to make impact and contribute to change in society.[31] Indeed, creativity is good for business; **the arts can complement and empower businesses seeking new ways of thinking, new avenues of value creation, and strategic growth**. Nonetheless, artists and traditional businesses often still speak different languages, and explaining the potential role of art in organizational development can be challenging.[32] Therefore, **there is a need for intermediators to act as convenors** to bridge sectoral divides.[33] Arts councils are especially well-placed to lead in this area, as described in Section 6.1.4.

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[27] Anderson, V. (2017). 5 Reasons Why Art is Good for Business. LinkedIn.

[28] Damian, R. (2012). The Design of Business: Why Design Thinking Is the Next Competitive Edge. Cambridge: Harvard Business Press. Academy of Management Learning & Education, 11(2), 315–318. https://doi.org/10.5465/amle.2011.5001

[29] Davidson, J. (2018). From Silicon Valley offices to Warhol's posthumous dominance, business and art's long relationship is stronger than ever. WeHeart.

[30] Bardua, S. (2019). Synergies between arts, business and entrepreneurship. Sascha Bardua.

[31] Bardua, S. (2019). Synergies between arts, business and entrepreneurship. Sascha Bardua.

[32] Luomassa, U. (2021). Can art and business collaboration be the new normal? XAMK NEXT.

[33] Luomassa, U. (2021). Can art and business collaboration be the new normal? XAMK NEXT.

Case Study: 'Northern Powerhouse' Strategy, England

The **Northern Powerhouse** is an ongoing economic development strategy in the UK that started in 2014. It is a high-profile example of what a regional economic rejuvenation strategy with strong links to cultural identity can achieve.

The major strategy involves 11 municipal divisions in the north of England, including several cities. Individually, each is too small to compete on the world stage alongside London and other world cities, but collectively they pack a punch. Despite many famous British artists and cultural icons hailing from the north of England – including David Hockney, Henry Moore, L S Lowry, Barbara Hepworth, the Bronte sisters, Wordsworth, the Beatles to name a few – it did not attract as much tourism or investment compared to other areas of the country.

The strategy was intended to diversify the economy in England by strengthening the north. It has involved empowering municipalities with new mayors and new powers over spending, better transport infrastructure, innovation and science funding, and increased arts and culture funding. The strategy has been promoted widely across the country to attract investment and visitors, with unified branding reiterating the distinct personality of the region.

Outcomes to date:

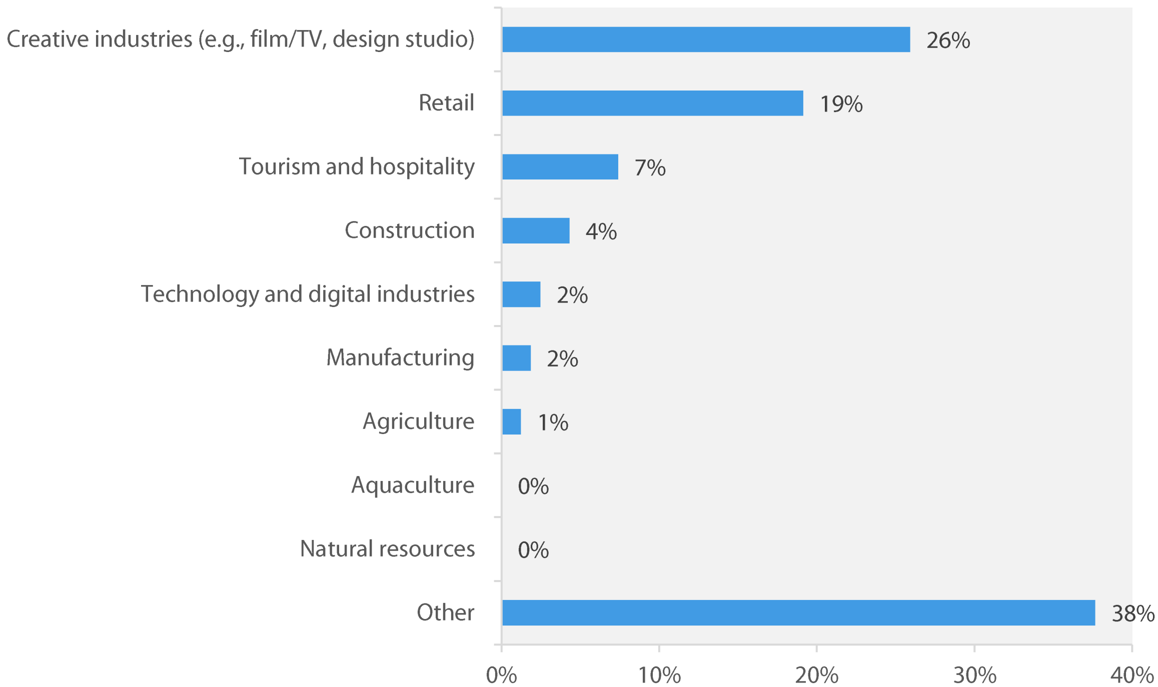
- **£20 million investment** to help Small and Medium Enterprises and businesses, and £13 billion transport investment
- 2-month Great Exhibition of the North 2018 celebrating art, culture, and design in the North of England – attracted almost **4m visitors** with **90% of visitors saying it changed perceptions** of the host city Newcastle-Gateshead for the better
- £15 million Northern Cultural Regeneration Fund which has already led to a **£10 billion increase in the size of the economy** and an **additional 287,000 people in employment**

5.2 Local Business Impacts

To investigate the links between business and the arts in the region, the DIG ART's Impact Survey asked local businesses to share information on the impacts that the local arts sector has upon them. The findings offer an understanding of how the **relationship between the arts and business** manifests at the community level within the super region.

As illustrated below (Figure 9), respondents who completed the survey on behalf of an organization were asked to indicate their nature of the business. While many stated that their business fell within the creative industries (26%), other sectors identified included retail (19%) and tourism (7%). A large portion of respondents indicated the nature of the business as other (38%), which included the education sector, social services, and health services (such as fitness).

Figure 9 Please indicate the nature of your business (n= 162)



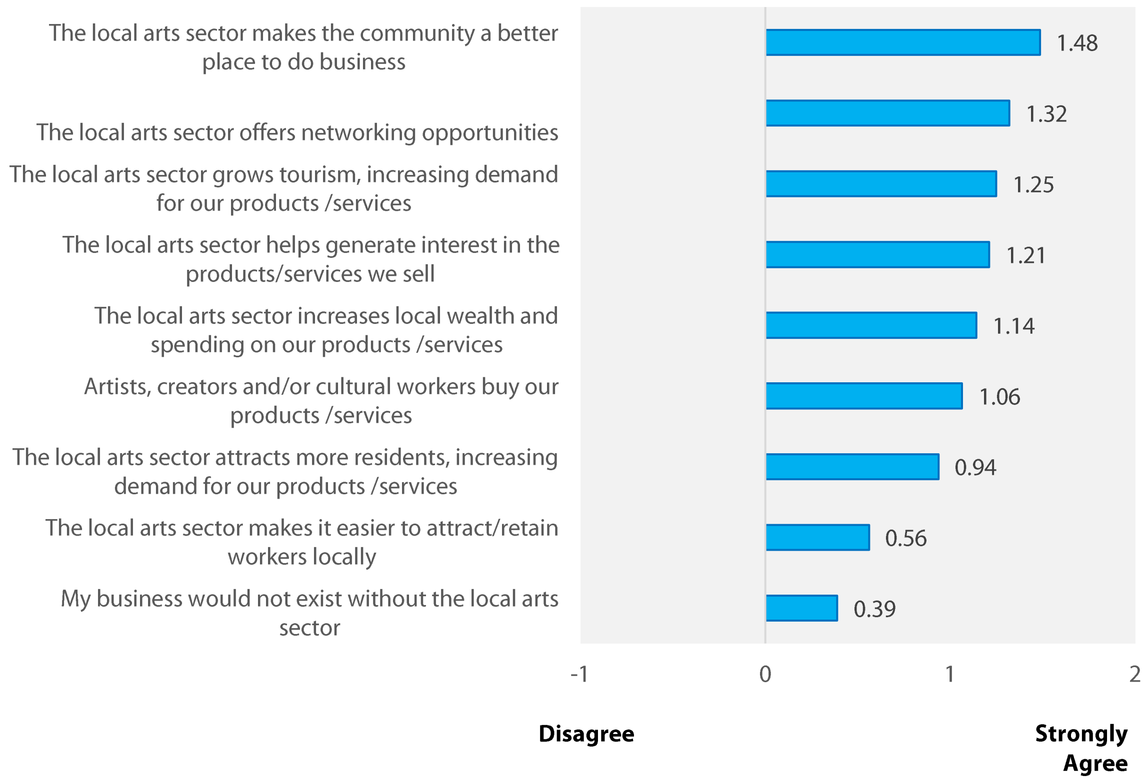
Source: Nordicity online survey

Respondents were asked to rank their level of agreement with different statements regarding the impact of arts and culture on their business, using a Likert scale from "strongly agree" to "strongly disagree". As illustrated in Figure 10, the majority of survey participants either agreed or strongly agreed with most statements. For example, there was **strong agreement that the local arts sector makes the community a better place to do business (95%)**. There were also high levels of agreement that that the local sector provides networking opportunities (94% agreed) and grows tourism, thus increasing demand for products/services (93% agreed). There was less agreement that the local arts sector makes it easier to attract or retain workers locally, and with the statement "my business would not exist without the local arts sector" – reflecting that most survey participants responding on behalf of a business did not work directly in the arts sector or creative industries.

> "I believe art in the community can help bring us together, create stronger communities and give us all a break after this pandemic."
>
> - Business survey respondent

These impacts are explored in more detail below, drawing on additional findings from the interviews and focus group discussions.

Figure 10 Please rank your level of agreement with the following statements regarding the impact of arts and culture on your business. (n= 157)



Source: Nordicity online survey

5.2.1 Making the Community a Better Place to do Business

The arts and culture sector contributes strongly to creating a distinct local image and identity (as described above in Section 2.4.2). Having a distinct community identity helps attract visitors, new residents, and investment, which in turn benefits local businesses by driving footfall and spending. **Local arts councils and artists often play prominent roles in encouraging downtown renewal** and rejuvenation – a role that is **especially important in the context of economic downturns** when local businesses are struggling.

> "Art assets such as public murals and infrastructure are an extremely important way to attract people to and create a sense of place within a community. Creating a sense of place encourages investment."
>
> - Focus group participant

Examples of downtown renewal through arts and culture in the super region include the revitalization of Chemainus following the 1980s recession in BC (when natural resource revenues fell), and the rejuvenation of Campbell River's downtown following the closure of the pulp mill in 2009 (a major local employer). Campbell River's arts council and artistic community rallied together to advocate for community renewal, leading to artists hosting "pop up" studios in empty business units, and the development of a public art policy. These efforts brought a sense of life and pride back to the community.

> "Small island and remote communities don't have entertainment infrastructure, so community-led arts and culture events play an important role in filling that gap and providing excuses for people to get together, meet new people and bond."
>
> \- Survey participant

Providing networking opportunities is another way that the local arts and culture sector helps make communities better places to do business. Arts councils can act as convenors between individuals from different sectors, and they, alongside other cultural organizations, actively host a wide range of events within communities, including major festivals.

5.2.2 Driving Tourism and Local Business Spending

As discussed further in Section 7.3 (Cultural Tourism), Nordicity's analysis found that **arts tourism in the super region generated $140 million in labour income; contributed $190 million to GDP; and supported 3,030 FTEs in 2019**, which can be significantly attributed to spending on accommodation, food and drink and retail purchases. Several interview participants described how the local arts and culture sector is also important for tourists that are not primarily interested in the arts; even tourists initially attracted by nature often want to visit galleries, attend cultural festivals, or buy local artworks, which can promote longer visitor stays.

> "The arts are great for the dispersion of tourism - they can help slow visitors down and encourage them to stop by in a community, which means everyone benefits. The arts are huge for that and it's trending."
>
> \- Interview participant (economic development sector)

Relating to the finding that arts and culture increases demand for local products and services, the survey found **91% indicated spending money at local businesses before/after cultural events** (see Figure 4 in Community Engagement with the Arts, above). This spending averaged $60 before/after participating in a single cultural event (see Figure 5 above). This is a good example of the indirect impacts which arts can have in a region. Based on organizational audience estimates, this spending resulted in approximately **$400 million spent at local businesses in the region.**

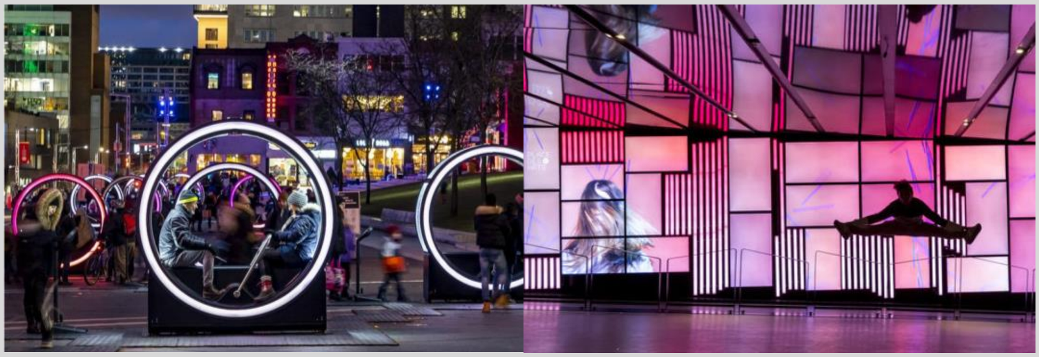
5.2.3 Attracting New Residents

"Attracting new residents" was a prominent theme that emerged in interviews and focus group discussions on the impact of arts and culture in the region. While it was not one of the most prominent impacts according to survey results, nonetheless 83% of business respondents that the local arts sector attracts more residents, increasing demand for products/services.

Participants described how **arts and culture play an important role in creating attractive communities where people want to live**. Attractive communities are those which are vibrant, safe and secure; where community members actively engage with and support one another, and where there are a variety of economic, financial, and educational opportunities and social supports, and a wealth of arts and culture with things to do and see. Conversely, it is well understood that communities that are aesthetically unattractive and/or with little in terms of cultural programming or events are less appealing, memorable, and often considered to offer a poorer quality of life.

The arts and culture in the region plays a tremendous role in making places more desirable to live, as the local arts sector brings communities together for positive change, acting as a convenor, conversation starter, and vector of change.

Case Study: Montréal, Cultural Metropolis



Images: Tourisme Montréal

*"Montréal's ambition is to become a **world-renowned cultural metropolis**, and members of the cultural and **business communities are active participants** in this grand project."* - Montréal Cultural Metropolis Action Plan

What does it look like when a community invests in arts and culture as a key driver for business and economic growth? Montréal offers one example. For nearly 20 years, culture and creativity have been crucial to the city's development strategy. The ambition is for Montréal to become a cultural metropolis, with the cultural and business communities as active participants.

Montréal's first Cultural Policy was developed in 2005, followed in 2006 by the City's successful bid to join the UNESCO Creative Cities Network. The "metropole culturelle" vision has been supported by ongoing and evolving strategies over the years, with creativity as a strategic focus for urban and economic redevelopment. Most recently, the economic development strategy Montréal Geared Up for Tomorrow 2018-2022 outlined the cultural and creative industries as a core strategic sector. There have been many positive outcomes of the strategy; here are two highlights:

- **The development of the Quartier des spectacles** cultural entertainment district – a major urban revitalization project ensuring that culture has significant place in the heart of the city. It has become a major hub for training, creation, production and presentation related to cultural, media and digital work.
    - Hosts 40+ cultural activities are held each day (1000s per year) and free walking tours, hosting **1.6 million spectators per year**
    - Houses la Vitrine ("Showcase") information centre and box office, which shares information on more than 1,775 cultural organizations in the city
    - Total economic impacts attributable to the creation of new real estate projects in the Quartier total between **$1.5 to 1.6 billion** (Ville de Montreal & Chamber of Commerce of Metropolitan Montréal, 2015)
- **One quarter of tourists visit Montréal for its cultural attractions** (Tourisme Montréal, 2016)

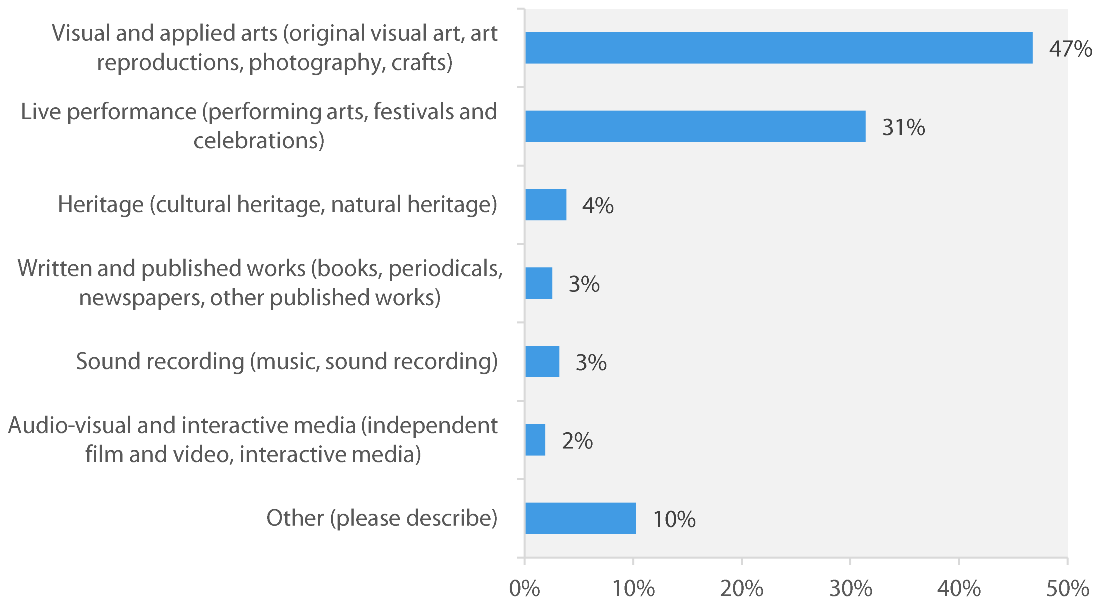
6. Arts Ecosystem Profile

This section uses survey data to provide a profile, and then analyzes how the region's arts ecosystem (e.g., cultural organizations and artists/creators/makers) generate income and employment through their activity.

6.1 Cultural Organizations

Leveraging online lists and propriety NAICS-based databases, Nordicity identified more than **1,100 cultural organizations in the super region**. As visualized below, while these organizations were spread across many different cultural domains, they were dominated by those in visual and applied arts (47%), followed by live performance (31%).

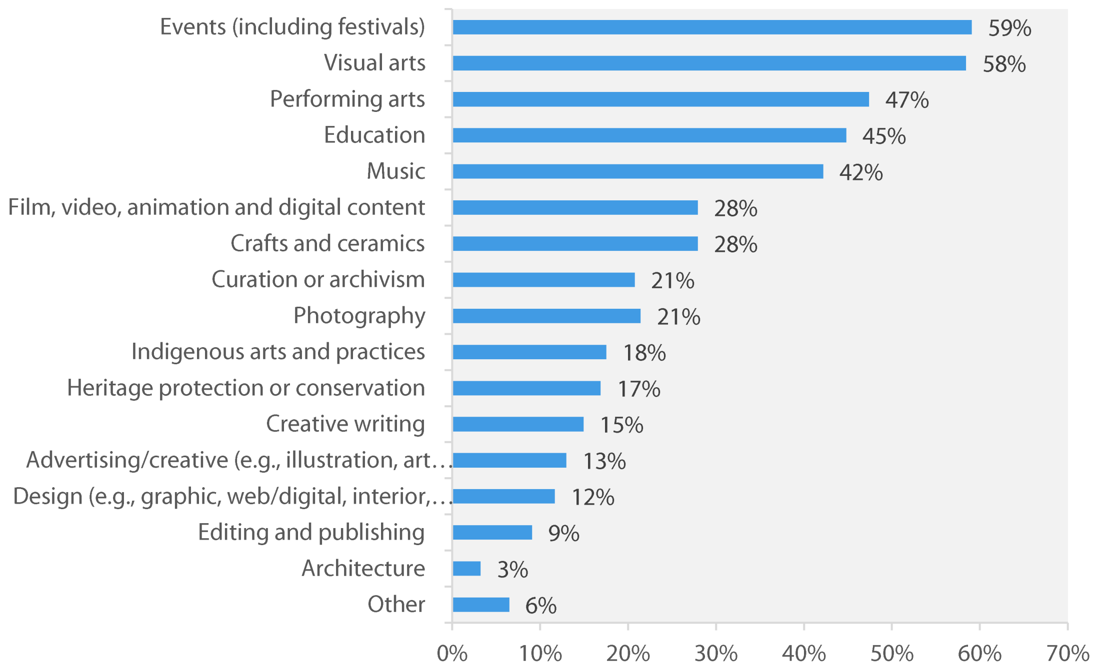
Figure 11 The cultural domain (subdomains) below are the definitions used by Statistics Canada. Please identify the domain in which your organization is primarily active. (n= 156)



Source: Nordicity online survey

When asked in which areas their organizations operate, respondents indicated a diverse range of practice areas (Figure 12). Events (59%), visual arts (58%), performing arts (47%), education (45%), and music (42%) were the practice areas that were most highly identified. However, it is important to note that there is a significant amount of cross-over between categories. For example, many visual arts organizations may display at events (such as festivals).

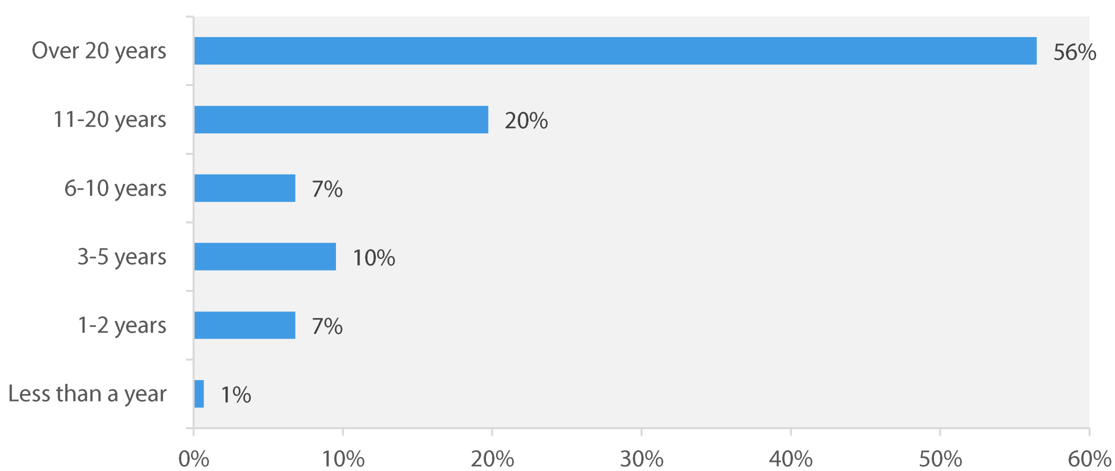
Figure 12 In which area(s) do(es) your organization operate? (n= 154)



Source: Nordicity online survey

The survey revealed a large cohort of smaller, mature organizations. 56% of respondents representing an arts organization indicated that it had been established in the region's arts and culture sector for over 20 years (Figure 13). Moreover, 20% of respondents indicated that their organization had been established for 11-20 years. Looking ahead, it will be important to ensure that newer organizations have access to the startup support needed to ensure the arts sector is able to innovate and grow even while many of these older organizations may become less active.

Figure 13 For how many years has your organization been established in the region's arts and culture sector? (n= 147)

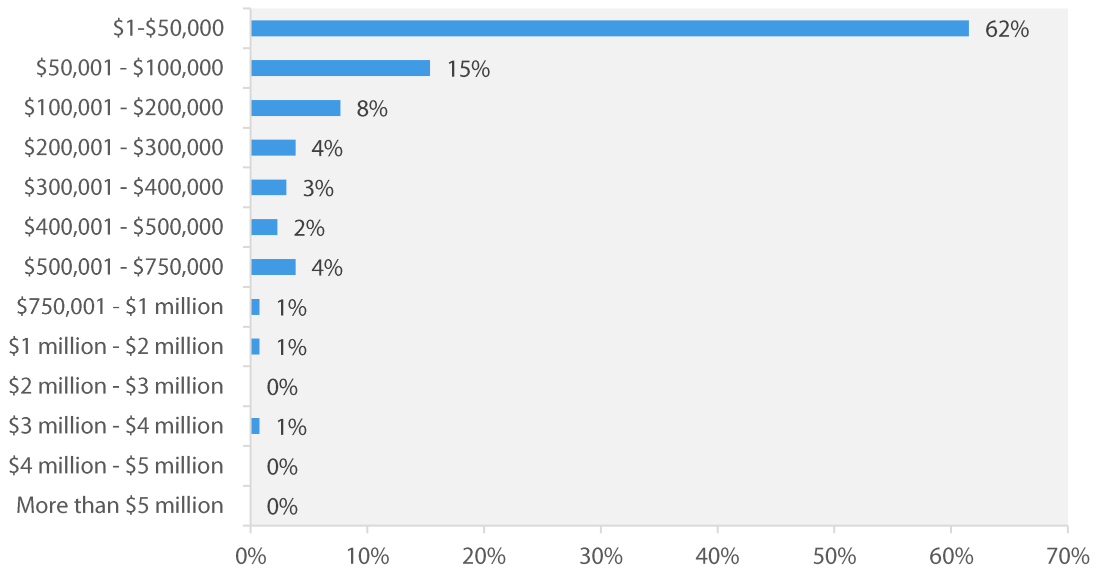


Source: Nordicity online survey and direct community outreach

6.1.1 Revenues and Expenditures

Survey respondents' cultural organizations were spread across many different revenue brackets. It was found that the **average revenue was approximately $147,000**. However, as displayed below, the majority of respondents (62%) indicated that their cultural organization earned less than $50,000 in 2019. This finding suggests that nearly two thirds of organizations are likely operating as sole proprietorships and/or **seasonal businesses.**

Figure 14 In 2019, what was your total or gross revenue or sales? (n=130)



Source: Nordicity online survey

When asked about the total amount spent on expenditures within cultural organizations, it was found that the total **average expenditures amongst organizations was approximately $141,000**. Regarding the breakdown of expenses, the main expenditure was on labour (41%). This was followed by variable expenses such as supplies and materials, and then fixed expenses such as rent, utilities, and telecommunications (Figure 15).

Figure 15 Breakdown of Organizational Expenditures

Category	% of total operating expenses
Labour	41%
Supplies and Materials	20%
Rent	13%
Advertising and Marketing	9%
Utilities	4%
Telecommunications	3%
Other	12%

Source: Nordicity online survey

In addition, the survey data revealed that the significant majority (74%) of organizational spend stayed within the region (Figure 16). This **minimal economic leakage**[34] helps drive the economic impact of the arts, especially compared to other industries that often are required to spend more of their money outside the region to import specialized goods and services.

Figure 16 Organizational Identification of Regional Spend

	% of spend
Within the Island/Coast region	74%
Outside the region but within BC	15%
Elsewhere in Canada	10%
Outside Canada	1%

Source: Nordicity online survey

6.1.2 Organizational Employment

The survey data revealed that these organizations rely heavily on the input of unpaid (or volunteer) labour and have an average of less than 2 full-time salaried employees. In relation to this, as noted in Section 4.2.6, the statement "the local arts sector in my community provides employment opportunities" was the social impact statement with least agreement from survey respondents. As such, additional community benefits could be provided through paid employment should cultural organizations have the resources required to hire more employees.

To maximize impact despite resource constraints, cultural organizations engaged an **average of more than 40 volunteers in 2019** (Figure 17). Using an average of 120 hours per year[35] and an average hourly wage for arts workers ($19.46),[36] **this economic contribution can be valued at around $115 million.**

Figure 17 Breakdown by type of employment of cultural organizations' workers. (n=137)

	Average number of employees
Full-time, regular salaried employees	2
Part-time, regular salaried employees	2
Temporary/contract employees	3
Volunteers	42

Source: Nordicity online survey

[34] Leakage is money that community members spend outside of a community which has no economic impact within the community. An artist purchasing a frame from a nonlocal manufacturer is an example of leakage. If the frame company were local, the expenditure would remain within the community and create another round of spending (and local economic impact) by the frame company.

[35] https://hillstrategies.com/resource/volunteers-and-donors-in-arts-and-culture-organizations-in-canada-in-2013/

[36] https://www.ic.gc.ca/app/scr/app/cis/salaries-salaires/71;jsessionid=0001QoPBA0ddkM1Hg6RRh_h2l-u:-42KIJR

While employment figures are not as high as other industries, cultural organizations employ a diverse range of individuals. For example, the **survey found more Indigenous (9.2%) and Racialized (11.3%) employees than the population average**, which is 8.9% and 9.3% respectively.[37]

Figure 18 If possible, please indicate the percentage of your workforce identity. (n=37)

	Percent of cultural organization workforce
Youth (under 35)	14%
LGBTQ2S+	12%
Persons with Disabilities	10%
Racialized	11%
Indigenous	9%

Source: Nordicity online survey

6.1.3 Audiences

When asked about their audience numbers in 2019, cultural organizations reported a wide range which could be due to the type of services identified from a small shop selling local artisan products to a large theatre. As tabulated below, more than three quarters of organizations estimated that they welcomed fewer than 5,000 guests in 2019 (Figure 19).

Figure 19 Please estimate your total audience numbers in 2019. (n=88)

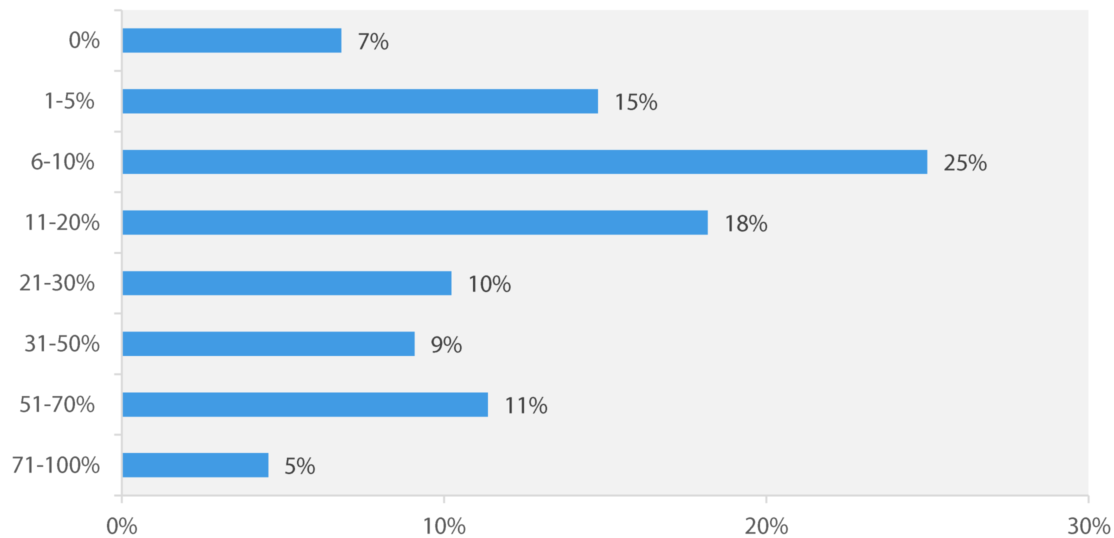
Audience Numbers	Percent of organizations
0-500	36%
501-1000	15%
1001-5000	25%
5001-10000	9%
10001-50000	16%
Greater than 50000	3%

Source: Nordicity online survey

Relatedly, a quarter of organizations estimated that approximately 6-10% of their audience numbers in 2019 came from outside of their community (Figure 20). Extrapolated over the region, this would mean that **cultural organizations welcomed more than 1.2 million cultural tourists in 2019.**

[37] Statistics Canada 2016 Census, Vancouver Island and Coast [Economic Region], British Columbia https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/details/page.cfm?Lang=E&Geo1=ER&Code1=5910&Geo2=PR&Code2=59&SearchText=Vancouver%20Island%20and%20Coast&SearchType=Begins&SearchPR=01&B1=All&GeoLevel=PR&GeoCode=5910&TABID=1&type=0

Figure 20 Approximately, how many of those visitors do you estimate came from outside of your community? (n=88)



Source: Nordicity online survey

6.1.4 Arts Councils' Community Role and Engagement

Arts councils – or local arts service organization (LASOs) – play a **significant role in representing, connecting and advocating** for arts and organizations in their communities.[38] They actively promote the arts to the wider community, often **acting as the bridge** between its members and other community groups.[39] Additionally, they assist in growing society's interest in the arts and create credibility for local art markets by supplying publicly available research and information.[40] Such efforts play an important role in translating appetite for the arts into financial compensation for artists.[41]

> "The arts councils are important here because they bring some structure and accessibility to the arts. The councils can be a conduit or a liaison to help people find the artists."
>
> - Interview participant (Economic Development sector)

Arts councils also provide important resources and **services such as professional development, training opportunities**,

[38] Campbell, M. et. al. (2020). *What does the arts-service organization sector look like in Canada today?* SSHRC. Ryerson University in collaboration with Mass Culture. CCC-Report-.pdf (massculture.ca)

[39] Wang, J. et. al. (2002). *Arts Service Organizations: A study of Impact and Capacity*. The Boston Foundation. Publication: Understanding Boston. Arts_Cult3TXTa.qxd (iupui.edu)

[40] Ibid.

[41] Ibid.

> "All of the festivals put on by the arts council impact our tourism which in turns increases the community's business revenues."
>
> - Arts council survey participant

and material supports for the arts which may be difficult to find otherwise.[42] By providing these various supports, arts councils often serve as the centre point for a range of artists and arts and cultural organizations in a community. This function becomes especially important for artists in times of need, such as during the COVID-19 health crisis.

Indeed, arts councils are able to leverage connections and funding for the arts industry. That is, they are able to **leverage funding sources as non-profit and often registered charities** that potential partners may not be able to access (e.g., for profits or municipalities). Moreover, thanks to their active presence in communities, arts councils are increasingly recognized for providing broader impact through **generating improved economies of scales for partners**.[43] That is, by combining support for the arts (e.g., professional development) and their ability to convene audiences/stakeholders, arts councils help amplify the impact of artistic productions.

> "After COVID-19, there is a strong need for healing and normalcy and creating art gives you that, especially for children. Taking part or supporting local art councils is an uplifting endeavor and all things positive."
>
> - Community member survey participant

Acting as a connector between people, supporting tourism activities, and enhancing local business are some of the spillover effects which are realized. As one illustrative example, an arts council representative spoke to how leading a two-day arts sale was a huge tourist draw for the area, with some 55 artists involved including First Nation artists. The event not only hosted live entertainment (thus supporting local music), but also encouraged the public to visit local eateries and businesses in town.

> "Our organization represents artists spread across a huge area in terms of square km. Our work attempts to address the inherent problems with huge and wide dispersal of artists by having a website, holding annual seasonal festivals and shows and working on a studio tour guide for the region."
>
> - Arts council survey participant

Research has supported the findings that arts councils have strong engagement within the arts and culture sector in the super region. To establish an average benchmark for engagement, the online survey collected data on membership levels from arts councils. As tabulated below, the majority of arts council memberships are made up of artists and cultural practitioners with an average of 190 members. Arts councils also reported a strong base of volunteers and supporters, with an average of 40 per organization. The number of donors ranged from 5 to 100, resulting in an average of 20 donors per arts council.

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[42] Ibid.

[43] Ibid.

Figure 21 How many members of the following type does your organization currently have?

Membership type	# of members
Artists/cultural practitioners	190
Volunteers/supporters	40
Donors	20

Source: Nordicity online survey

Speaking to **digital engagement**, arts councils noted a strong following on Facebook and noted widespread use of emailing software such as Mailchimp. Interestingly, only 3 councils indicated having a twitter presence, with followers ranging from 100 to more than 1,000.

"Due to COVID, we hosted a number of online exhibitions to keep artistic energy flowing. We also initiated an online artists' directory to help connect artists with potential clients."

- Arts Council representative

Figure 22 How many digital followers/subscribers do you have on the following platforms?

Online platform	# of 'followers'
Mailchimp (or other mailing software)	620
Instagram	570
Facebook	1,260

Source: Nordicity online survey

6.2 Artists/Creative Professionals

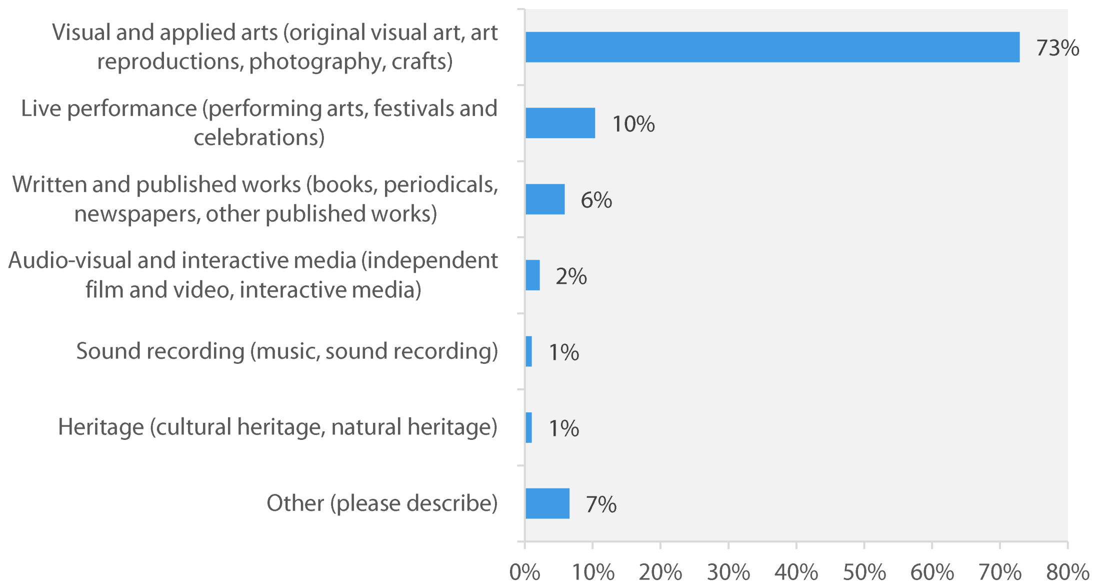
Based on arts council estimates and key informant interviews, it is estimated that approximately 5% of the region's population are artists.[44] Using most up to date adult population estimates for the Vancouver Island Coast economic region,[45] Nordicity estimates that there are **more than 35,000 artists in the super region.**

The majority (73%) of artists, creators, makers, or creative professionals who responded to the survey identified operating within visual and applied arts (Figure 23).

[44] This should be seen as a conservative estimate as some key informants suggested it is closer to 10%, with some even suggesting it may be as high as 20% in some parts of the super region.

[45] https://www.workbc.ca/labour-market-information/regional-profiles/vancouver-island-coast

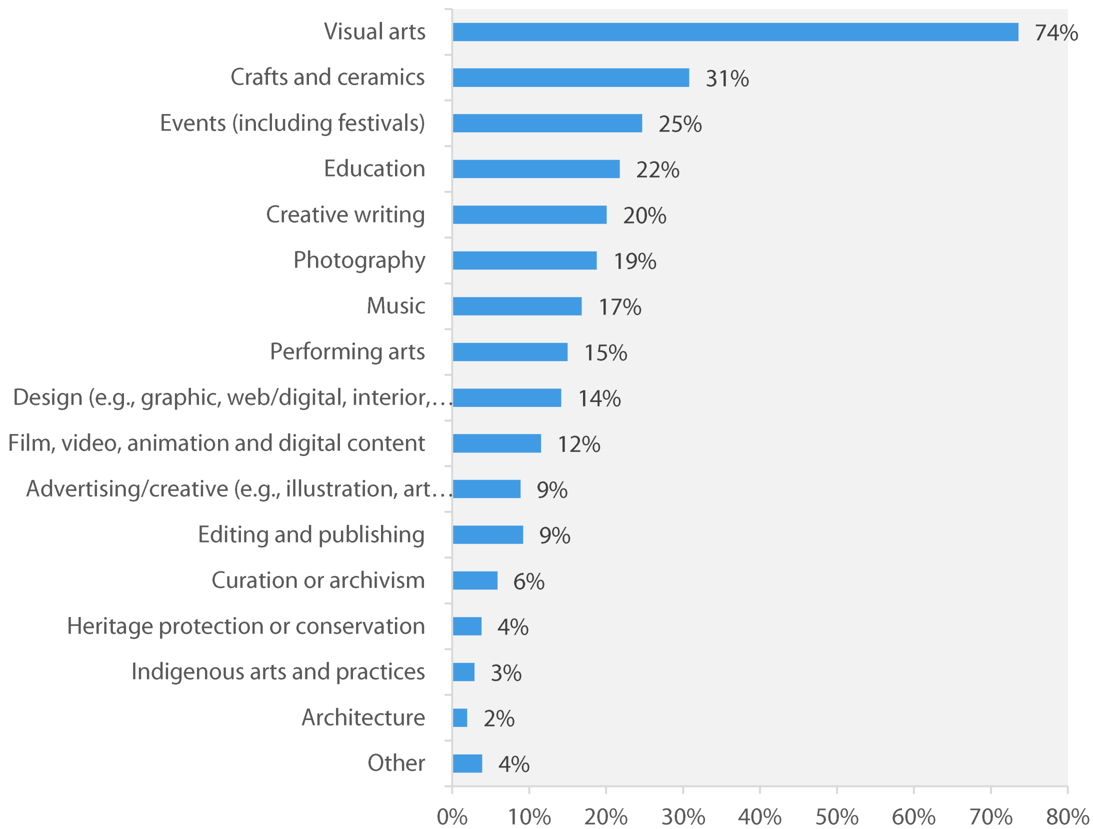
Figure 23 Please choose the domain in which you are primarily active. (n=868)



Source: Nordicity online survey

Artists identified visual arts as the most common practices area (74%, Figure 24). However, it is important to note the diverse range of areas selected – this could speak to the multiple domains within which one artist operates.

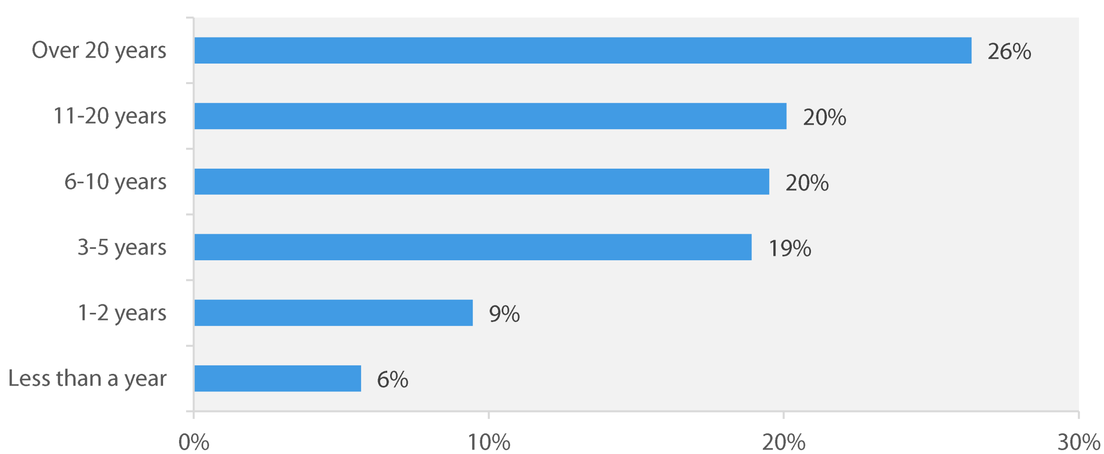
Figure 24 In which area(s) do you operate? (n=867)



Source: Nordicity online survey

Arts practitioners reported a diverse range of years of experience (Figure 25). However, the bulk of respondents identified being established in the super region's arts and culture sector for more than 10 years (46%) with 26% of those identified being established within the region's arts and culture sector for over 20 years.

Figure 25 For how many years have you been established in the region's arts and culture sector? (n= 846)



Source: Nordicity online survey

6.2.1 Revenues and Expenditures

In terms of revenue, over half of cultural practitioners (61%) generated income through their work in arts and culture in 2019. Using the universe estimates described above, it is estimated that there are **more than 20,000 revenue generating artists in the region.**

Figure 26 Breakdown of Artists in the Region

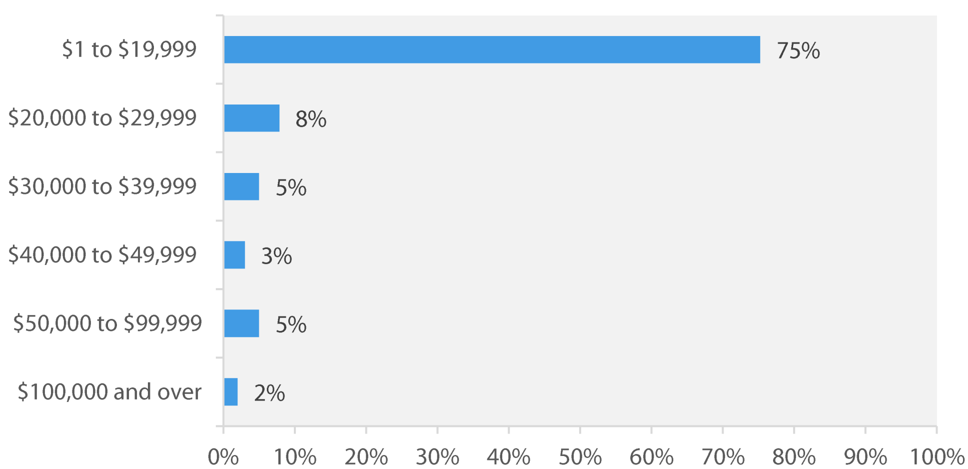
	Estimated # of Artists	Artist Population Breakdown	Regional Concentration Ratio
Revenue Generating Artists	22,700	61%	3%
Non-revenue Generating Artists	14,500	39%	2%[46]
Total	**37,200**	**100%**	**5%**

Source: Nordicity online survey and analysis and BC Stats Input Output Model

Regarding those who do not generate revenue, most indicated they pursued their work in arts and culture as a hobby or retirement activity. Many noted that they simply were volunteering or did it for fun while others noted health reasons or broader challenges with developing and sustaining a model for selling their art (e.g., access to markets, gallery closures).

For those that did report generating revenue, three quarters reported generating less than **$20,000 per** year (Figure 27) in arts related revenue with the **average income of an artist was approximately $18,000** a year.

Figure 27 Approximately how much did you earn from your work in arts and culture in 2019? (n=497)

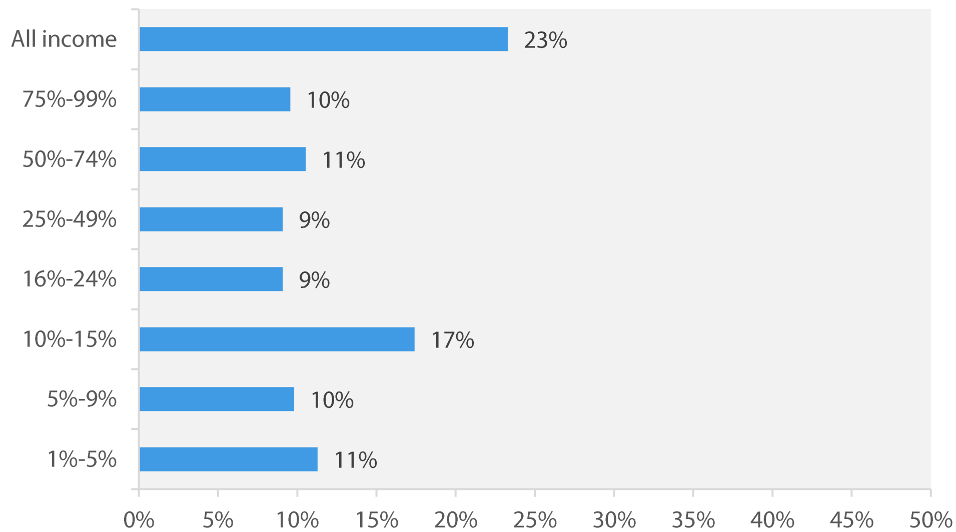


[46] This number compares to the commonly noted BC artist concentration estimate of 1.18% https://www.workbc.ca/labour-market-information/regional-profiles/vancouver-island-coast. However, the method used for this estimate is based exclusively on those who reported arts and culture activity as their main source of income, excluding a significant chunk of the artist population. As such, this estimate which also acts as the 'universe' for extrapolation should be seen as a conservative attempt to include the large number of artists who generate income through the arts, but not as their main source.

Source: Nordicity online survey

The lower-than-average income data relates to the fact that a significant majority of artists (77%) were supplementing their arts income with other sources. As shown below, **nearly 40% of artists generate less than one quarter of their income** through arts and culture activity (Figure 28). This important detail was corroborated through interviews and focus group discussions as well as through secondary research.[47]

Figure 28 Approximately what percentage of your total personal income was generated from your work in arts and culture in 2019? (n=408)



Of artists that are revenue generating, **average expenses were more $14k,** illustrating a roughly 20% profit margin. These expenses are spent on local suppliers, helping to drive significant indirect economic impacts (as detailed in Section 7). Similar to cultural organizations, artists spend 9 in 10 dollars within BC, which includes **70% of expenses being spent within the region.**

[47] Throsby, D., & Zednik, A. (2011). Multiple job-holding and artistic careers: some empirical evidence. Cultural Trends, 20(1), 9–24. https://doi.org/10.1080/09548963.2011.540809

7. Economic Impact Assessment Summary

The following section provides an economic profile of the arts, focusing on cultural organizations and artists/creator/maker/creative professionals in the super region. It also includes a section on the value of arts tourism and its spillover to the regional economy.

To estimate the economic impact of cultural activity in the region, we collected data through an online survey of cultural organizations and artists. We then used BC Stats Input-Output Model (BCIOM) to model the direct, indirect, and induced impacts that this arts activity had at regional levels the last census year of 2016 (fiscal year). These different types of economic impact are defined briefly below:

- **Direct Impact** refers to the increase in GDP, FTEs, and labour-driven income directly associated with artists and organizations within the arts sectors.
- **Indirect impacts** estimate the employment, GDP and labour income supported by **purchases from suppliers**. For instance, a cultural organization might stimulate employment in the marketing industry through purchases of communications services from local suppliers, or an artist may enlist light manufacturers to fabricate sculptures.
- **Induced impacts** use modelling techniques to estimate how labour income affects the economy through **household purchases**. For example, an arts employee will spend their employment income to purchase household goods from local businesses
- **Total Economic Impact** is equal to the sum of the direct, indirect, spill over and induced economic impacts.

The analysis of the economic impact of arts activities was examined in terms of two categories: cultural organizations and artists. Going beyond arts activity, the analysis looks at the impact of arts tourism for the super region.

7.1 Economic Impact of Cultural Organizations

According to the survey, **cultural organizations produced an output of $174 million in direct output in 2019**. $68 million was generated in direct labour (i.e., wages paid to employees and freelance workers (Figure 29). Cultural organizations also earned an estimated $7 million in operating surplus (e.g., operating profits or retained revenue), resulting in a **direct GDP impact of $75 million**. Cultural organizations also generated 2,120 full-time equivalents (FTEs) of direct employment.

Through the purchase of supplies and services from other businesses, cultural organizations also generated an indirect impact for the economy. The activities of cultural organizations generated 980 additional FTEs of employment and over $59 million in labour income for workers in other industries in the region. The **indirect GDP impact was $68 million**.

The re-spending of labour income at both the direct and indirect stages also generated an induced economic impact for the region. The induced impact on labour income was $12 million; the impact on GDP was $19 million; plus over 160 FTEs were created on account of the induced economic impact.

In total, cultural organizations supported **3,360 FTEs** in the region in 2019, **$130 million in household income** and **$162 million in GDP.**

Figure 29 Cultural Organization Economic Estimates

	Direct	Indirect	Induced	Total
Economic Output ($M)	174			
GDP ($M)	75	68	19	162

	Direct	Indirect	Induced	Total
Employment (FTEs)	2,120	980	160	3,260
Labour Income ($M)	68	59	12	139

Source: Nordicity online survey and analysis and BC Stats Input Output Model

7.2 Economic Impact of Artists

Artists also made a significant contribution to the economic impact of arts activity in the region, with 12,453 FTEs of employment. These artists earned an estimated $80 million in labour income (Figure 30).

Artists procure supplies and services from other industries for their work. As a result, their **indirect impact generated an indirect output of $133 million in labour income, a $193 million GDP contribution, and 2,730 FTEs**. The high indirect impact is generated through the large amount of expenditures used on non-labour suppliers, helping to drive downstream benefits.

Artists also spent their labour income, which resulted in an induced impact that generated $36 million in labour income, $49 million in GDP, and 450 FTEs of employment for the regional economy.

In total, artists supported **15,630 FTEs** in the region, **$250 million in household income** and contributed **$320 million in GDP** to the super region's economy.

Figure 30 Artists Economic Impacts

	Direct	Indirect	Induced	Total
Output ($M)	401			
GDP ($M)	80	193	49	322
Employment (FTEs)	12,453	2,730	450	15,630
Labour Income ($M)	80	133	36	249

Source: Nordicity online survey and analysis and BC Stats Input Output Model

Nordicity

7.3 Cultural Tourism

Cultural tourism is **one of the largest and fastest growing tourism markets** and is a key means for strengthening the attractiveness of destinations.[48] Beyond spending money as arts and culture patrons, cultural tourists spend on food, accommodations, and retail purchases, which yield an additional economic impact for the region. Tourists can have an even larger impact on the local economy through expenditures in the retail and hospitality sectors, which can be partially attributed to their attendance at arts and culture activities.

Arts and Culture Tourists Spend More and Stay Longer

Research shows the arts and culture travelers:

- spend more than other travelers.
- are more likely to stay in a hotel or bed & breakfast.
- are more likely to spend $1,000 or more during their stay.
- stay longer than other travelers

Source: American for the Arts

To investigate the economic impact of arts tourism, we collected data on the number and profile of attendees through estimation by cultural organizations. This attendance data was divided into visitors outside the organization's direct community and visitors off the island and coast region.[49] Survey data showed that most cultural organizations surveyed (89%) confirmed that they attract arts tourists to the region from outside of the Island and Coast region. These organizations also indicated that the bulk of the tourists attracted (82%) come from outside the region. While there was a wide range, **organizations hosted an estimated average of 2,000 visitors from outside the super region** in 2019.

The 'Cultural Explorer' Opportunity

Cultural Explorers make up the second largest group of global tourists, according to Destination Canada's EQs. These visitors pursue opportunities to embrace, discover and immerse themselves in the culture, people and settings of the places they visit. They are attracted to arts exhibits, historic sites and wildlife. There is an opportunity for the region to capitalize on this large market.

The survey data was combined with existing research on tourism spending. This included the most recent data from Destination BC, which estimates the average total spend per visitor to the region is $399.[50] In addition, data from more than 200,000 arts audience members from American for the Arts found that cultural tourists attribute 69% arts events as the primary purpose of their visit,[51] illustrating how arts and culture can be strong draws for those outside of a region.

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[48] https://read.oecd-ilibrary.org/industry-and-services/the-impact-of-culture-on-tourism_9789264040731-en#page11

[49] We assumed that visitors originating from Vancouver Island had no incremental economic impact, since in the absence of attendance at an arts or culture event or site, they would have likely spent their tourism expenditures in some other manner on the island.

[50] https://www.destinationbc.ca/content/uploads/2018/05/Vancouver-Island-Regional-Tourism-Profile_2017.pdf

[51] Americans for the Arts. (2017). Arts & Economic Prosperity 5 https://www.americansforthearts.org/sites/default/files/aep5/PDF_Files/ARTS_AEPsummary_loRes.pdf

Using the spending allocations and attribution rates described above, Nordicity determined that the direct benefit of the arts tourism for the entire region results in the creation of **2,290 FTEs, $88 million in labour income, and a direct GDP impact of $120 million**. It was estimated that a further $36 million was generated in labour income and 570 FTEs, resulting in an **indirect GDP contribution of $52 million. The induced impact from art tourism resulted in $15 million in labour income, 170 FTEs and GDP impact of $20 million** (Figure 31).

In total, arts tourism generated **$140 million in labour income**; a contribution of **$190 million to GDP**; and supported **3,030 FTEs**.

Figure 31 Tourism Economic Estimates

	Direct	Indirect	Induced	Total
Output ($M)	335			
GDP ($M)	120	52	20	192
Employment (FTEs)	2,290	570	170	3,030
Labour Income ($M)	88	35	15	138

Source: Nordicity online survey and analysis and BC Stats Input Output Model

7.4 Summary of Total Economic Impact

The total direct economic output of arts and culture activity in the region is more than **$900 million.** Through this output, arts and culture contributes more than **$675 million in GDP in the super region,** including indirect and induced impacts. In addition, it supports nearly **22,000 FTEs** and more than **$525 million in labour income**.

Figure 32 Total Economic Impact Estimates

	Organizations	Artists	Tourism	Total
Direct Output ($M)	174	401	335	910
Total GDP ($M)	162	322	192	676
Total Employment (FTEs)	3,260	15,630	3,030	21,920
Total Labour Income ($M)	139	249	138	526

Source: Nordicity online survey and analysis and BC Stats Input Output Model

While it is inherently hard to compare economic impact assessments that utilize different types of data and varied methods for modelling such impacts, some comparisons are listed below. They are intended to be **high-level comparisons of direct economic output** which minimize asymmetrical comparisons due to different approaches to modelling indirect and induced impacts:

- $910 Million – Islands/Coast Arts and Culture
- $624 Million – Vancouver Island University
- $124 Million – Victoria Cruise Ship Economy
- $92 Million – Regional Dairy Industry

In addition, the nearly **22,000 jobs supported by arts and culture activity in 2019 was more than the regional forestry industry** which supported nearly 16,000 jobs in 2019.[52]

The arts are often compared to sports due to recreational enjoyment and social value. Figure 33 illustrates that **arts and culture in the region is responsible for more than double the economic activity of recreational sport.**[53]

Figure 33: Economic output comparison to sports

Sports generate **$271 million** in direct output for the region (not including sport tourism)

Arts and culture generate **$575 million** in direct outputs (not including cultural tourism)

[52] While economic activity of the forestry industry in the region (which accounts for 81% of BC's entire forestry industry) is larger than the arts, a large proportion of arts expenditures are spent locally. https://www.cofi.org/wp-content/uploads/REPORT_COFI-2019-FOREST-INDUSTRY-ECONOMIC-IMPACT-STUDY-FOR-WEB.pdf

[53] Based on Stats Canada estimates for Sport Industries in BC https://www150.statcan.gc.ca/n1/pub/13-604-m/2015079/tbl/tbl22-eng.htm. Adjusted for inflation and the population of the region.

8. The Effects of COVID-19 on Arts and Culture

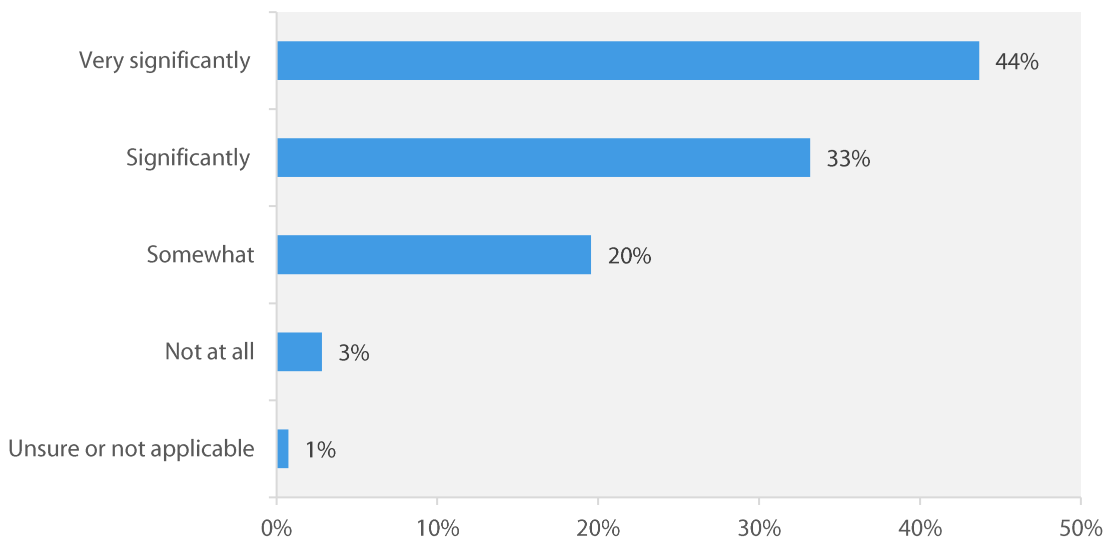
While the intention of the study was to understand the impact of the arts before COVID-19, the survey also used the opportunity to explore the impact of the pandemic on the regional arts ecosystem.

This section illustrates how the pandemic has affected the region according to survey respondents. It outlines impacts across the community (Section 8.1), and knock-on effects on businesses (Section 8.2) and arts and culture organizations and artists (Section 8.3). Additionally, this section presents an overview of how the arts and culture sector may contribute to post-pandemic recovery according to survey participants (Section 8.4) and the amount that they report being willing to contribute financially to support the sector (Section 8.5).

8.1 Impacts on Individuals Across Communities

Over three quarters of survey respondents (77%) reported that they were significantly or very significantly impacted by COVID-19's impact on arts and culture in the region, indicating the gap left behind with the cancellation of various cultural events and programs.

Figure 34 How have arts and cultural event and activity closures/cancellations due to COVID-19 negatively impacted you? (n= 1344)



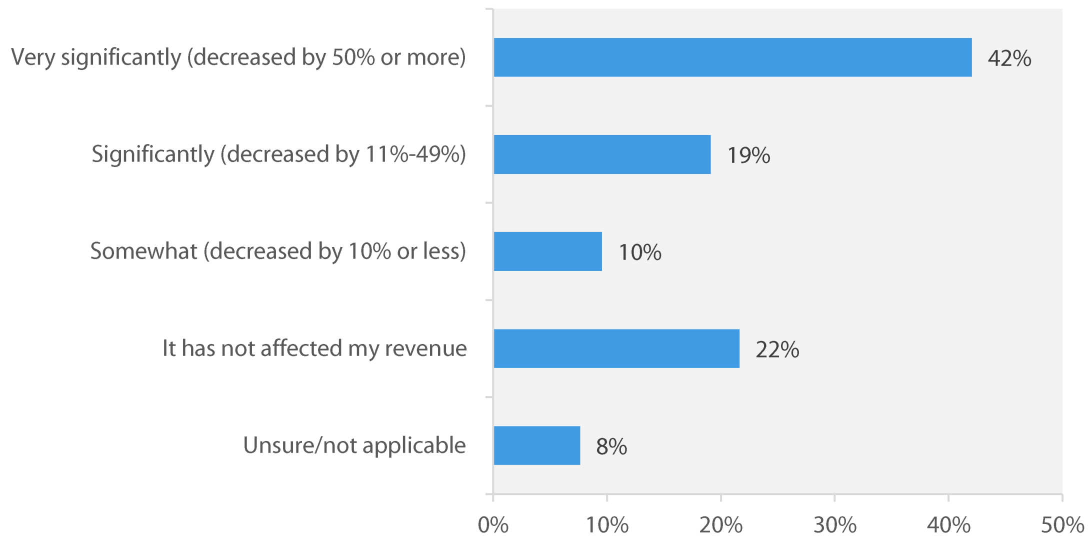
Source: Nordicity online survey

8.2 Impact of COVID-19 Arts and Culture Closures on Businesses

Like most businesses across Canada and worldwide, local businesses in the region experienced significant setbacks due to the COVID-19 pandemic. The survey results show how the pandemic restrictions took a devastating toll on the sector. Across the spectrum, the negative impacts included vastly reduced revenue (due to closures, reduced operating hours, or limited indoor capacity), lost business endeavours, and challenges responding to rapid changes in consumer behaviour.

71% of businesses reported that the arts and culture closures negatively impacted their ability to generate revenue over the last year. 42% of survey respondents that represented a business noted that arts and culture closures from the pandemic very significantly decreased their ability to generate revenue (i.e., decreased revenue by 50% or more) while 19% reported that they were significantly affected (i.e., decreased revenue between 11% to 49%). 22% identified that the pandemic had not affected their revenue. The finding that the majority of business respondents reported a significant decrease in revenue due to arts and culture closures reaffirms that the arts sector in the super region typically has a valuable positive impact on local businesses.

Figure 35 How much has arts and culture closures from the pandemic negatively affected your ability to generate revenue? (n= 157)

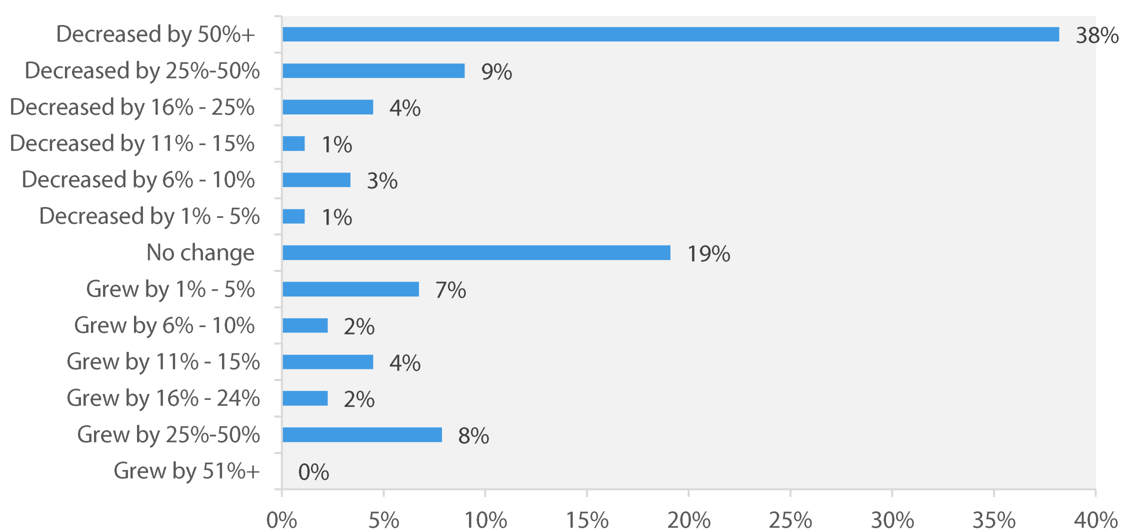


Source: Nordicity online survey

8.3 Impact of COVID-19 on Cultural Organizations and Artists

Unsurprisingly, cultural organizations reported a major impact of the pandemic, with nearly 40% indicating that their revenues decreased by more than half in 2020.

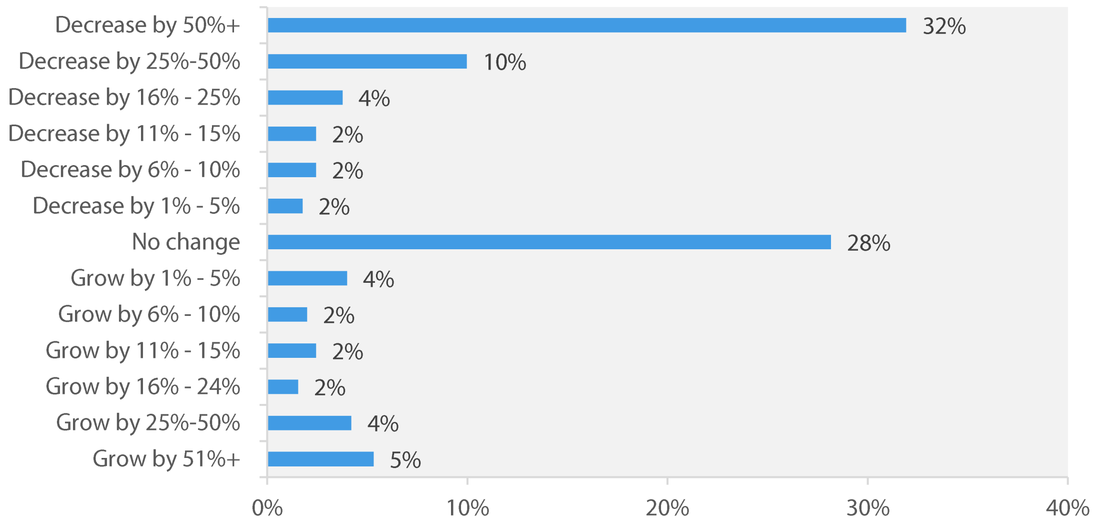
Figure 36 Compared to 2019, how did your 2020 gross revenue or sales change? (n=89)



Source: Nordicity online survey

Similar to cultural organizations, the pandemic had a major impact on artists with nearly a third indicating a **50% decrease or more in revenue** in 2020 compared to the previous year. Despite the challenges for many, more than a quarter indicated that they observed no change in revenues.

Figure 37 Compared to 2019, how did your 2020 arts and culture income change? (n=451)



Source: Nordicity online survey

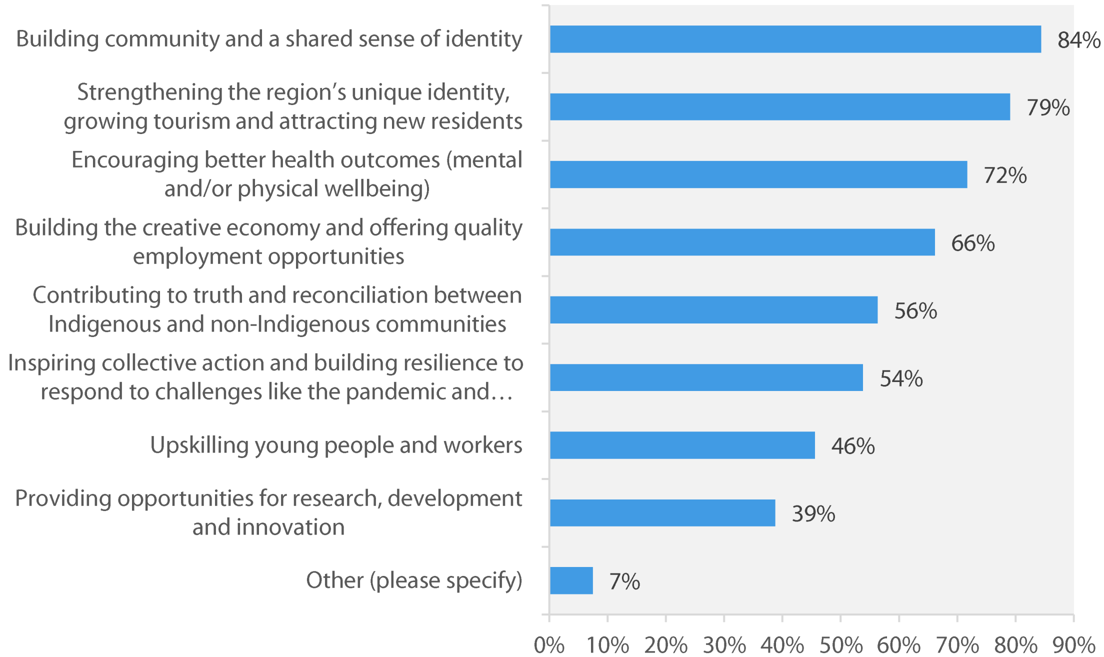
8.4 Looking Ahead: The Arts in COVID-19 Recovery

While the arts sector was dramatically impacted by the COVID health pandemic, it can also play a critical role in post-COVID recovery. When asked about the role arts and culture will play in COVID recovery and beyond, survey respondents indicated that they believe the sector has particularly strong potential in the following areas:

- Building community and a shared sense of identity
- Strengthening the region's unique identity
- Growing tourism and attracting new residents
- Encouraging better health outcomes (mental and/or physical wellbeing)
- Building the creative economy and offering quality employment opportunities

These responses point to an array of economic and social ways that arts and culture could help build the resilience of the region during and following the pandemic.

Figure 38 What role(s) do you think arts and culture will play in Vancouver Island and the Gulf Island's future, in recovery from COVID and beyond? (n= 884)



Source: Nordicity online survey

8.4.1 Willingness to Support the Arts Financially

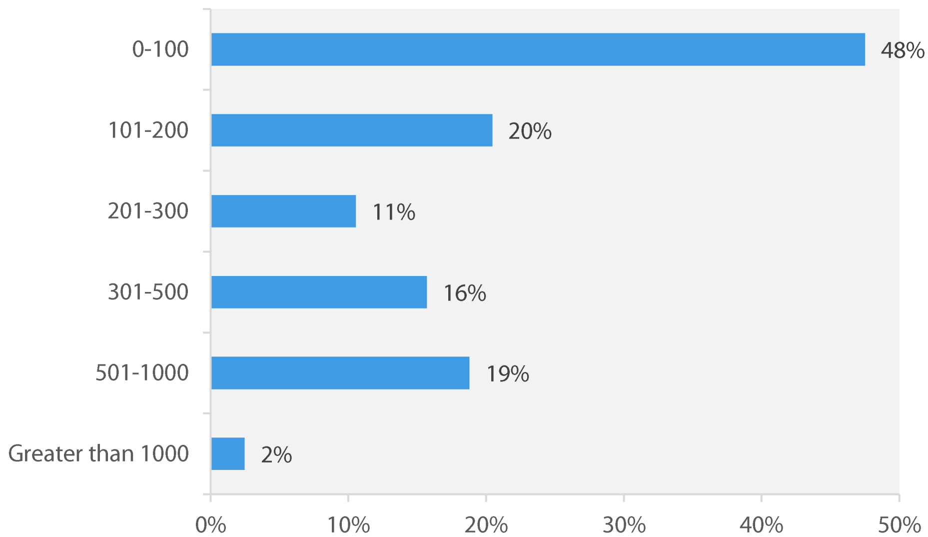
Respondents were asked if they would be willing to contribute to support arts and culture per year, and if so, how much. This survey question followed the contingent valuation (or "stated preference") technique, a survey-based method of Willingness to Pay (WTP)[54] which is used to assign a monetary value to goods or resources that do not have a market price. Contingent valuation is often used in the cultural sector to estimate hypothetical values, such as what ticket revenue would be for a gallery or museum that does not charge for entry.

78% of survey respondents indicated that they would consider making an annual contribution to support arts and culture post-COVID. When asked how much, 74% said they would be willing to pay $100 or more per year.

The specific amounts that respondents would be willing to contribute to support arts and culture per year varied greatly (Figure 39). While almost half reported that they would be willing to pay up to $100, many were willing to contribute much more, with the **estimated average willingness to pay being more than $200** per year. Two respondents said that they would be willing to contribute over $5,000 a year.

[54] Willingness to Pay is the maximum price a customer is willing to pay for a product or service. Source: Stobierski, T. (2020). Willingness to Pay: What it is and how to calculate. *Harvard Business School Online*, October 20th 2020 https://online.hbs.edu/blog/post/willingness-to-pay

Figure 39 How much are you willing to contribute to support arts and culture per year? (n=484)



Source: Nordicity online survey

9. Key Conclusions and Looking Ahead

While develop strategic recommendations for the arts and culture sector in the region was beyond the scope of this study, the research nonetheless highlighted some promising **future looking opportunities**. The following concluding subsections introduce some areas of action that could help equip the sector to have an even greater positive impact going forward.

9.1 Break Down Silos Within and Between Sectors

Many participants felt that disciplines within the arts and culture sector are currently too siloed within their respected areas. For example, galleries may not regularly interact with those working in dance or music. Additionally, some participants spoke to silos between sectors, describing a need for **arts and culture to be better integrated and reflected within the fabric of the community**.

> "There is no one place within the community for arts and culture to convene and be represented as a whole."
>
> - Focus group participant

Several participants argued that to break down these silos, **arts and culture as a sector needs to find a clear image to portray its value to the community** – both current and potential value. For example, some participants described how in European cities such as London and Berlin, arts and culture can be seen as integral parts of each city's identity, driving tourism and increasing quality of life and a sense of pride and identity for residents.

> "[Arts and culture should] encourage effective collaborations with non-arts organizations with an emphasis on the power of art for social change."
>
> - Business survey respondent

Participants noted that a variety of media and methods could be used to articulate the value of the arts and culture sector, from targeted communications to advocating for "a seat at the table" in circles that govern decision making at the community level. Increased collaboration between artists, communities, local organizations and governments could be a valuable way to create a stronger identity, find common ground, and ultimately propel arts and culture within a community.

Many believe that breaking down silos would lead to valuable collaborations and partnerships opportunities, be they profitable arts-business partnerships, downtown renewal projects, or social inclusion projects working with minority groups, newcomers, or at-risk youth.

9.2 Address the Overreliance on Volunteers

> "Volunteers are often the backbone [in the arts world] to operate."
>
> - Focus group participant

Numerous respondents described how a large arts and culture volunteer base plays a significant role in supporting a variety of events and programs throughout the region. Whether it is coordinating creative festivals, running drama clubs, or researching exhibitions, volunteers are said to "make things happen." It reverberated amongst roundtable participants especially that **many organizations and services simply would not be able to function without dedicated volunteers**. Despite the valuable benefits of volunteering such as increased civic engagement and community connections, relying on volunteer labour also poses many challenges. Common issues identified included overreliance on volunteer "regulars" leading to burnout; concerns about how to ensure "generational renewal" (as volunteers, who are often retired, step back from volunteering and may not be replaced); a lack of leadership support; and the significant administration time involved in coordinating volunteers. Additionally, reliance on volunteers **contributes to the perception in the region that arts and culture labour should be free** – an issue that was frequently described in the super region – and the belief that the arts do not need the same focus or investment as other areas such as recreation. More funding for paid positions, and more sustainable management and leadership to guide the volunteer base, were some of the needs described. **By addressing the overreliance on volunteers, arts and culture leaders will have more capacity to focus on affecting positive change** in the region, such as breaking down silos between sectors and promoting arts and culture activities to drive tourism and increased local spending.

9.3 Develop More Sustainable Funding Sources

> "People are all for arts and culture and like the idea of things happening, art happening, but when push comes to shove there is no help for it."
>
> - Focus group participant

It is well understood that finding and securing reliable funding is one of the greatest challenges that artists and cultural organizations face. Many participants described a **strong need for greater financial support of the arts** through a diverse range of funding types. For example, it was identified that there is often no public art funds or public art plans in some communities, even in major art hubs. However, there are various possible avenues of generating funding. For example, to ensure consistent financial supports, Cowichan Valley Regional District (CVRD) introduced a tax in 2016 to support to the arts with annual funding.

Some participants described the **need for more cross-sector and governmental support**. One interviewee described how arts councils sometimes do not know that there can be opportunities for funding beyond existing streams if they make a compelling case and ask for more money. The ability to build long-term relationships with funders and grant providers – and to advocate strongly for support – will play a significant role ensuring in sustainable funding for the arts.

9.4 Build New Community Arts Spaces

One challenge facing arts and culture identified by the research was **insufficient public infrastructure for the arts**. For example, some communities lack spaces such as galleries and theatres. In other communities there are few or no **convening shared space for the arts** where many types of art forms can overlap or have the chance to interact with one another. For example, Comox Valley was highlighted as having a museum and art galleries, but no major arts centre that could be seen as a convening and collective space for arts in all its forms.

> "Tourism can struggle to market art when there's not a physical asset to promote. You can't market 'hey we've got lots of great artists, go look at Google' – you need a 'place' to direct them to."
>
> - Interview participant

> "There has to be a destination, whether it's brick-or-mortar of an arts festival. They are like campfires that draw people together"
>
> - Focus group participant

Creating more centre points such as multi-use arts spaces could literally put arts and culture "on the map" in communities, appealing to both locals and visitors. They could act as cultural tourism destinations, that could be marketed to tourists regionally, nationally, and internationally. Such spaces would also act as creative hubs, helping to break down silos between artistic disciplines by fostering new connections, expanding potential.

9.5 Create Affordable Housing and Workspaces in the Region

> "We must create spaces for artists to create."
>
> - Focus group participant

Several participants spoke to the ever-growing challenge of affordability of housing and workspaces for artists throughout the region. A consequence is that valuable buildings such as workspaces and studios – spaces that are **foundational infrastructure for artists and creative professionals** – are hard to find.

Participants felt that physical creative spaces that artists can rent (beyond traditional shared spaces such as theatres) are near non-existent in the region. Another aspect of the infrastructure quandary is the lack of affordable housing for artists interested in living in creative communities. Indeed, many artists are on limited or fixed incomes and the lack of affordable housing may hinder an individual's ability to move to or stay within a desired creative hub. Participants described how artists are often priced out of creative "hubs", disrupting their connections, exacerbating silos, and limiting their access to professional opportunities. **Increasing the supply of affordable spaces for artists to live and work would address these structural barriers and increase opportunities for connections, creativity, and innovation**, enriching communities.

9.6 Bolster Focus on Equity, Diversity and Inclusion

> "I would like to collaborate more with Indigenous artists but often do not know where and who to approach."
>
> - Focus group participant

It was reported by interviewees that **COVID-19 brought to light key gaps in arts organizational models**. When re-evaluating and exploring new ways to interact with their audiences during the COVID-19 period, EDI (equity, diversity and inclusion) practices came up as an area where further work needed to occur, both in terms of widening audiences and supporting of artists. Many believed that arts and culture organizations could play more of a crucial community role in driving more EDI practices within the region.

There is a **need and desire to highlight a diverse range of practitioners in the region and those less represented in the fields** – such as BIPOC, youth, LGBTQ+ and First Nations artists, newcomers and people with disabilities. Many participants especially described a desire to work alongside and provide more opportunities to Indigenous artists in the region. This underscores the **need for deep thinking and actions on reconciliation**, First Nations inclusion, and supporting and highlighting the work of Indigenous artists.

"First Nations art is sometimes the first step for others to become interested in First Nations culture, contributing to shared understanding and opportunities for conversations around reconciliation."

- Interview participant

9.7 Share More and Grow Discoverability

"As a local resident, I myself often find it challenging to find out what is happening in the arts and culture community."

- Interview Participant

It was felt that more work needs to be done within the arts and culture sector to **strengthen awareness in the wider community of the work that is already happening**, and the benefits that the sector brings to the region. Additionally, ensuring continual **dissemination of local and up-to-date information** via various channels (including local and regional listings) would help educate communities about the arts and culture activities taking place across the region, inspiring more engagement and participation.

Additionally, there is a need to develop more of a narrative on the role of arts and culture, both within communities and across the super region. Developing such a narrative involves **telling stories about arts and culture in relation to local people, histories, and places in a compelling way.** However, there are currently real barriers to achieving these goals, ranging from a lack of digital skills within the arts and culture sector (discussed below under "Grow Digital Capacity and Digital Integration") to a scarcity of people available to lead and coordinate communications efforts (as discussed above in "Address the Overreliance on Volunteers" and "Develop More Sustainable Funding Sources"). Having more paid staff would drastically increase the sector's ability to share information and stories**. Improving discoverability would drive higher rates of engagement and participation** with arts and culture and more collaboration opportunities, potentially growing tourism and spending.

9.8 Champion Local Artistic and Cultural Heritage

The region has an incredibly rich, exciting, and valuable cultural heritage, from Northwest Coast First Nations art to Pacific Northwest-inspired art. A long list of famous artists were born or worked on Vancouver Island, from Bill Reid to Sybil Andrews, Roderick Haig-Brown, Emily Carr, and Charlie James (Yakuglas) to name a few

"[Arts] represents, aside from natural beauty, the strongest asset of our community in every way."

- Survey participant

Several interview participants described how despite strong links to well-known artists, their communities have few or no destinations where visitors can learn more about the artists' lives and work. As such, it could be valuable to undertake a concerted effort, across communities, to map cultural assets and review how they could be championed in a coordinated way for the benefit of all, and then consider the infrastructure that would be required to support it. **Raising the profile and capacity of arts and culture in the super region could grow region's appeal nationally and internationally** as a significant destination for arts lovers.

9.9 Include Arts and Culture in Tourism Recovery Strategies

Currently, the role arts could play in post-COVID resilience and recovery is found to be largely **overlooked by tourism recovery strategies** in the region. Additionally, arts and culture appear not to be a core promotional focus for Tourism Vancouver Island. Our research indicates that this limited focus may be in part due to the silos within the arts and culture sector. Initiatives such as Digital Innovation Group (DIG) and Creative Coast - which are both grassroots initiatives in the super region – may help address this challenge by offering an opportunity for tourism leaders to connect more broadly with the arts sector as a whole. Indeed, two economic development representatives interviewed for this study described how they see DIG as representing a shift within the local arts sector towards increased collaboration and capacity, across sectoral and geographical divisions.

> "DIG reflects a great tipping point in the capacity in the local organizations to drive projects themselves."
>
> \- Interview participant (economic development sector)

The arts have the potential to contribute meaningfully and powerfully to promoting the region as a cultural tourism destination. Many participants argued that **embedding arts and culture in strategies could attract more visitors, promote longer visitor stays and drive more discretionary spending** in communities, in turn increasing community wellbeing and resilience. Several participants noted how arts and culture is **complementary to nature and culinary tourism**, rather than in competition, and can enrich them. Indeed, many tourists are looking for experiences that mix these activities. The opportunities "Champion Local Artistic and Cultural Heritage", "Share More and Grow Discoverability" and "Build New Community Arts Spaces" (above) expand on actions that could potentially help embed arts and culture more firmly into tourism strategies.

> "The arts can really authentically represent the community – authenticity is so important for tourism right now. People want to experiences and the arts offer that."
>
> \- Interview participant

9.10 Grow Digital Capacity and Digital Integration

Digital technology and skills are vitally important to the arts and culture sector today, especially considering the pivot to digital during the COVID-19 pandemic. Several participants noted how new knowledge and skills relating to digital streaming and online events have been a positive outcome of the forced pivot to online during the pandemic, "shaking arts councils and organizations out of their traditional ways of doing things".

While many artists and arts and culture organizations have successfully moved various forms of content and programming online, **the COVID-19 period has highlighted how challenging digital adoption can be for many**. First, a lot of organizations were ill-equipped for this integration, making them cognizant of the current technical limitations of their business models and responsiveness to audiences' changing digital expectation. One interviewee described how artists often do not see themselves as "savvy business people," and that there is a **strong need for digital skills training for artists, arts administrators and arts and culture organizations**. Some innovative solutions have already been implemented in the region, such as Salt Spring Island Community Economic Development Commission (CEDC)'s "Rural Business Accelerator" which has provided training for art professionals around business acumen and digital strategy.

> "Online programming has expanded our audience dramatically - you can now be anywhere in the world and can access this community of artists... Keeping both in-person and digital programming alive post-COVID is a challenge but can also have a great impact."
>
> - Focus group participant

Digital tools will continue to complement in-person programming ongoing, contributing to accessibility and inclusion by offering high quality video conferencing, lectures, and speaker series online, for those who are unable to physically attend in person. However, some participants stressed that some art forms and types of programming do not and will not translate well to the digital world without losing their "magic". Nonetheless, digital continues to offer powerful **opportunities for increased engagement with the arts, raising stronger awareness of local arts scenes, and connecting artists to wider markets**.

10.Appendix A – Methodological Notes

10.1 Economic Impact Assessment Approach

Key components of the approach are described below.

'Universe' Generation

- To estimate the total number of cultural organizations, Nordicity leveraged a multi-faceted approach that combined online listings with access to proprietary databases of arts-based organizations using NAICS codes.
- To expand the assessment beyond cultural organizations, Nordicity developed 'grassroots approach' to estimate the number of artists in the region based on key informant approximations of the number or artists in the super region. This allowed the estimate to go well beyond artists captured in statistic Canada estimates as those are limited to the limited number of artists that indicate arts income to be their main source of income.

Economic Activity Aggregation and Modelling

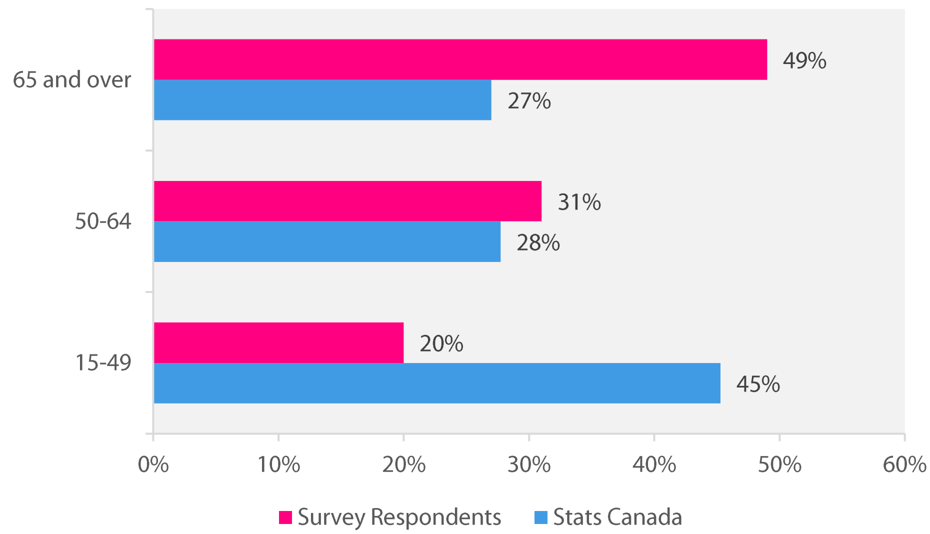
- To estimate aggregate economic activity, Nordicity leveraged the findings of the survey to establish a 'profile' of the number of artists and cultural organizations by approximate average annual expenditures. These averages were then grossed up to the 'universes' described above.
- To estimate the economic impact of cultural tourism, we collected data on the number and profile (i.e. geographic origin) of attendees to cultural events. This attendance data was divided into two groups based on the origin of audience: from within the region and outside the region. Using estimates for the latter, Nordicity used metrics from Destination BC regarding total spend per visitor ($399) and "Americans for the Arts" for attribution rates of entire spend to culture (69%).
- To model the indirect and induced economic impacts and GDP contributions, Nordicity leveraged the BC Stats Input-Output Model.
- To estimate full-time equivalent jobs, Nordicity used the average salaries for the arts as determined by the Statistic Canada ($32,232).

10.2 Respondent Demographics

The following two figures provide a comparison between the survey results and the Statistics Canada census data 2016 population statistics for the *Vancouver Island Coast Economic Region*.

It was found that they survey received a significant number of respondents 65 and over (49%) while the actual regional proportion of this age group from Stats Canada is 37%. It was found that the survey gained a comparable number of respondents between the age of 50-64 (31%) as reported by Stats Canada (28%), however, received a significantly less proportion of respondents between 15-49 (20%) than the regions actual proportion of this age group (45%).

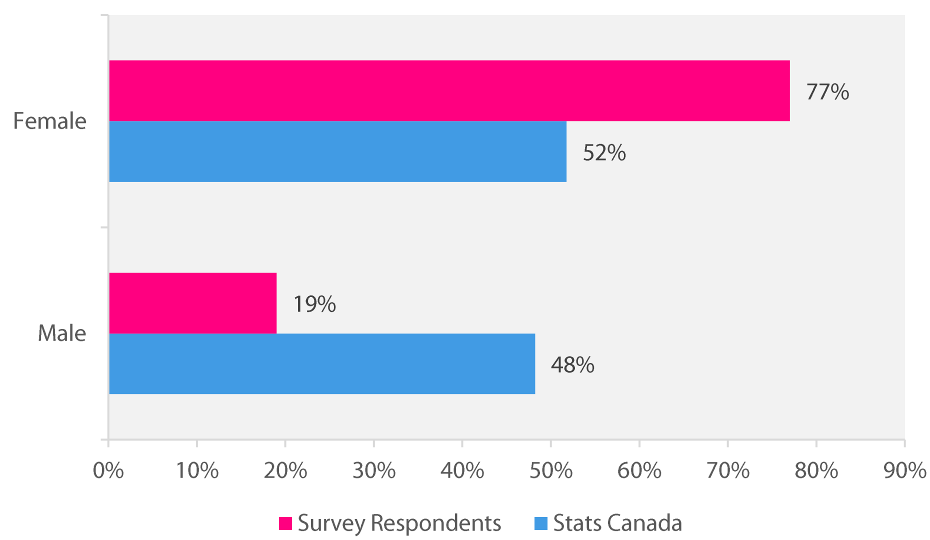
Figure 40 Age Range of Respondents (n=1726)



Source: Nordicity online survey and Stats Canada Census data 2016

Looking at gender representation, it was found that the survey saw a significantly higher proportion of female respondents (77%) than male respondents (19%). However, Stats Canada reports that actual regional gender representation is a more even split, with females (52%) only slightly higher than males (48%) for the region.

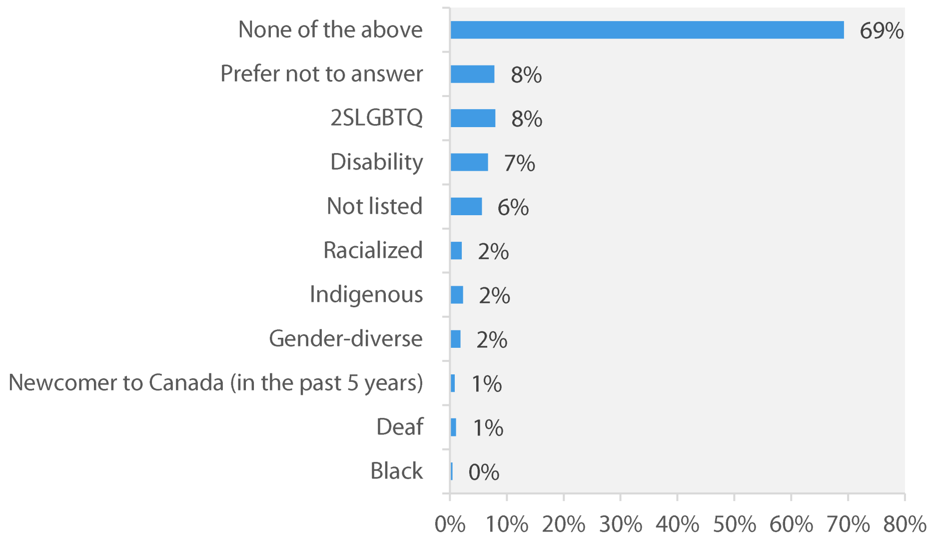
Figure 41 Gender Representation (n=1678)



Source: Nordicity online survey and Stats Canada Census data 2016

While comparing equity-deserving groups to Stats Canada data is difficult due to categorical differences, the figure below shows that there were less racialized and Indigenous respondents than regional averages. Census data for the region which indicates that and 11.3% of the region are identified as 'visible minorities' (or racialized) and over 9% of the region is Indigenous.

Figure 42 Self-Identification (n=1567)



Source: Nordicity online survey