

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

Executive Summary

October 2021

Prepared for
Digital Innovation Group

Prepared by
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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 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.

Note: The document contained above is an Executive Summary. If you would like to read the full report, please contact info@digarts.ca to request a copy.