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Transforming Canadian communities

Opera.ca Brief to the Standing Committee on Finance

If we get the environmental, the social and the cultural creative components right, I am convinced that the growth and productivity of an appropriate nature will inevitably follow ... I guess my fundamental argument about cities is that the quality of life creates the standard of living. It's not the other way around.

The Honourable John Godfrey, Minister of State (Infrastructure and Communities)

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Introduction

Canada's new Governor General, Michaëlle Jean boldly and passionately invited all Canadians to "call upon the vigour of our shared history to realize our dearest and most ambitious wish: to make a better world."¹

Canada's opera companies embrace her challenge and are committed to engaging Canadians in artistic experiences and opportunities that have the power to offer emotional, often cathartic, experiences that enrich our lives as Canadians. In so doing, the opera sector contributes in a real and vital way to the better standard of living and higher quality of life that are integrally related to Finance Minister Ralph Goodale's priority of improving Canada's productivity;² and, the theme the Standing Committee on Finance has identified for this year's pre-budget hearings.

Opera.ca welcomes the opportunity to submit a brief to the Standing Committee on Finance. As the Committee readies to examine Canada's long-term economic growth potential, standard of living and how to enhance productivity growth and Canada's performance, Opera.ca urges the Committee to sustain its leadership and support of Canadian arts and culture.

The Standing Committee on Finance's strong endorsement of the role and place of arts and culture in last year's report was welcomed and appreciated. We wish to underline the significance of this acknowledgement, and the resultant recommendations, to the 500,000 plus Canadians who are opera enthusiasts in one way or another.

¹ Speech by The Right Honourable Michaëlle Jean Governor General of Canada on the occasion of her Installation, Ottawa, September 27, 2005

² Notes for Remarks by the Honourable Ralph Goodale, P.C., M.P., Minister of Finance, Canada, to the Association of Municipalities of Ontario, August 15, 2005.

Canadian opera companies exist to enrich the experiences and opportunities that are softer, harder to measure -- the cultural pillar of the federal government's 'new deal'. Our member companies are run as some of this country's most efficient

Clichés suggest that opera is screaming and yelling and has nothing to do with ordinary people. Then there are those who think poor people don't deserve to be around art; they need to be around making money. They see poor people as culturally, intellectually and emotionally deprived. Both of these stereotypes are totally incorrect. Opera seems to move Downtown Eastsiders more than anything else I've ever seen. I've seen people coming out of their shell in a way I never thought possible. It's transforming them.

*Jim Green, former President of Vancouver's Four Corners Bank, commenting on Vancouver Opera's Downtown Outreach, as cited in Max Wyman's *The Defiant Imagination**

businesses, but their raison d'être is not to create monetary wealth. Rather, our goal is to touch and enrich peoples' spirit.

Opera evokes emotion; it evokes response. In so doing, it invites audience members to ask questions, demand responses, and perhaps better understand some of the complexities of our society. If we understand one another better, we become a more cohesive force, better able, and frankly more willing, to embrace the challenges of our country, like the need to enhance our nation's productivity.

Opera companies across Canada can count the audience they reach, measure their growing revenues - contributed and earned - and speak of increased administrative efficiencies. Recognizing the small size of our sector, they are impressive numbers.

Far more powerful though are stories of how opera reaches out to Canadians of all ages. The intrinsic value of opera, and the arts in general, bring value to Canadians, and directly correlate to the productivity of our country. Happy and fulfilled Canadians make a stronger contribution to the economic well-being of their communities.

Whether working with children to create an opera about stories that touch and profoundly affect them, as Vancouver Opera is currently doing with *Naomi's Road*, the story of a little Japanese girl interned during the war, or proudly exporting Canada's artistic vitality abroad, as the Queen of Puddings Theatre Company will do next June at

Covent Garden in their presentation of the new opera *The Midnight Court*, the Canadian opera sector is a vibrant and contributing force in communities across this country.

As important, Canada's opera artists – our singers, directors and creators – carry our country's spirit far and wide to all corners of the globe. Two very recent examples are indicative of Canada's operatic talent pool. Just this month, Canadian baritone Gerald Finley was heralded on across the front page of the *New York Times Arts* section as the 'charismatic Canadian' featured in the central role of San Francisco Opera's world premiere production of *Dr. Atomic*. Last month, Isabel Bayrakdarian, the winner of the 2005 Virginia Parker Prize designed to encourage young classical musicians, opened the Metropolitan Opera's 2005-06 season in a gala performance.

Opera -- our companies, our creators and our singers -- has become a force in Canada due in large part to the vision of the Government of Canada 50 years ago, when it established the Canada Council for the Arts.

At that time, Canada only had one opera company - the Canadian Opera Company. The COC remains at the vanguard of artistic

excellence and innovation in Canada. Throughout its history, it has played a leading role in strengthening and broadening the vision of the entire opera sector of this country.

Its vision of a national opera community has been realized with the foresight and support of the architects of Canada Council for the Arts. Then, as now, federal public support for the arts is key to leveraging the community support.

The Canadian Opera Company is poised, once again, to be a catalyst in the renaissance of Toronto's cultural life. The Four Seasons Centre for the Performing Arts, set to open in the fall of 2006, will be a beacon of artistic excellence and community enrichment. Building on its enviable reputation for innovative and daring opera, the COC will embark on an ambitious initiative of community programming that will engage Canadians in profound and meaningful ways.

To fully realize the potential the Canadian Opera Company holds for Canadians, it, and indeed the entire opera sector in Canada, is working towards strengthening the fragile foundation on which they operate.

Sustainable adequate federal operating support is key to reinforcing that

In 1957, the bold and visionary step our parliamentarians took to establish the Canada Council for the Arts recognized the fundamental value that artistic expression brings to the lives of Canadians, whether as an artist, participant or audience member. Through the funding provided then, and continuing now into current day, the federal government, through the Council, has played a central role in allowing opera companies, and indeed the entire artistic community, to reach out and enrich the towns and cities Canadians live in.

We are at a juncture now when federal funding for opera, and indeed all artistic organizations, needs a boost. The extraordinary investment of 1957 yielded incredible results for Canadians -- results that continue to this day. But like any investment, it needs renewal.

Like the physical infrastructure which has become a priority in our country, the infrastructure of our artistic organizations is on equally fragile foundations. Like roads and bridges, it needs strengthening.

Opera companies around the country are on the cusp of true community engagement – engagement that promises to enrich the lives of Canadians from all walks of life, and in so doing contribute in meaningful ways to the productivity of our nation. And they are doing their part to realize its full potential.

Opera companies in Canada strive to maximize contributed revenue (donations and sponsorship) and box office. In five years, private sector contributed revenue has grown 6 percent, from 27 percent to 33 percent of our total revenue picture. Box office has remained steady, with companies always mindful that ticket prices must be affordable and accessible to Canadians. The drop has occurred in public support, particularly federal support.

Opera, like all art, is about creativity and innovation. And like industry, Canadian opera counts on public support to allow us to take the risk we need to create our own brand of opera – opera that resonates with the Canadian aesthetic.

Like industry, the opera sector cannot rest on the ‘top five.’ While masterpieces like Puccini’s *Boheme* and *Turandot* will always have a place in our heart and opera’s repertoire, the innovation of our companies engages Canadians. Last year’s brilliant COC production of *The Handmaid’s Tale*, Calgary Opera’s daring production of *Dead Man Walking* this coming February, or Chants Libres’ international exploration of music and art, in works like *L’Archange*, are works that resonate with Canadians and incite discussion, dialogue and deeper understanding among us as Canadians.

Productions like these define the Canadian opera sector. Built on the vitality of opera companies, creative and performing artists, together with ambitious community outreach programs, it is this type of work that stretches us all, while connecting us to the rich 400 years of operatic history we enjoy, and has played a part in Canada since the landing of Champlain.

But these works are risky for an opera company. A company is always on the fulcrum of box office success (i.e. meeting box office goals) or financial challenge, sometimes ruin. With eroding public support, Canadian opera is increasingly forced to take the safe road. As charitable organizations, engaged in enriching their communities, it is not in the organization’s fiduciary interest to pursue risky strategies; hence innovation and creativity are suppressed. Opera, like industry, is forced to travel the well-worn route that discourages the curiosity so central to artistic expression and interest.

With the support of the Minister of Canadian Heritage, the Honourable Liza Frulla, and the Government and parliamentarians of Canada, we are optimistic that there is an alternative. In the last federal election, the Liberal Party of

A nation without arts would be a nation that had stopped talking to itself, stopped dreaming, and had lost interest in the past and lacked curiosity about the future. John Tusa

Canada stated: *Canada must strive for, and attain, cultural excellence. This will strengthen our national fabric at home and our reputation abroad, and will enhance the quality of Canadian life.*” Opera.ca supports and endorses this view.

Opera companies - boards, volunteers, artists and audiences -- across the country are encouraged that Minister Frulla has identified arts funding as one of her top priorities. She recognizes that support to Canada’s artists, creators and cultural institutions is essential to enable them to compete and thrive in a global marketplace - a place that offers Canada the opportunity to build brand recognition, market share and profile.

We couldn’t agree more with how the Minister puts it: “creativity and innovation is where our economic future lies.”

Our recommendations

Opera.ca and its members share many of the issues other arts organizations have already highlighted to the Committee. We urge the Committee to consider the breadth and the depth of those messages, recognizing that the arts support every Canadian, and their quality of life, in one way or another.

1. Financing the arts

Opera.ca is heartened by the support this Committee demonstrated towards the arts and culture sector last year.

Federal funding has not kept pace with the needs of the sector. Its ability to be creative and innovative is hugely diminished, and our contribution to the vitality of Canadian communities is diluted.

Recommendation 1

Opera.ca recommends that the Government of Canada, through the Canada Council for the Arts, invest an additional \$5 per Canadian in artistic enterprise – the tenets of which are creation, research, development and production.

This recommendation, consistent with that of the Canadian Arts Coalition, and other arts organizations across the country, will ensure that arts organizations, like opera companies, are able to engage and support the best of artistic creation and production in Canadian communities helping to affirm Canada's place in the world.

2. Streamlining funding mechanisms

Opera.ca acknowledges, with sincere appreciation, the initiatives of the Government of Canada and others to offer a variety of funding mechanisms, particularly in the area of capacity building, endowments and stabilization. Recognition of the inherent structural financial challenges faced by many of our members is welcome.

Our members also adhere and are committed to the highest level of accountability and transparency. We appreciate that we have been entrusted with public money, whether through public funding or through charitable donations, and the use of those funds must be clearly accounted for.

That being said, the current funding apparatus places onerous demands on our members, to the point that some can not avail themselves of the resources available due to the administrative and reporting requirements of both the application and reporting processes.

Recommendation 2

Opera.ca encourages the Government of Canada and its funding partners to streamline and consolidate funding programs so that the fundamental purposes of the programs may be recognized. We urge the Committee's recommendations to acknowledge the exceedingly lean administrative structures of opera companies, and by extension, most arts organizations, and to encourage a more efficient, less consuming funding apparatus.

3. Investing in opera

Above, we noted the huge growth in private fundraising in the Canadian opera sector. It's clear that with 33% of total revenue coming from individual, corporate and foundation giving, opera is part of the growing strength of charitable giving. To build further on these sources, we believe that firm action and signals are required to stimulate even more private sector giving. While contributions are growing, we believe more needs to be done to both encourage larger gifts and the participation of more donors.

Opera.ca joins with others in the cultural community and broader charitable sector to endorse an earlier recommendation of this Committee to strengthen the incentives contained in the Income Tax Act.

Recommendation 3

Opera.ca recommends that the Committee reiterate its recommendation that: “The federal government amend the Income Tax Act to eliminate the capital gains inclusion rate applied to donations of publicly traded securities to charitable organizations, including private foundations.”

Conclusion

Opera.ca values the opportunity to make recommendations to the Standing Committee on Finance on the upcoming 2006 federal budget. We offer them in the spirit of an ongoing and constructive dialogue with parliamentarians and the Government of Canada.

In this submission, we have joined with others in calling for a series of constructive measures that will enhance the contribution opera companies make to the quality of life for Canadians in a wide array of unique communities. The principal recommendation focuses on funding to the Canadian arts sector. With the Canada Council for the Arts imminent 50th anniversary in 2007, the time is ripe to salute the visionaries who established the Council, and reinforce the contribution that the arts make to our country.

Opera companies, and all the affiliated organizations and individuals among our members, touch Canadians from every walk of life. Like our colleagues throughout the arts sector, we endeavour to provide Canadian communities with artistic experiences that have the power and potential to transform individuals and the lives they lead.

In short, a vibrant, healthy and adequately supported opera sector is an essential part of the Canadian cultural pillar, directly contributing to Canadian productivity and innovation.