



ASSOCIATION FOR
OPERA IN CANADA

Regenerating & Revitalizing the Opera Sector

Written Submission

Pre-Budget Consultations in Advance of the 2024 Budget

Submitted to:

The Standing Committee on Finance
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Association for Opera in Canada (AOC) is the voice of Canada's opera sector: the companies, artists, businesses, and organizations that bring opera to Canadians and beyond. Our members are an important part of their community – be that a community in a large urban centre or a smaller town or city. Through partnerships and collaborations among the cultural sector, with community organizations and businesses, we reach out to Canadians from coast to coast to coast.

AOC and its members are deeply grateful for the subsidies provided to the Arts and Cultural sector throughout the pandemic which kept the sector above water when earned revenues plunged from a high of nearly \$26M to less than \$2M during a prolonged period of lockdown.

We appreciate the opportunity to share how the opera sector has weathered this storm, and ways the Government of Canada can continue to assist in the regeneration and revitalization of the opera sector. These recommendations are detailed in the following brief to the Standing Committee on Finance as part of its pre-budget consultations in advance of the 2024 budget.

Our recommendations are as follows:

Recommendation 1: We support the recommendations made by the Canadian Arts Coalition for \$350M permanent investment into the Canada Council for the Arts and Canadian Heritage Arts Branch programs, addressing the future resilience of the broadest arts & culture eco-system.

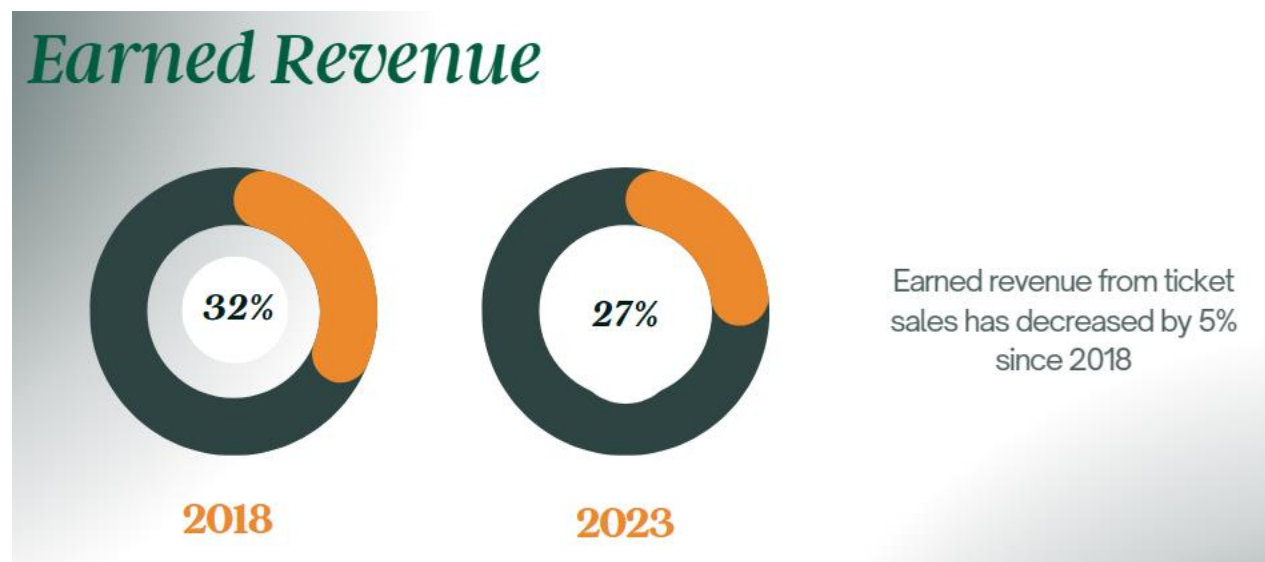
Recommendation 2: To incentivize and leverage charitable giving, we recommend an increase and expansion of the Endowment Incentives component of the Canada Cultural Investment Fund (CCIF) to \$59M to provide matching funds for every dollar raised privately for Endowment *and* Working Capital to build financial resilience in the opera sector.

Recommendation 3: Recognizing the unique challenges experienced by the sector's most precarious workers, Artists, we recommend a renewal of the \$60M funding to the Canadian Arts Workers Resilience Fund

Recommendation 1: We support the recommendations made by the Canadian Arts Coalition (for \$350M permanent investment into the CCA and Canadian Heritage Arts Branch programs, addressing the future resilience of the broadest arts & culture eco-system.

The largest part of this recommendation and the one that would most impact the opera sector is to provide \$140M to permanently increase the granting budget of the Canada Council for the Arts to \$500 million annually, broadly impacting the eco-system in terms of equity, artists, transparency and innovation for new and existing clients. It's the way to help the most.

The opera sector has yet to return to pre-COVID sales levels, an essential part of their revenue mix that continues to lag. The average opera company revenue mix is one of 32% Earned, 36% Private and 24% Public Revenue. Between 2018 and 2023, earned revenue of opera companies (expressed as a percentage of total revenues) slipped 5 percentage points, down to 27 from 32 per cent. In real dollars, this equates to a gap of \$4.7M.



Source: The CADAC

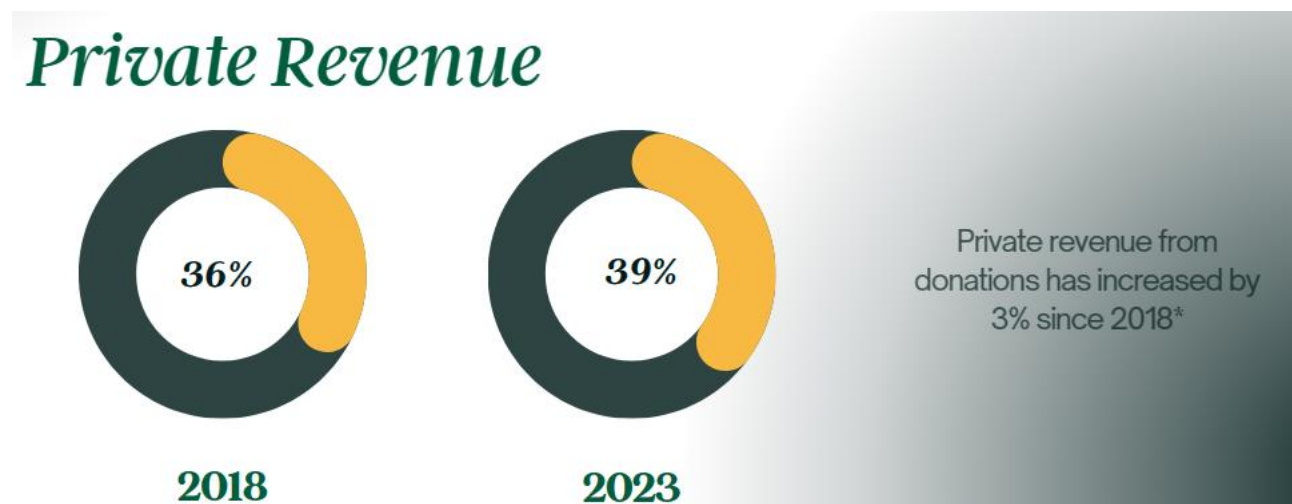
The Canada Council for the Arts provides essential core or operating revenues to maintain a balance. However, with unchanged levels of public funding, a gap is widening due to rising inflation affecting both production and human resources costs, as well as new, extra costs companies must bear such as multiple understudies when a single illness can threaten to close an entire production, such as it did with the recent cancellation of five performances of [Come from Away in Newfoundland July 24, 2023](#) just last month.

Opera companies are rapidly adapting and trying new strategies to attract and diversify audiences as well as exploring ways to increase philanthropy and sponsorship, but it will take some time to see results. In the meantime, an increase to the Canada Council for the Arts will

close the gap and stabilize the revenue mix with predictable core revenue companies need during this period of regeneration.

Recommendation 2: To incentivize and leverage charitable giving, we recommend an increase and expansion of the Endowment Incentives component of the Canada Cultural Investment Fund (CCIF) to \$59M to provide matching funds for every dollar raised privately for Endowment *and* Working Capital to build financial resilience in the opera sector.

One of the areas where the opera sector has had great success post-COVID is its ability to fundraise from private sources.



Source: The CADAC

This data is also validated in the recent StatsCan report: [“Grants, subsidies, donations, corporate sponsorships and fundraising take centre stage in the not-for-profit performing arts industries in Canada.”](#) (page 7)

The Government of Canada has an important role to play in leveraging its support to further incentivize private giving. An increase of \$59M annually to the Canadian Cultural Investment Fund (CCIF) would allow for the expansion of the current Endowment Incentives program to provide matching funds for every dollar raised privately for Endowment and Working Capital. Working Capital is essential to smaller, new and diverse organizations which are not set up as institutions in perpetuity, and supports their growth, development and resilience. Highly successful past models for a Working Capital Program for the Arts exist such as The Creative Trust program which ran from early 2000–2009 in Toronto. A \$60M federal investment could potentially leverage \$60M in private philanthropy and another \$60M in matching funds if provinces would also follow suit (as they did in Ontario in the 2000s contributing to the Ontario Arts Foundation)

With regard to the proposed policy on Alternative Minimum Tax (AMT), we recommend that this be delayed until government determines the impact of the AMT changes on charitable revenues by conducting an independent economic and financial analysis. Due to its high number of major donors, the opera sector is concerned that this policy, in its current form, will discourage donations from high-income donors at a time when it is needed the most.

Recommendation 3: Recognizing the unique challenges experienced by the sector's most precarious workers, Artists, we recommend a renewal of the \$60M funding to the Canadian Arts Workers Resilience Fund (CPAWRF)

Despite being the opera sector's essential workers, opera artists were the most disproportionately affected by the cancellations and lack of work during the pandemic. CPAWRF funding provided essential relief funding to various associations to distribute to artists across the field. As important as the relief funding component was, its capacity-building stream provided transformative, far-reaching impact. The AOC was a recipient of the capacity-building stream and through it provided on-the-job, paid work experience and learning to 437 opera artists through our Opera Artist Resilience (OAR) Program.

The program evaluation was revelatory. Among its successes is that it solidified the role of an Arts Service Organization as a trusted delivery partner for the Government, following the axiom that those most affected by a problem are best situated to find a solution. 95% of artists reported that the program was responsive to their needs, 94% felt more confident in their ability to pursue a multi-faceted career (resilience marker), 93% learned or practiced new skills that were applicable to their career, and 87% felt more positive about their ability to remain in the opera sector after participating in the program.

The funding ignited a new dynamism and creative energy in the sector. Artists felt empowered, in control of their lives, work, and future, and more resilient and less vulnerable to future shocks as a result. Described as a bold and transformative vision, its continuation is strongly endorsed by all who participated. A renewal of the \$60M Canadian Arts Workers Resilience Fund will allow this spark to flourish.

Investment in the Opera Sector is an Investment in Canadian Life and Communities

An Evidence-Base for Opera in Canada

Through its innovative Opera Civic Impact Framework, unique to the opera sector, AOC measures the collective civic impact of opera companies from coast to coast. Between 2021 and 2022, seven opera companies in Canada participated in data collection efforts, deploying a total of 400 surveys that were completed by participants and audience members attending the opera performances and programs during the pandemic.

Findings:

1. Joy: 95% of survey respondents enjoyed the opera experience. Participants highlighted the opportunity to use their voices without judgment, and teachers found the interactions with participants gratifying.
2. Relatable: 61% of respondents felt that opera was more relevant than they originally thought, and 64% gained a deeper appreciation of opera as an art form.
3. Welcoming: 90% of respondents felt that the atmosphere at opera performances was warm, open, and inviting.
4. Well-being: 73% reported that attending the opera had a positive impact on their mental health and well-being. The opera experience was described as a means to escape the daily routine, allowing attendees to dream, imagine, and be transported into another realm.
5. Changing Hearts and Minds: 73% experienced strong emotional reactions during opera performances. 32% reported that the opera experience altered their worldview, while 41% felt motivated to engage in dialogue or action related to the covered topics.
6. Community Cohesion: Attending opera performances contributed to community cohesion, with 55% feeling more proud of their culture and/or community, 52% feeling more connected to their local community.

The Opera Civic Impact Framework and shared survey questions have provided valuable insights into the impact of opera performances and programs in Canadian communities. The findings demonstrate the positive effects on joy, relatability, welcoming atmosphere, well-being, changing perspectives, and community cohesion experienced by participants and audience members. This evidence contributes to better understanding the role of opera in fostering collective well-being and building community ties.

Conclusion

The opera sector has the energy, creativity and desire to regenerate after recent events, and in partnership with the Government of Canada can deepen its role in telling our stories, providing uplifting and joyful experiences, convening Canadians, influencing positive values, and uniting communities.