

Government Spending on Culture in Canada, 1992-93 to 2002-03

Report prepared for the Canadian Conference of the Arts



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Government Spending on Culture in Canada, 1992-93 to 2002-03

This report examines spending on culture by federal, provincial and municipal governments in Canada. The report's principal focus is the change in government spending on culture between 1992-93 and 2002-03. A brief overview of government cultural spending in 2002-03 is also provided.¹ Government cultural spending by cultural sector, by level of government and by province, as well as per capita spending amounts, are examined in this report.

Unless otherwise noted, the source of the data is Statistics Canada's Survey of Government Expenditures on Culture.² Various years of this survey were examined in order to compile a 10-year history of government spending on culture.³ All figures are for government fiscal years (e.g., April 1, 2002 to March 31, 2003), except municipal figures, which refer to calendar years. The government spending data includes operating and capital expenditures of government departments and agencies, as well as operating and capital grants and contributions to artists and cultural organizations.

¹ Statistics Canada provides a yearly summary of these statistics. See Statistics Canada's *The Daily* for January 27, 2005, available at <http://www.statcan.ca/Daily/English/050127/td050127.htm>. Methodology and data tables are available at <http://www.statcan.ca/english/freepub/87F0001XIE/87F0001XIE2005001.htm>

² The most recent Daily article notes that "the survey of federal and provincial/territorial government expenditures on culture is a census of all 30 federal and 180 provincial/territorial departments and agencies with culture-related expenses.... Municipal data are based on a sample of municipalities." The 2002-03 results do not include data from the Government of Nunavut, which is estimated to be 0.1% of total provincial and territorial spending on culture.

³ The most-recently revised figures were used to compile the historical view of government cultural spending. For example, the 2000-01 Government Expenditures on Culture tables provide revised estimates for 1996-97 to 1999-2000. These revised estimates may vary from the figures originally reported in the yearly data tables. We thank the Ontario Arts Council for sharing the historical data with us for this project.

Section 1: Government spending on culture in 2002-03

GOVERNMENT SPENDING ON CULTURE EXCLUDING TRANSFERS BETWEEN GOVERNMENTS

A total of \$7.1 billion was spent on culture in Canada by federal, provincial and municipal governments in 2002-03. This amount excludes approximately \$350 million in transfers between the different levels of government.

Government spending on culture in Canada is three times lower than the \$22.8 billion in consumer spending on culture in 2003.⁴

Statistics Canada captures and reports most government spending data *including* transfers between different levels of government. In order to provide an analysis of government spending by cultural sector, level of government, province and type of expenditure, the remainder of this section examines government spending on culture *including* transfers between governments. Government spending on culture, *including* transfers, was \$7.4 billion in 2002-03, 5% higher than the amount without transfers (\$7.1 billion).

⁴ Hill Strategies Research, *Consumer Spending on Culture in Canada, the Provinces and 15 Metropolitan Areas in 2003*, May 2005, available at <http://www.hillstrategies.com>.

GOVERNMENT SPENDING BY CULTURAL SECTOR

Figure 1 shows that, in 2002-03, the arts received the smallest share of government spending on culture (\$550 million or 7% of government spending on culture). Heritage and libraries received one-half of the \$7.4 billion in government spending on culture (\$3.7 billion), followed by cultural industries (\$2.5 billion or 34%) and multiculturalism, multidisciplinary and other cultural activities (\$694 million or 9%).

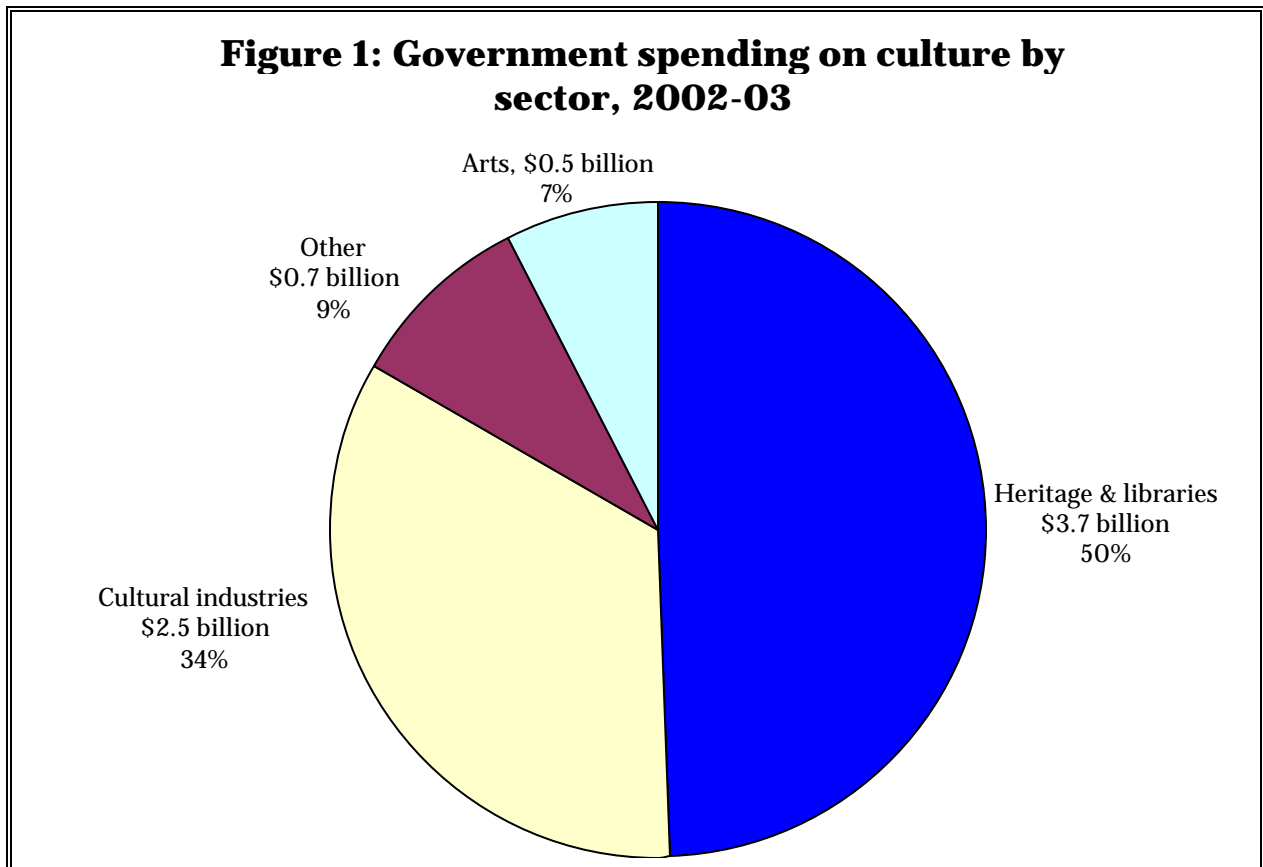


Table 1 provides a further breakdown of the \$7.4 billion in government spending on culture and a description of each of the sub-sectors.⁵

Table 1: Government spending by cultural sector and sub-sector		
Sector / Sub-sector	Government spending in 2002-03	% of total government spending on culture
Total	\$7.4 billion	100%
Arts	\$550 million	7%
<i>Arts Education</i>	\$80 million	1.1%
<p>For the purposes of this survey, arts education refers to the fine, applied and performing arts rather than to strictly academic fields such as language, history, literature, etc. The term "arts", as used here, includes theatre, music, dance, painting, drama, photography and any other area of art study reported by arts education.</p> <p>Included are expenditures associated with the teaching of the arts both at national schools (such as the National Ballet School in Toronto and the National Theatre School in Montreal) and at arts institutions (such as Holland College of Visual Arts, Nova Scotia College of Art and Design, Ontario College of Art, Kootenay School of Art, Emily Carr College of Art and Design, Mennonite Brethren Bible/Art College and conservatories of music and dramatic arts).</p> <p>Excluded are expenditures associated with the teaching of the arts at educational institutions (elementary and secondary schools, and college and university institutions).</p>		
<i>Performing Arts</i>	\$403 million	5%
<p>The performing arts include theatre, dance, music and opera. Included are expenditures related to creation, production and performance. Also included is the financial support given to performing arts organizations, associations and groups.</p>		
<i>Visual Arts and Crafts</i>	\$68 million	0.9%
<p>Activities traditionally labelled "visual arts and crafts" include painting, sculpture, plastic arts, photography, fine and decorative arts, and craft works. Included are expenditures on activities related to the actual creation and production of works of art and crafts. Also included is the financial support given to organizations and institutions for activities related to visual arts and crafts, such as grants to art galleries which hold temporary exhibits or travelling shows of works of art.</p> <p>N.B.: Most funding for art galleries is captured in the museums category in the Heritage Resources sector.</p>		

Numbers may not add to sub-totals or totals due to rounding.

⁵ Descriptions drawn from <http://www.statcan.ca/english/freepub/87F0001XIE/87F0001XIE2005001.htm>

Cultural Industries	\$2.5 billion	34%
<p><i>Broadcasting</i></p> <p>Included are expenditures related to radio and television, including those associated with government broadcasting (e.g., CBC and TV Ontario). Also included is financial assistance to private stations and to institutions (e.g., grants for school broadcasting).</p>	\$1.8 billion	24%
<p><i>Film and Video</i></p> <p>Activities related to the creation, production and dissemination of films and video. Included is the financial support given to film organizations, associations and societies for these activities. Also included are the funds spent by government on activities related to the production and distribution of films of a cultural nature.</p> <p>Excluded are expenditures related to government production of non-cultural films, such as educational and promotional films produced for government by private filmmakers. Also excluded are the expenditures of censor boards.</p>	\$465 million	6%
<p><i>Publishing / Literary Arts</i></p> <p>Included are grants to authors and publishers for the publication of books, periodicals, magazines and newspapers. Also included are financial support for literary seminars, workshops and prizes, as well as subsidies to book stores and distributors. Costs associated with a publication released by a cultural department or agency are included in expenditures for the cultural activity covered in the publication. Expenditures on these publications covering two or more cultural activities are included in the function "Multidisciplinary activities".</p> <p>Excluded are expenditures on non-cultural government publications. Also excluded is financial support for organizations that distribute non-literary material, such as agricultural newsletters, etc.</p>	\$204 million	3%
<p><i>Sound Recording</i></p> <p>Records, tapes and compact discs of a musical and oral nature. Included are expenditures related to the creation of tapes and records as well as funds for operation of studios and purchase of equipment. Also included are expenditures related to distribution, including subsidies to distributing companies, manufacturers and stores.</p>	\$34 million	0.5%

Numbers may not add to sub-totals or totals due to rounding.

Heritage and libraries	\$3.7 billion	50%
<i>Heritage Resources</i>	\$1.4 billion	19%
Includes museums, public archives, historic parks and sites, nature/provincial parks and other heritage resources.		
Museums include art museums and art galleries (excluding galleries primarily concerned with temporary exhibits), general museums, history museums, natural science museums, and science and technology museums.		
Heritage resources funding in 2002-03 can be broken down as follows:		
<ul style="list-style-type: none"> • Museums: \$630 million; • Public archives: \$110 million; • Historic parks and sites: \$160 million; • Nature/provincial parks: \$290 million; and • Other heritage resources: \$220 million 		
<i>Libraries</i>	\$2.3 billion	30%
National, public, school, university and college libraries.		

Other	\$694 million	9%
<i>Multiculturalism</i>	\$53 million	0.7%
Included are expenditures and grants for multiculturalism.		
<i>Multidisciplinary Activities</i>	\$209 million	3%
Included are expenditures related to numerous cultural activities or functions which cannot be broken down by function. This includes financial support given to cultural facilities, centres, festivals, municipalities, cultural exchange programs and arts organizations for various cultural activities.		
<i>Other</i>	\$432 million	6%
Included are general and administration expenditures related to numerous cultural activities, which cannot be allocated to other categories.		

Numbers may not add to sub-totals or totals due to rounding.

PER CAPITA SPENDING BY CULTURAL SECTOR

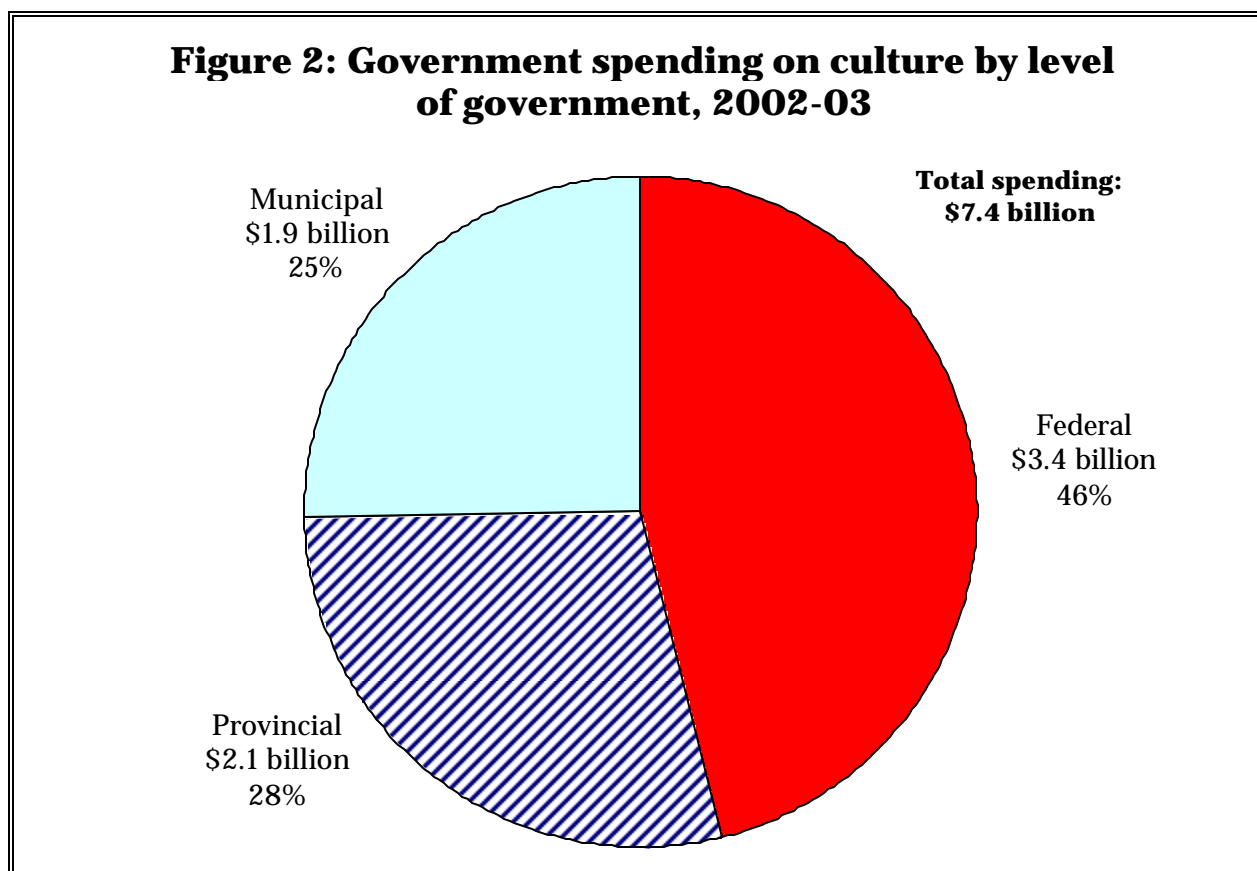
The \$7.4 billion in cultural spending by all levels of government in 2002-03 amounts to \$236 per capita. Per capita spending amounts for each cultural sector are:

- Heritage and libraries: \$117;
- Cultural industries: \$80;
- Multiculturalism, multidisciplinary and other cultural activities: \$22; and
- Arts: \$18.

SPENDING ON CULTURE BY LEVEL OF GOVERNMENT

As shown in Figure 2, the contributions of each level of government to the \$7.4 billion in cultural spending in 2002-03 were as follows:

- Federal: \$3.4 billion (46% of total government cultural spending in Canada);
- Provincial: \$2.1 billion (28%); and
- Municipal: \$1.9 billion (25%).



PER CAPITA SPENDING BY LEVEL OF GOVERNMENT

The \$236 in per capita government spending on culture can be broken down by level of government as follows:

- Federal governments spent \$109 per capita on culture in 2002-03;
- Provincial governments spent \$67 per capita on culture; and
- Municipal governments spent \$60 per capita on culture.

SPENDING BY LEVEL OF GOVERNMENT AND CULTURAL SECTOR

The different levels of government focused their support on different cultural sectors in 2002-03. The \$3.4 billion in federal spending was dominated by the cultural industries, heritage resources and libraries. More specifically, the federal government spent:

- \$2.2 billion on the cultural industries (64% of all federal spending on culture);
- \$831 million on heritage and libraries (24%);
- \$243 million on the arts (7%); and
- \$146 million on multiculturalism, multidisciplinary and other cultural activities (4%).

The \$2.1 billion in provincial spending was dominated by heritage and libraries. Provincial governments spent:

- \$1.3 billion on heritage and libraries (64% of provincial spending on culture);
- \$296 million on the cultural industries (14%);
- \$283 million on the arts (13%); and
- \$191 million on multiculturalism, multidisciplinary and other cultural activities (9%).

The \$1.9 billion in municipal spending was also dominated by heritage and libraries. Municipal governments spent:

- \$1.5 billion on heritage and libraries (80% of municipal spending on culture);
- \$356 million on multiculturalism, multidisciplinary and other cultural activities (19%); and
- \$24 million on the arts (1%).

SPENDING ON THE ARTS BY LEVEL OF GOVERNMENT

Of the \$550 million spent by governments on the arts in 2002-03:

- \$243 million was spent by the federal government (44%);
- \$283 million was spent by provincial governments (51%); and
- \$24 million was spent by municipal governments (4%).

On a per capita basis, spending on the arts was \$18 in 2002-03. For each level of government, this breaks down to:

- Federal government spending of \$8 per capita on the arts;
- Provincial government spending of \$9 per capita on the arts; and
- Municipal government spending of \$1 per capita on the arts.

SPENDING ON CULTURE BY PROVINCE

Table 2 shows the cultural spending by federal, provincial, municipal and all governments in each province in 2002-03.

In the six easternmost provinces, federal spending exceeds provincial spending on culture. Federal cultural spending is lower than provincial spending in Manitoba, Saskatchewan, Alberta and British Columbia.

Municipal spending on culture exceeds provincial spending in British Columbia and Ontario.

Table 2: Government spending on culture by province, 2002-03 (\$ millions)				
Province	Federal	Provincial	Municipal	Total
Newfoundland and Labrador	\$44	\$39	\$11	\$95
Prince Edward Island	\$21	\$10	\$2	\$33
Nova Scotia	\$111	\$61	\$38	\$210
New Brunswick	\$55	\$54	\$22	\$131
Quebec	\$1,146	\$706	\$362	\$2,215
Ontario	\$1,358	\$599	\$841	\$2,798
Manitoba	\$82	\$107	\$53	\$242
Saskatchewan	\$48	\$86	\$64	\$198
Alberta	\$159	\$173	\$165	\$498
British Columbia	\$183	\$254	\$319	\$756
Canada	\$3,426	\$2,112	\$1,879	\$7,417

PER CAPITA SPENDING ON CULTURE BY PROVINCE

Table 3 shows federal, provincial, municipal and total government spending on culture per capita in each province in 2002-03.

- Per capita total cultural spending is highest in Quebec (\$297), Prince Edward Island (\$241), Ontario (\$231) and Nova Scotia (\$225).
- Per capita federal spending is highest in Quebec (\$154) and Prince Edward Island (\$153) and lowest in Saskatchewan (\$49) and British Columbia (\$44).
- Per capita provincial spending is highest in Quebec (\$95), Manitoba (\$93) and Saskatchewan (\$86). Provincial spending per capita is lowest in Alberta (\$56) and Ontario (\$50).
- Municipal spending per capita is highest in British Columbia (\$77) and Ontario (\$70) and lowest in Newfoundland and Labrador (\$21) and Prince Edward Island (\$15).

Table 3: Per capita government spending on culture by province, 2002-03				
Province	Federal	Provincial	Municipal	Total
Newfoundland and Labrador	\$85	\$75	\$21	\$182
Prince Edward Island	\$153	\$73	\$15	\$241
Nova Scotia	\$119	\$66	\$40	\$225
New Brunswick	\$73	\$72	\$30	\$175
Quebec	\$154	\$95	\$49	\$297
Ontario	\$112	\$50	\$70	\$231
Manitoba	\$71	\$93	\$46	\$209
Saskatchewan	\$49	\$86	\$64	\$198
Alberta	\$51	\$56	\$53	\$160
British Columbia	\$44	\$62	\$77	\$184
Canada	\$109	\$67	\$60	\$236

Section 2: Changes in Government Spending on Culture between 1992-93 and 2002-03

CHANGES IN GOVERNMENT SPENDING ON CULTURE EXCLUDING TRANSFERS

As noted in Section 1, excluding transfers between governments, cultural spending totalled \$7.1 billion in 2002-03. The \$7.1 billion spent in 2002-03 is a 19% increase from the \$6.0 billion spent in 1992-93. However, once the 19% inflation between 1992 and 2002 is taken into account, the apparent increase in government spending becomes a 0.3% decrease between 1992-93 and 2002-03.⁶

In comparison to the 0.3% decrease in government spending on culture:

- The number of cultural workers increased by 20% between 1991 and 2001;⁷
- The number of artists increased by 29% between 1991 and 2001;⁸
- Consumer spending on culture increased by 19% (after adjusting for inflation) between 1997 and 2003;⁹
- The population of Canada grew by 11% between 1992 and 2002;¹⁰ and
- Canada's Gross Domestic Product grew by 39% between 1992 and 2002.¹¹

These comparisons show that government spending has not supported growth in the cultural community over the past decade.

N.B.: BECAUSE OF THE ADJUSTMENT FOR INFLATION, THE CULTURAL SPENDING VALUES FOR 2002-03 REPORTED IN THIS SECTION DIFFER FROM THOSE REPORTED IN SECTION 1. FOR ACTUAL 2002-03 VALUES, PLEASE USE THE VALUES REPORTED IN SECTION 1.

⁶ The inflation index used is the Consumer Price Index for Canada, 1992 to 2002. All inflation-adjusted amounts are expressed in constant 1992 dollars.

⁷ Cultural Human Resources Council, *Canada's Cultural Sector Labour Force*, prepared by Hill Strategies Research and available at <http://www.culturalhrc.ca/research/default-e.asp>.

⁸ Hill Strategies Research, *A Statistical Profile of Artists in Canada*, September 2004, available at <http://www.hillstrategies.com>.

⁹ Hill Strategies Research, *Consumer Spending on Culture in Canada, the Provinces and 15 Metropolitan Areas in 2003*, May 2005, available at <http://www.hillstrategies.com>. Longer-term comparisons of consumer spending are not possible because of design changes in the household spending survey.

¹⁰ Population as of July 1, 1992 and July 1, 2002, Statistics Canada, CANSIM. Recent years are available at <http://www40.statcan.ca/101/cst01/demo02.htm>

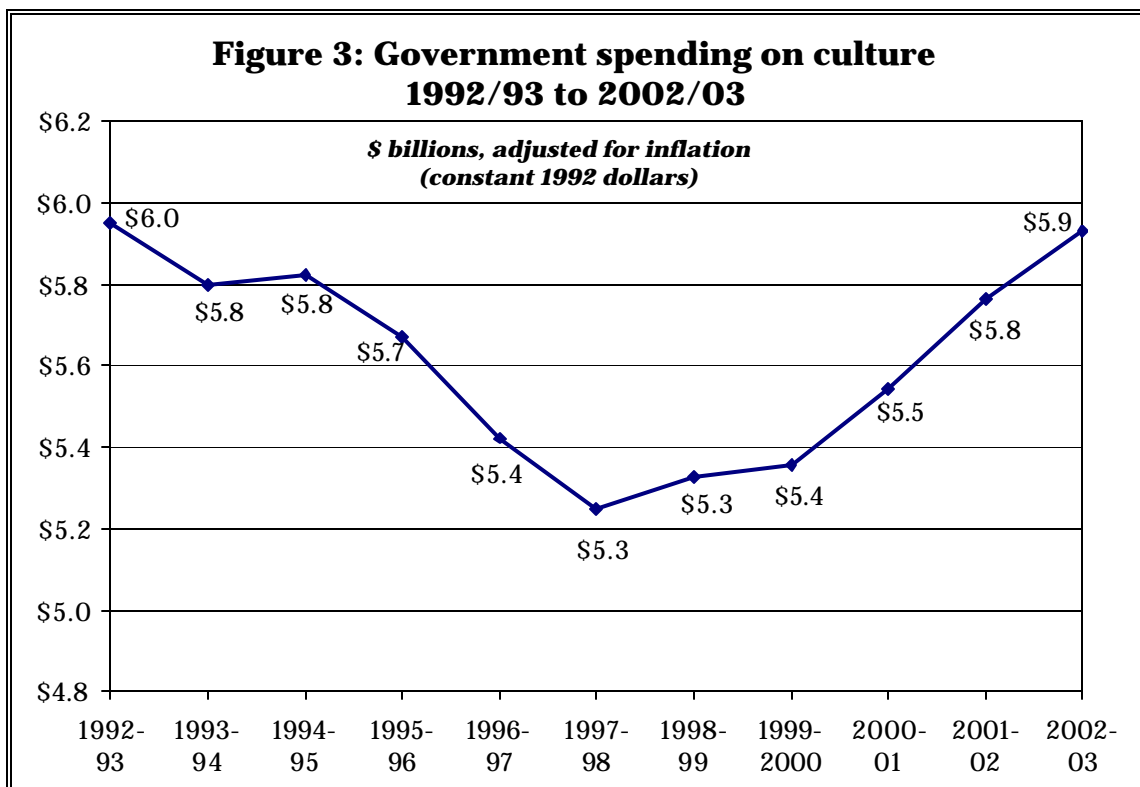
¹¹ GDP at market prices, Statistics Canada, CANSIM. Recent years are available at <http://www40.statcan.ca/101/cst01/econ04.htm>

Figure 3 depicts the inflation-adjusted change in government spending on culture between 1992-93 and 2002-03. This figure shows that government spending on culture decreased fairly consistently from 1992-93 to 1997-98, when spending was at its lowest level during the 10-year period – \$5.3 billion (adjusted for inflation). The largest decrease in government spending on culture occurred in 1996-97, largely due to federal cutbacks announced in previous budgets.

After 1997-98, government spending on culture increased consistently, with the largest increases taking place after 1999-2000. The largest single-year increase occurred in 2001-02, partly due to the implementation of the federal Tomorrow Starts Today program. The Tomorrow Starts Today funding, “an investment of more than \$500 million [over three years] to ensure the growth and development of Canadian culture”, was announced on May 2, 2001. The announcement included new programs and additional funding for existing organizations, such as the Canada Council for the Arts and the Canadian Broadcasting Corporation.¹²

By 2002-03, government spending on culture had reached \$5.9 billion (adjusted for inflation), almost the same value as in 1992-93.

The cumulative impact of the government spending cutbacks during the 1990s was substantial - \$3.6 billion in total. That is, if government support for culture had grown by the rate of inflation in each year, rather than decreasing during the middle years and then increasing in the last few years, an additional \$3.6 billion would have been spent on culture between 1992-93 and 2002-03.¹³



¹² Details of the Tomorrow Starts Today funding package are available at <http://www.pch.gc.ca/special/tomorrowstartstoday/en-intro.html>.

¹³ This scenario assumes that government spending was \$5.95 billion (the 1992-93 value) plus inflation in each year.

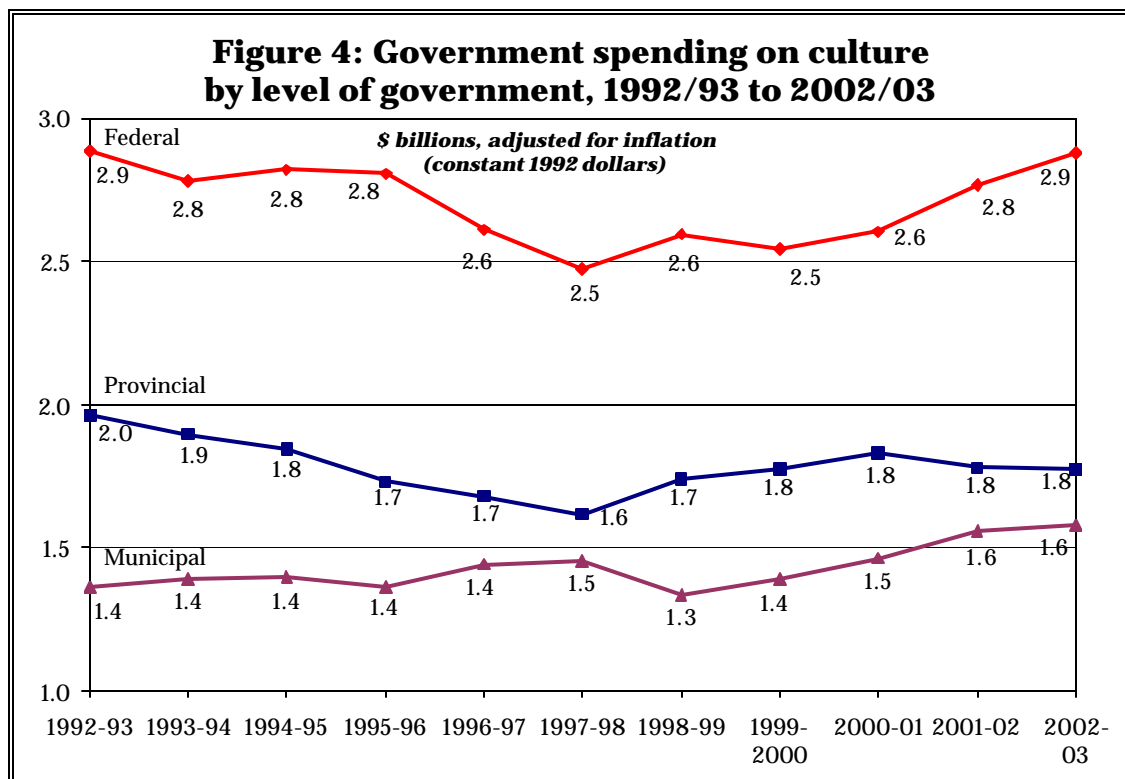
THE ANALYSIS OF THE CHANGES IN GOVERNMENT SPENDING BY LEVEL OF GOVERNMENT, CULTURAL SECTOR, TYPE OF EXPENDITURE AND PROVINCE INCLUDES TRANSFERS BETWEEN GOVERNMENTS. THE \$7.4 BILLION OF GOVERNMENT SPENDING ON CULTURE IN 2002-03 (INCLUDING TRANSFERS BETWEEN GOVERNMENTS) IS A 19% INCREASE FROM THE \$6.2 BILLION SPENT IN 1992-93. ONCE INFLATION IS TAKEN INTO ACCOUNT, HOWEVER, THE APPARENT INCREASE IN GOVERNMENT SPENDING ON CULTURE BECOMES ONLY A 0.4% INCREASE BETWEEN 1992-93 AND 2002-03.

CHANGES BY LEVEL OF GOVERNMENT

Figure 4 shows that federal spending on culture decreased significantly in the last half of the 1990s and then “caught up” with inflation between 2000-01 and 2002-03, returning to \$2.9 billion in 2002-03 – about the same level of spending as in 1992-93 (adjusted for inflation).¹⁴

Figure 4 also shows that provincial spending on culture decreased consistently between 1992-93 and 1997-98, the lowest funding level in the 10-year period (\$1.6 billion, adjusted for inflation). Provincial cultural spending then increased slightly but was 10% lower in 2002-03 than in 1992-93 (adjusted for inflation).¹⁵

Municipal cultural spending increased fairly consistently during the 10-year timeframe and was 16% higher in 2002-03 than in 1992-93 (adjusted for inflation).



¹⁴ In comparison to the 0.2% decrease in federal spending on culture, total federal government program spending decreased by 5% after adjusting for inflation. Source: Dept. of Finance, Canada, Fiscal Reference Tables, October 2004, available at <http://www.fin.gc.ca/purl/frt-e.html>.

¹⁵ In comparison, provincial government program spending increased by 8% after adjusting for inflation. Source: Dept. of Finance, Canada, Fiscal Reference Tables, October 2004, available at <http://www.fin.gc.ca/purl/frt-e.html>.

The cumulative impact of the federal cutbacks during the 1990s is \$2 billion, over two-thirds of one full year of federal funding for culture. That is, if federal support had grown by the rate of inflation in each year, rather than decreasing during the late 1990s and then increasing in the last few years, there would have been an additional \$2 billion spent on culture between 1992-93 and 2002-03.¹⁶

The cumulative impact of the provincial cutbacks is \$2 billion. That is, if provincial support had grown by the rate of inflation in each year, there would have been an additional \$2 billion in provincial investment in culture between 1992-93 and 2002-03.¹⁷

Municipal support grew by more than the rate of inflation between 1992-93 and 2002-03. In fact, the cumulative additional investment by municipal governments was \$740 million over this timeframe. That is, if municipal support had grown *just* by the rate of inflation in each year, \$740 million *less* in municipal support for culture would have been provided between 1992-93 and 2002-03.¹⁸

As a percentage of overall government spending on culture:

- Federal spending did not change between 1992-93 and 2002-03 (46% in both years);
- Provincial spending decreased from 32% in 1992-93 to 28% in 2002-03; and
- Municipal spending increased from 22% in 1992-93 to 25% in 2002-03.

¹⁶ This scenario assumes that federal government spending was \$2.883 billion (the 1992-93 value) plus inflation in each year.

¹⁷ This scenario assumes that provincial government spending was \$1.96 billion (the 1992-93 value) plus inflation in each year.

¹⁸ This scenario assumes that municipal government spending was \$1.36 billion (the 1992-93 value) plus inflation in each year.

PER CAPITA CHANGES BY CULTURAL SECTOR

An examination of changes in government funding adjusted for *both* the 19% inflation and the 11% population growth between 1992 and 2002 is provided in Table 4. This table shows that, adjusted for inflation:

- Overall cultural spending decreased from \$220 to \$199 per capita;
- Heritage and libraries funding decreased from \$104 to \$98 per capita;
- Cultural industries funding decreased from \$81 to \$67 per capita;
- Funding for multiculturalism, multidisciplinary and other cultural activities increased from \$18 to \$19 per capita; and
- Arts funding decreased from \$17 to \$15 per capita.

Cultural sector	1992-03	2002-03 (adjusted for inflation)	Change 1992-2002
Heritage and libraries	\$104	\$98	-\$6
Cultural industries	\$81	\$67	-\$14
Other	\$18	\$19	\$1
Arts	\$17	\$15	-\$2
Total	\$220	\$199	-\$20

Given that the growth rates of the cultural labour force (20%) and artists (29%) were much higher than population growth (11%), these per capita decreases significantly underestimate the impact of changes in government funding between 1992-93 and 2002-03.

OVERALL CHANGES BY CULTURAL SECTOR

Figure 5 shows that government funding for the heritage and libraries sector increased by 5%, from \$2.9 billion in 1992-93 to \$3.1 billion in 2002-03 (adjusted for inflation). However, given the slight reductions in funding in the late-1990s, overall funding during the 10-year period was about equal to the 1992-93 level of funding (\$2.95 billion) plus inflation.

Government funding for the cultural industries decreased from \$2.3 billion in 1992-93 to \$1.9 billion in 1997-98 and remained below \$2 billion until 2001-02. In 2002-03, government funding for the cultural industries had reached \$2.1 billion, 8% less than in 1992-93.

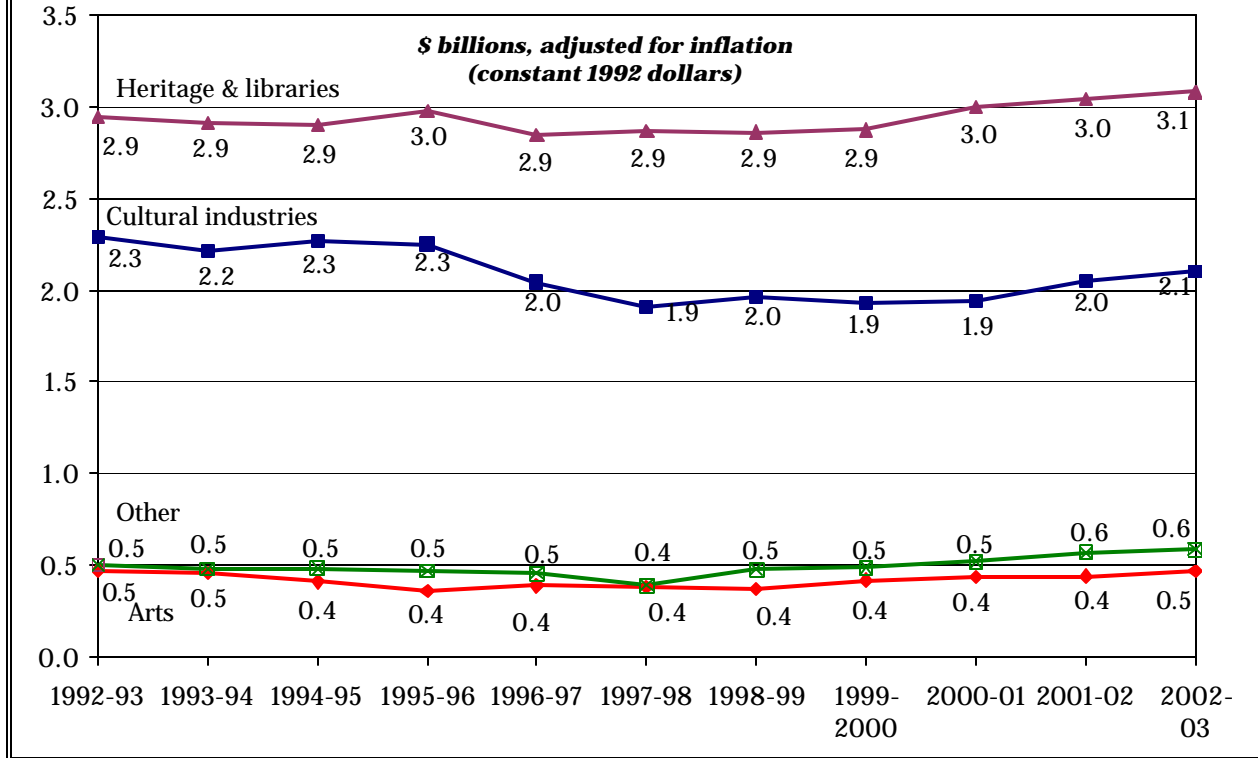
The cumulative impact of the cutbacks to the cultural industries is \$2.3 billion, an amount that is equal to one full year of additional funding during the 10-year timeframe. That is, if government support for the cultural industries had grown by the rate of inflation in each year, rather than decreasing, \$2.3 billion more would have been invested in the cultural industries between 1992-93 and 2002-03.¹⁹

Between 1992-93 and 2002-03, multicultural, multidisciplinary and other funding increased by 17% (after adjusting for inflation). Funding increased from \$499 million in 1992-93 to \$584 million in 2002-03 (adjusted for inflation). However, given the reductions in funding in the mid to late-1990s, overall funding during the 10-year period was about equal to the 1992-93 level of funding (\$499 million) plus inflation.

Arts support decreased significantly in the middle years of this 10-year period and then “caught up” with inflation between 1999-2000 and 2002-03. Figure 6 highlights in much more detail the changes in arts funding.

¹⁹ This scenario assumes that government spending was \$2.29 billion (the 1992-93 value) plus inflation in each year.

Figure 5: Government spending by cultural sector, 1992/93 to 2002/03



NOTE: BECAUSE A DETAILED BREAKDOWN OF MUNICIPAL SPENDING DATA WAS NOT AVAILABLE FOR 1995, THE 1995 LEVELS OF MUNICIPAL SUPPORT WERE ESTIMATED FOR EACH SECTOR. THIS ESTIMATION MAY HAVE HAD A PARTICULAR INFLUENCE ON THE RELATIVELY HIGH LEVEL OF HERITAGE AND LIBRARY FUNDING IN 1995.

As a share of government spending on culture:

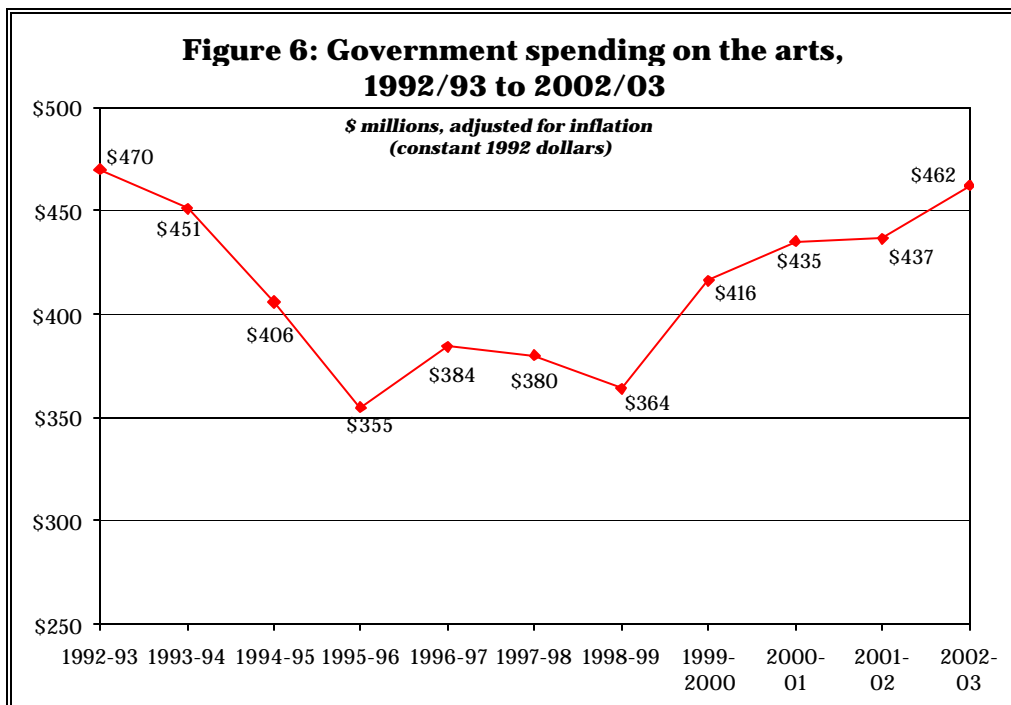
- Heritage and libraries spending increased from 47% in 1992-93 to 50% in 2002-03;
- Cultural industries funding decreased from 37% in 1992-93 to 34% in 2002-03;
- Multicultural, multidisciplinary and other funding increased from 8% in 1992-93 to 9% in 2002-03; and
- Arts spending decreased from 8% in 1992-93 to 7% in 2002-03.

CHANGES IN ARTS FUNDING

Figure 6 highlights the inflation-adjusted change in government spending on the arts between 1992-93 and 2002-03. This figure shows that government spending on the arts decreased rapidly from 1992-93 to 1995-96, when spending was at its lowest level during the 10-year period – \$355 million (adjusted for inflation).²⁰

Government spending on the arts remained relatively low between 1995-96 and 1998-99. After this time, government spending on the arts increased consistently, with the largest single-year increase taking place in 1999-2000. By 2002-03, government spending on the arts had reached \$462 million (adjusted for inflation), almost the same value as in 1992-93.

The cumulative impact of the 1990s government spending cutbacks to the arts is almost \$600 million. This represents more than one full year of additional funding during the 10-year timeframe. That is, if government support for the arts had grown by the rate of inflation in each year, rather than decreasing during the middle years and then increasing in the last few years, almost \$600 million more would have been invested in the arts between 1992-93 and 2002-03.²¹



NOTE: BECAUSE A DETAILED BREAKDOWN OF MUNICIPAL SPENDING DATA WAS NOT AVAILABLE FOR 1995, THE 1995 LEVEL OF MUNICIPAL SUPPORT FOR THE ARTS IS NOT INCLUDED IN THIS CHART, WHICH HAS SOME IMPACT ON THE RELATIVELY LOW LEVEL OF ARTS FUNDING IN 1995. AVERAGE MUNICIPAL FUNDING FOR THE ARTS IN 1994 AND 1996 WAS ABOUT \$50 MILLION.

²⁰ Because a detailed breakdown of municipal spending data was not available for 1995, the 1995 level of municipal support for the arts is not included in the figure, which has an impact on the relatively low level of arts funding in 1995. Average municipal funding for the arts in 1994 and 1996 was about \$50 million.

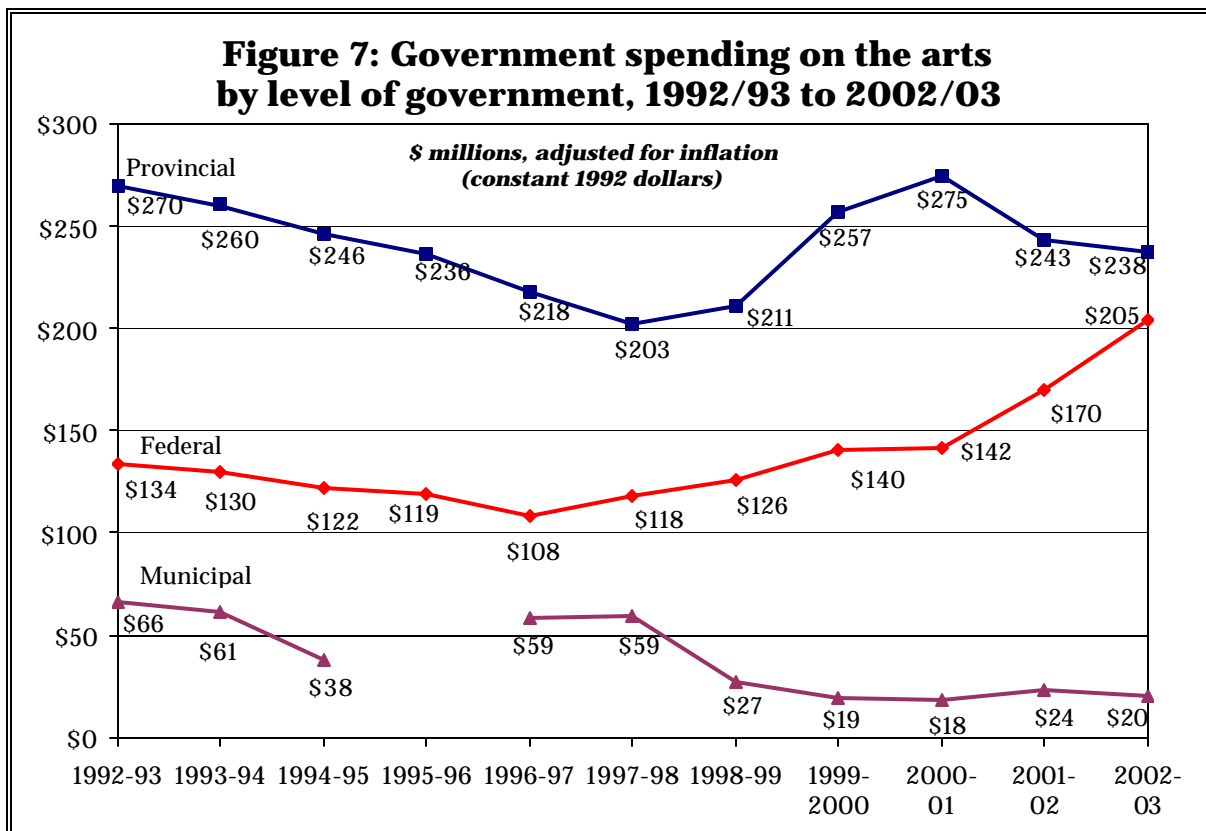
²¹ This scenario assumes that government spending was \$470 million (the 1992-93 value) plus inflation in each year. The cumulative impact excludes the impact of the lack of detailed municipal spending data for 1995 (estimated at approximately \$50 million)

CHANGES IN ARTS FUNDING BY LEVEL OF GOVERNMENT

The inflation-adjusted change in government spending on the arts by level of government is shown in Figure 7. Provincial governments, the largest supporters of the arts of the three levels of government (and consequently the top line in Figure 7), decreased their arts funding consistently from 1992-93 to 1997-98, when arts funding was at its lowest level during the 10-year period – \$203 million (adjusted for inflation). Provincial government spending on the arts increased between 1997-98 and 2000-01 and then decreased in 2001-02 and 2002-03. In 2002-03, provincial government spending on the arts was \$238 million, 12% lower than in 1992-93 (after adjusting for inflation).

Federal government spending on the arts decreased from 1992-93 to 1996-97, when spending was \$108 million (adjusted for inflation), the lowest level during the 10-year period. After this time, federal government spending on the arts increased consistently, with the largest increases in 2001-02 and 2002-03 as a result of the Tomorrow Starts Today funding. In 2002-03, federal government spending on the arts was \$205 million, 53% higher than in 1992-93 (after adjusting for inflation).

Municipal government spending on the arts decreased after 1997-98. The lowest level of municipal arts funding was in 2002-03 – \$20 million – 70% lower than in 1992-93 (after adjusting for inflation). It is not clear whether a portion of the significant decrease in municipal spending may be due to the estimation of municipal spending levels. Caution should be used in interpreting this figure.



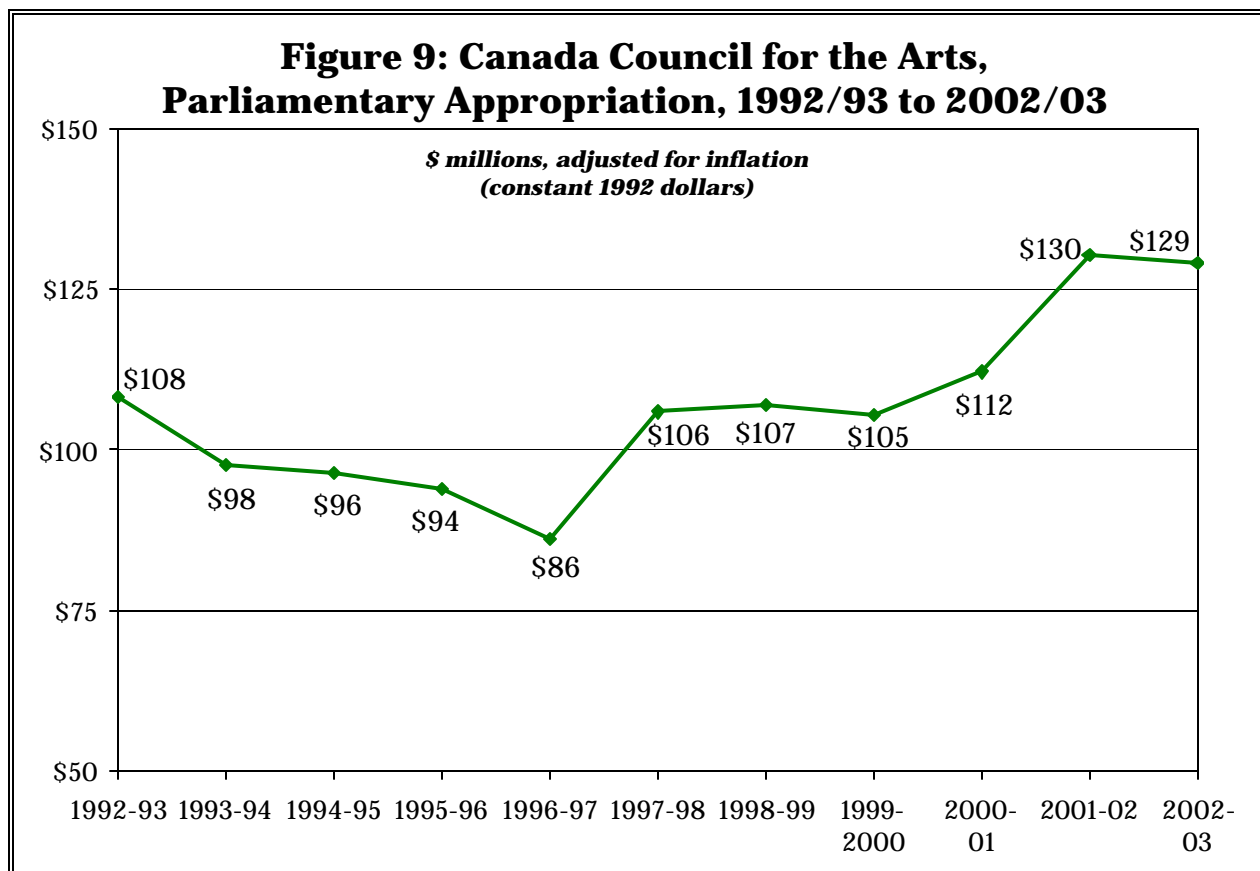
NOTE: BECAUSE A DETAILED BREAKDOWN OF MUNICIPAL SPENDING DATA WAS NOT AVAILABLE FOR 1995, THE 1995 LEVEL OF MUNICIPAL SUPPORT FOR THE ARTS IS NOT SHOWN.

FEDERAL GOVERNMENT SUPPORT FOR THE CANADA COUNCIL FOR THE ARTS

Figure 8 shows that the Parliamentary Appropriation for the Canada Council for the Arts decreased from 1992-93 to 1996-97, when the Canada Council's Parliamentary Appropriation was at its lowest level (\$86 million, after adjusting for inflation).

Subsequent increases brought the Canada Council's funding past its 1992-93 level only in 2000-01. The largest single-year increase in Canada Council funding was in 2001-02, when the Tomorrow Starts Today funding package was announced. This funding package added \$25 million per year to the Canada Council's budget over the life of the funding package.²²

The cumulative impact of the 1990s cutbacks to the Canada Council was \$61 million before 2001-02. The significant increases to the Canada Council's Parliamentary Appropriation in 2001-02 and 2002-03 cut this overall impact to a net loss of \$18 million over the full 10-year period.²³



Source: Canada Council for the Arts

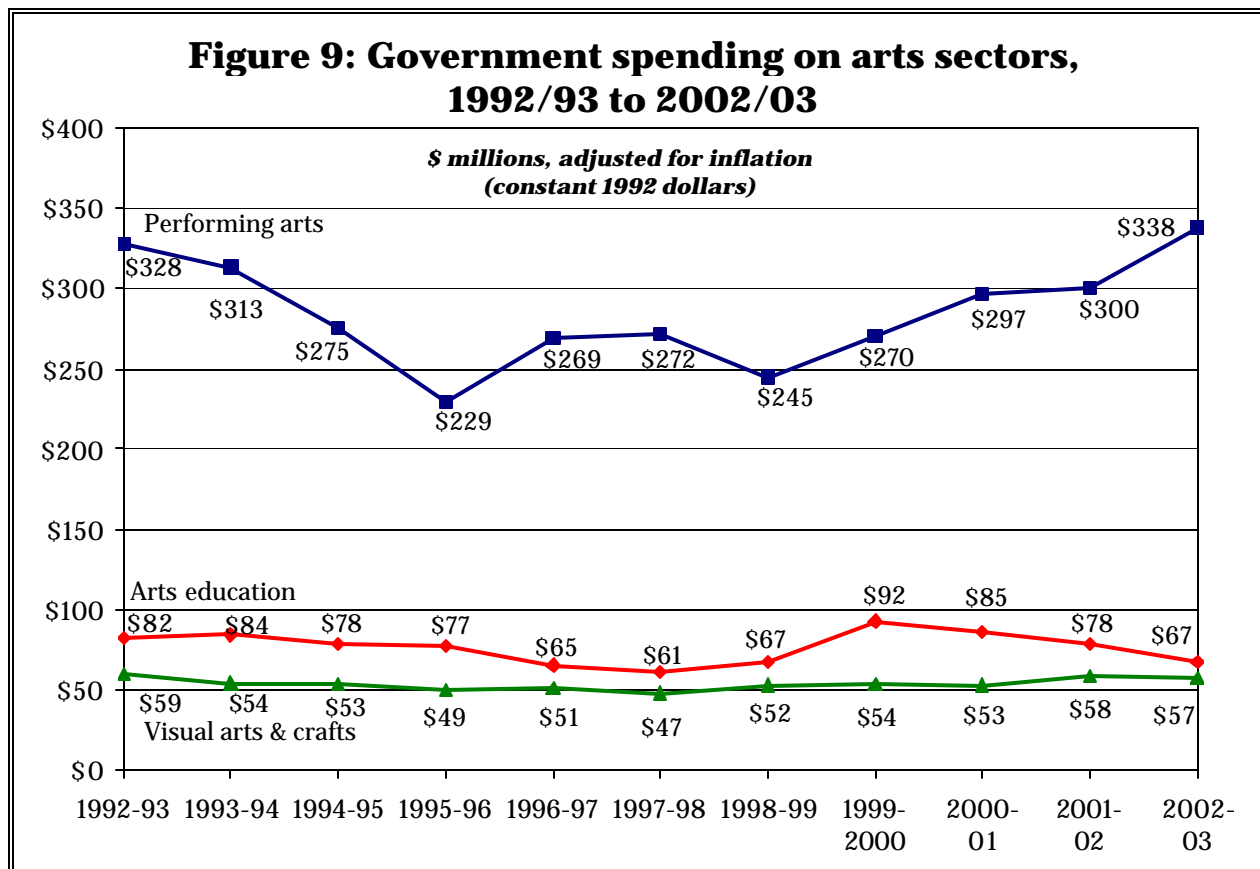
²² As part of the 2005 federal budget, an announcement was recently made to renew the Tomorrow Starts Today funding package through March 2010. Details of the Canada Council's original use of the funding can be found at <http://www.canadacouncil.ca/news/releases/2001/uo127240293244062500.htm>.

²³ This scenario assumes that the Canada Council's Parliamentary Appropriation was \$108 million (the 1992-93 value) plus inflation in each year.

DETAILED CHANGES BY ARTS SUB-SECTOR

Figure 9 depicts the inflation-adjusted change in government spending on arts sub-sectors between 1992-93 and 2002-03. This figure shows that government spending on the performing arts decreased rapidly from 1992-93 to 1995-96, when spending was at its lowest level during the 10-year period – \$229 million (adjusted for inflation). Government spending on the performing arts remained relatively low between 1995-96 and 1998-99. After this time, government spending on the performing arts increased consistently. By 2002-03, government spending on the performing arts had reached \$338 million (adjusted for inflation), 3% higher than the \$328 million in spending in 1992-93.

Figure 9 also shows that funding for arts education and the visual arts decreased during the mid and late-1990s. Spending on arts education was up and down after this point, reaching \$67 million in 2002-03, 19% less than in 1992-93 (after adjusting for inflation). Spending on visual arts and crafts increased to reach \$57 million in 2002-03, 4% less than in 1992-93 (after adjusting for inflation).



The cumulative impact of the 1990s government spending cutbacks to the performing arts is about \$470 million. That is, if government support for the performing arts had grown by the rate of inflation in each year, rather than decreasing during the middle years and then increasing in the last few years, an additional \$470 million would have been spent on the performing arts between 1992-93 and 2002-03.²⁴

The cumulative impact of the government spending cutbacks to the visual arts, crafts and arts education is about \$130 million. That is, if government support for these arts sub-sectors had grown by the rate of inflation in each year, an additional \$130 million would have been spent between 1992-93 and 2002-03.²⁵

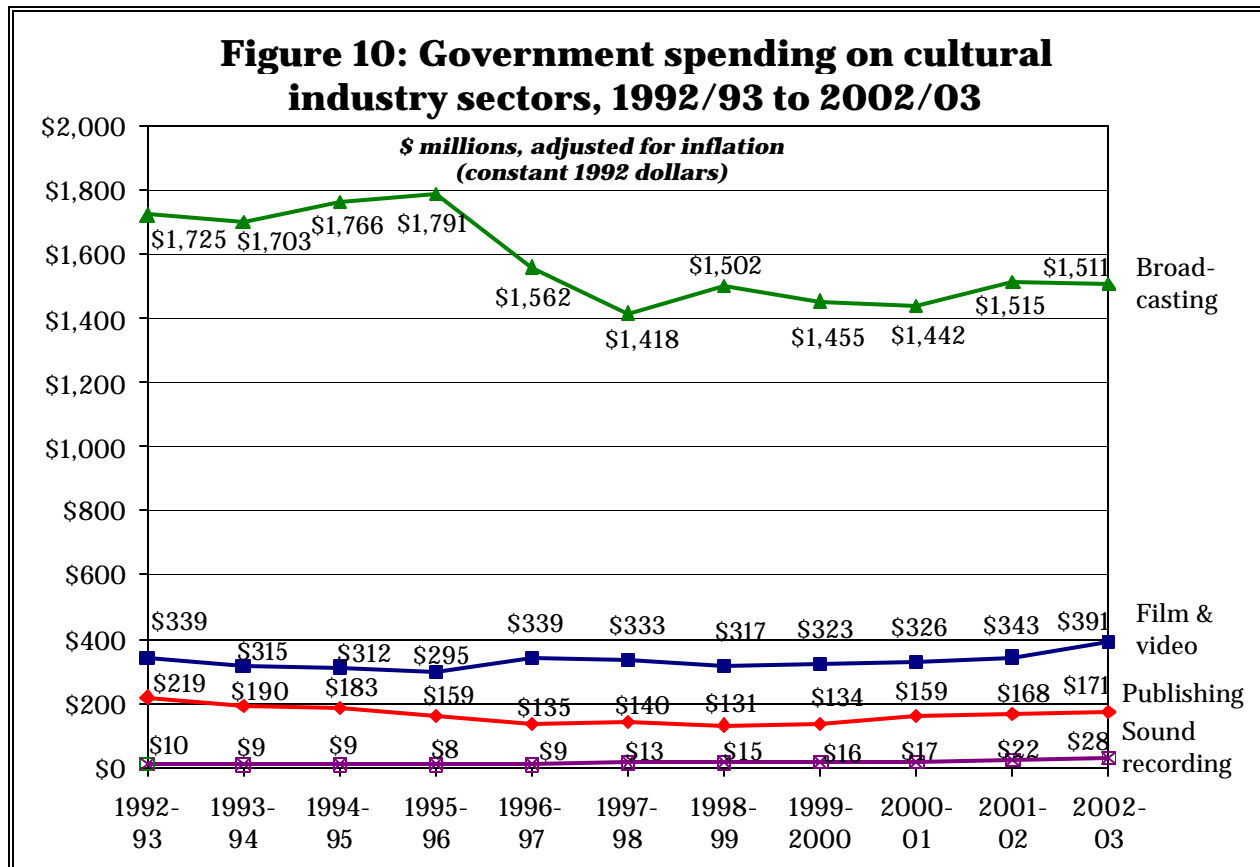
²⁴ This scenario assumes that government spending was \$328 million (the 1992-93 value) plus inflation in each year.

²⁵ This scenario assumes that government spending on arts education was \$82 million (the 1992-93 value) plus inflation in each year and \$59 million on visual arts and crafts (plus inflation in each year).

DETAILED CHANGES BY CULTURAL INDUSTRIES SUB-SECTOR

Figure 10 depicts the inflation-adjusted change in government spending on cultural industry sub-sectors between 1992-93 and 2002-03. This figure shows that:

- Government spending on broadcasting decreased by 12%, from \$1.7 billion in 1992-93 to \$1.5 billion in 2002-03 (adjusted for inflation).
- Government support for film and video decreased from \$339 million in 1992-93 to \$295 million in 1995-96 and then increased to reach \$391 million in 2002-03, 15% higher than in 1992-93 (adjusted for inflation).
- Government spending on publishing and literary arts decreased by 22%, from \$219 million in 1992-93 to \$171 million in 2002-03 (adjusted for inflation).
- Government support for sound recording increased substantially between 1992-93 and 2002-03, reaching \$28 million in 2002-03, nearly three times the level of funding in 1992-93 (after adjusting for inflation).



The cumulative impacts of the changes in government spending on each cultural industry are:

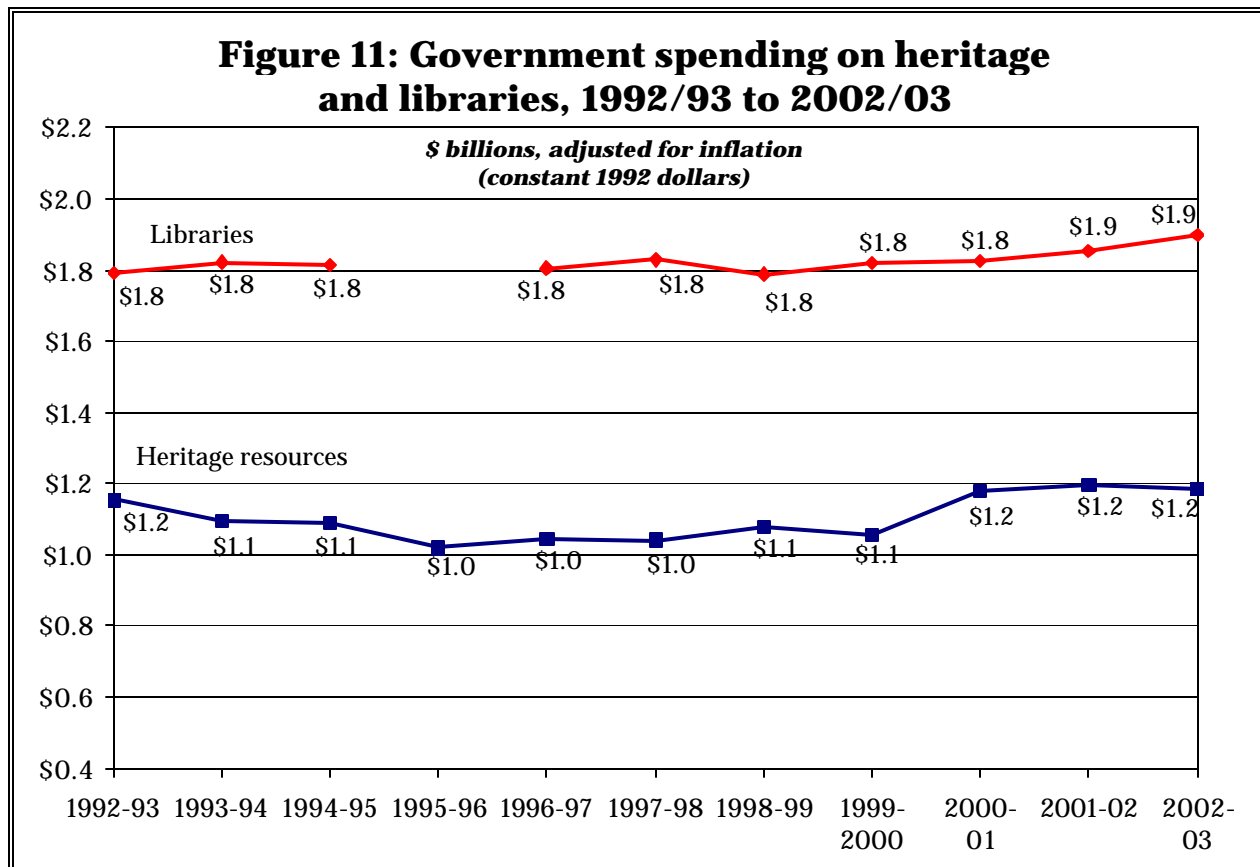
- Broadcasting: \$1.6 billion less during the 10-year period;
- Film and video: \$100 million less during the 10-year period;
- Publishing and literary arts: \$620 million less during the 10-year period; and
- Sound recording: \$46 million *more* during the 10-year period.

DETAILED CHANGES FOR HERITAGE AND LIBRARIES

Figure 11 shows that library funding increased from \$1.8 billion in 1992-93 to \$1.9 billion in 2002-03, a 6% increase (after adjusting for inflation).

Figure 11 also shows that funding for heritage resources (including museums, public archives, historic parks and sites, nature/provincial parks and other heritage resources) decreased from \$1.2 billion in 1992-93 to \$1.0 billion in 1995-96 and then increased to reach \$1.2 billion again in 2002-03 (after adjusting for inflation).

The cumulative impact of the 1990s government spending cutbacks to heritage resources is over \$500 million. That is, if government support for the arts had grown by the rate of inflation in each year, rather than decreasing during the middle years and then increasing in the last few years, over \$500 million more would have been spent on heritage resources between 1992-93 and 2002-03.²⁶



NOTE: BECAUSE A DETAILED BREAKDOWN OF MUNICIPAL SPENDING DATA WAS NOT AVAILABLE FOR 1995, THE 1995 LEVEL OF MUNICIPAL SUPPORT FOR LIBRARIES IS NOT SHOWN. MUNICIPAL SUPPORT WOULD HAVE HAD A MUCH SMALLER IMPACT ON FUNDING FOR HERITAGE RESOURCES IN 1995: AVERAGE MUNICIPAL FUNDING FOR HERITAGE IN 1994 AND 1996 WAS ABOUT \$35 MILLION.

²⁶ This scenario assumes that government spending was \$1.2 billion (the 1992-93 value) plus inflation in each year.

CHANGES IN GRANTS AND CONTRIBUTIONS TO ARTISTS AND CULTURAL ORGANIZATIONS

An examination of the data on grants and contributions to artists and cultural organizations shows that, between 1992-93 and 2002-03, provincial governments provided more than twice as much in grants to artists and cultural organizations as the federal government.

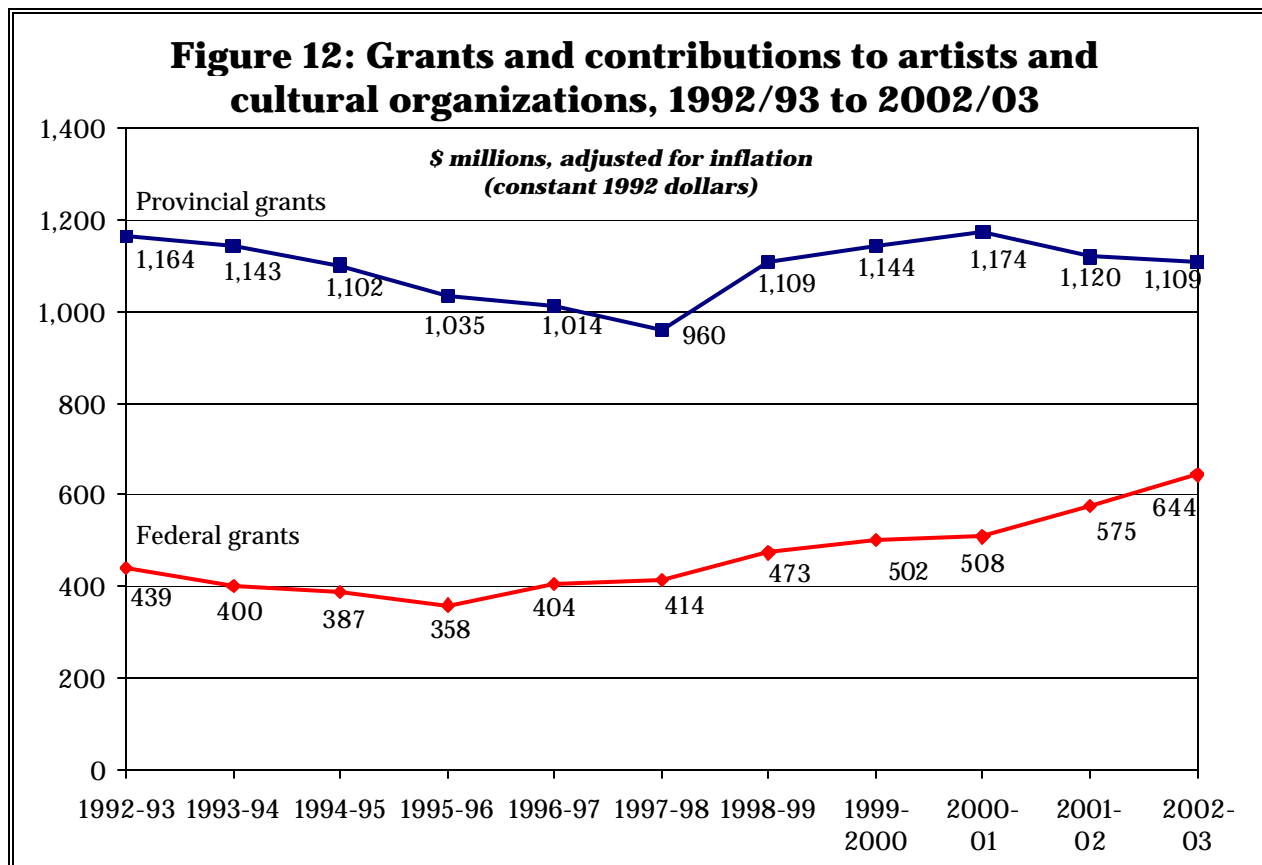
However, Figure 12 shows that federal spending on grants and contributions increased by 47% (after adjusting for inflation), while provincial grants and contributions decreased by 5% (after adjusting for inflation) from 1992-93 to 2002-03.

The cumulative impacts of the changes in government spending on grants are:

- \$730 million less in provincial grants and contributions during the 10-year period; and
- \$270 million *more* in federal grants and contributions during the 10-year period.

The net loss in grants and contributions to artists and cultural organizations over the 10-year period is \$460 million.

Municipal cultural spending is not broken down into grants and contribution categories and cannot be analyzed in the same way as federal and provincial funding.



CHANGES IN CULTURAL SPENDING BY PROVINCE

Table 5 provides data on the cultural spending by all levels of government in each province in 1992-03 and 2002-03 (adjusted for inflation).

After adjusting for inflation, government spending on culture increased in six provinces: Quebec, Ontario, British Columbia, Nova Scotia, New Brunswick and Saskatchewan.

Government spending decreased in four provinces: Newfoundland and Labrador, Manitoba, Alberta and Prince Edward Island.

Province	1992-93	2002-03 (adjusted for inflation)	Change	% change
Newfoundland and Labrador	\$93	\$80	-\$13	-14%
Prince Edward Island	\$30	\$28	-\$3	-8%
Nova Scotia	\$169	\$176	\$7	4%
New Brunswick	\$105	\$110	\$5	5%
Quebec	\$1,765	\$1,861	\$96	5%
Ontario	\$2,340	\$2,351	\$11	0%
Manitoba	\$212	\$203	-\$9	-4%
Saskatchewan	\$164	\$166	\$2	1%
Alberta	\$426	\$418	-\$8	-2%
British Columbia	\$625	\$635	\$10	2%
Canada	\$6,210	\$6,232	\$22	0.4%

NOTE: UNROUNDED FIGURES WERE USED TO CALCULATE SPENDING CHANGES. SPENDING CHANGES CALCULATED FROM THE ROUNDED FIGURES PRESENTED ABOVE MAY DIFFER.

N.B.: BECAUSE OF THE ADJUSTMENT FOR INFLATION, THE CULTURAL SPENDING VALUES FOR 2002-03 REPORTED IN THIS SECTION DIFFER FROM THOSE REPORTED IN SECTION 1. FOR ACTUAL 2002-03 VALUES, PLEASE USE THE VALUES REPORTED IN SECTION 1.

CHANGES IN *PER CAPITA* GOVERNMENT SPENDING ON CULTURE BY PROVINCE

Table 6 shows total government spending on culture per capita in each province in 1992-93 and 2002-03 (adjusted for inflation).

On a per capita basis, total spending on culture decreased from \$219 in 1992-93 to \$199 in 2002-03 (after adjusting for inflation).

Government cultural spending per capita increased in four provinces: New Brunswick, Nova Scotia, Saskatchewan and Quebec.

Government cultural spending per capita decreased in the other six provinces, including three provinces with particularly fast-growing populations: Alberta, Ontario and British Columbia. Government cultural spending per capita also decreased in Prince Edward Island, Manitoba and Newfoundland and Labrador.

Table 6: Per capita government spending on culture by province, 1992-93 and 2002-03 (adjusted for inflation)			
Province	1992-03	2002-03 (adjusted for inflation)	Change 1992-2002
Newfoundland and Labrador	\$160	\$153	-\$7
Prince Edward Island	\$231	\$203	-\$29
Nova Scotia	\$184	\$189	\$5
New Brunswick	\$140	\$147	\$6
Quebec	\$248	\$250	\$2
Ontario	\$221	\$194	-\$27
Manitoba	\$190	\$176	-\$15
Saskatchewan	\$163	\$167	\$3
Alberta	\$162	\$134	-\$28
British Columbia	\$180	\$154	-\$26
Canada	\$219	\$199	-\$20

NOTE: UNROUNDED FIGURES WERE USED TO CALCULATE SPENDING CHANGES. SPENDING CHANGES CALCULATED FROM THE ROUNDED FIGURES PRESENTED ABOVE MAY DIFFER.

CHANGES IN PER CAPITA FEDERAL GOVERNMENT SPENDING ON CULTURE BY PROVINCE

Table 7 shows federal government spending on culture per capita in each province in 1992-93 and 2002-03 (adjusted for inflation).

On a per capita basis, federal spending on culture decreased from \$102 in 1992-93 to \$92 in 2002-03 (after adjusting for inflation).

Federal spending on culture increased on a per capita basis in only two provinces: Quebec and Nova Scotia.

Federal government cultural spending per capita decreased in seven other provinces, including Manitoba, New Brunswick, Alberta, Newfoundland and Labrador, Ontario, Saskatchewan and British Columbia.

Federal government cultural spending per capita did not change in Prince Edward Island between 1992-93 and 2002-03.

Table 7: Per capita federal government spending on culture by province, 1992-93 and 2002-03 (adjusted for inflation)			
Province	1992-03	2002-03 (adjusted for inflation)	Change 1992-2002
Newfoundland and Labrador	\$88	\$72	-\$16
Prince Edward Island	\$128	\$128	\$0
Nova Scotia	\$95	\$100	\$5
New Brunswick	\$79	\$61	-\$18
Quebec	\$121	\$129	\$8
Ontario	\$105	\$94	-\$11
Manitoba	\$78	\$60	-\$18
Saskatchewan	\$49	\$41	-\$8
Alberta	\$60	\$43	-\$17
British Columbia	\$41	\$37	-\$4
Canada	\$102	\$92	-\$10

NOTE: UNROUNDED FIGURES WERE USED TO CALCULATE SPENDING CHANGES. SPENDING CHANGES CALCULATED FROM THE ROUNDED FIGURES PRESENTED ABOVE MAY DIFFER

CHANGES IN PER CAPITA PROVINCIAL GOVERNMENT SPENDING ON CULTURE BY PROVINCE

Table 8 shows per capita provincial government spending on culture in each province in 1992-93 and 2002-03 (adjusted for inflation).

On a per capita basis, provincial spending on culture decreased from \$69 in 1992-93 to \$57 in 2002-03 (after adjusting for inflation).

Provincial cultural spending increased on a per capita basis in four provinces: New Brunswick, Newfoundland and Labrador, Saskatchewan and Manitoba.

Provincial government cultural spending per capita decreased in the other six provinces, including Prince Edward Island, Alberta, British Columbia, Ontario, Quebec and Nova Scotia.

Table 8: Per capita provincial government spending on culture by province, 1992-93 and 2002-03 (adjusted for inflation)			
Province	1992-03	2002-03 (adjusted for inflation)	Change 1992-2002
Newfoundland and Labrador	\$52	\$63	\$12
Prince Edward Island	\$93	\$62	-\$31
Nova Scotia	\$61	\$55	-\$6
New Brunswick	\$38	\$61	\$22
Quebec	\$90	\$80	-\$10
Ontario	\$59	\$42	-\$17
Manitoba	\$75	\$78	\$3
Saskatchewan	\$66	\$72	\$6
Alberta	\$65	\$47	-\$18
British Columbia	\$69	\$52	-\$17
Canada	\$69	\$57	-\$13

NOTE: UNROUNDED FIGURES WERE USED TO CALCULATE SPENDING CHANGES. SPENDING CHANGES CALCULATED FROM THE ROUNDED FIGURES PRESENTED ABOVE MAY DIFFER.

CHANGES IN PER CAPITA MUNICIPAL GOVERNMENT SPENDING ON CULTURE BY PROVINCE

Table 9 shows municipal government spending on culture per capita in each province in 1992-93 and 2002-03 (adjusted for inflation).

Municipal cultural spending increased from \$48 per capita in 1992-93 to \$50 per capita in 2002-03 (after adjusting for inflation).

On a per capita basis, municipal spending on culture increased in all provinces except British Columbia, Newfoundland and Labrador and Manitoba.

Table 9: Per capita municipal government spending on culture by province, 1992-93 and 2002-03 (adjusted for inflation)			
Province	1992-03	2002-03 (adjusted for inflation)	Change 1992-2002
Newfoundland and Labrador	\$21	\$18	-\$3
Prince Edward Island	\$10	\$13	\$3
Nova Scotia	\$28	\$34	\$6
New Brunswick	\$23	\$25	\$2
Quebec	\$37	\$41	\$4
Ontario	\$57	\$58	\$1
Manitoba	\$38	\$38	\$0
Saskatchewan	\$49	\$54	\$5
Alberta	\$37	\$45	\$8
British Columbia	\$71	\$65	-\$6
Canada	\$48	\$50	\$2

NOTE: UNROUNDED FIGURES WERE USED TO CALCULATE SPENDING CHANGES. SPENDING CHANGES CALCULATED FROM THE ROUNDED FIGURES PRESENTED ABOVE MAY DIFFER.

Section 3: Key Findings

GOVERNMENT SPENDING ON CULTURE IN 2002-03

A total of \$7.1 billion was spent on culture in Canada by federal, provincial and municipal governments in 2002-03. This amount excludes transfers between governments.

This level of spending is three times lower than the \$22.8 billion in consumer spending on culture in 2003.

Government spending on culture, *including* transfers, was \$7.4 billion in 2002-03. The arts received the smallest share of government spending on culture (\$550 million or 7% of government spending on culture). Heritage and libraries received one-half of the \$7.4 billion in government spending on culture (\$3.7 billion), followed by cultural industries (\$2.5 billion or 34%) and multiculturalism, multidisciplinary and other cultural activities (\$690 million or 9%).

The contributions of each level of government to the \$7.4 billion in cultural spending in 2002-03 were as follows:

- Federal: \$3.4 billion (46% of total government cultural spending in Canada);
- Provincial: \$2.1 billion (28%); and
- Municipal: \$1.9 billion (25%).

The majority of federal spending supported the cultural industries (64% of federal spending on culture). Heritage and libraries received strong support from all levels of government (24% of federal cultural spending, 64% of provincial cultural spending, and 80% of municipal cultural spending).

Of the \$550 million spent by governments on the arts in 2002-03:

- \$243 million was spent by the federal government (44%);
- \$283 million was spent by provincial governments (51%); and
- \$24 million was spent by municipal governments (4%).

The \$7.4 billion in cultural spending by all levels of government in 2002-03 amounts to \$236 per capita, including:

- Federal government spending of \$109 per capita on culture;
- Provincial government spending of \$67 per capita on culture; and
- Municipal government spending of \$60 per capita on culture.

Per capita spending amounts for each cultural sector are:

- Heritage and libraries: \$117;
- Cultural industries: \$80;
- Multiculturalism, multidisciplinary and other cultural activities: \$22; and
- Arts: \$18.

The \$18 spending on the arts per capita includes:

- Federal government spending of \$8 per capita on the arts;
- Provincial government spending of \$9 per capita on the arts; and
- Municipal government spending of \$1 per capita on the arts.

CHANGES IN GOVERNMENT SPENDING ON CULTURE BETWEEN 1992-93 AND 2002-03

After adjusting for inflation, government spending on culture decreased by 0.3% between 1992-93 and 2002-03. In comparison:

- The number of cultural workers increased by 20% between 1991 and 2001;
- The number of artists increased by 29% between 1991 and 2001;
- Consumer spending on culture increased by 19% (after adjusting for inflation) between 1997 and 2003;
- The population of Canada grew by 11% between 1992 and 2002; and
- Canada's Gross Domestic Product grew by 39% between 1992 and 2002.

These comparisons show that government spending has not supported growth in the cultural community over the past decade.

There were significant reductions in government spending on culture from 1992-93 to 1997-98. After this time, government spending on culture increased consistently. By 2002-03, government spending on culture had reached almost the same level as in 1992-93.

The cumulative impact of the government spending cutbacks during the 1990s was substantial - \$3.6 billion in total. That is, if government support for culture had grown by the rate of inflation in each year, rather than decreasing during the middle years and then increasing in the last few years, an additional \$3.6 billion would have been spent on culture between 1992-93 and 2002-03.

Federal spending on culture decreased significantly in the last half of the 1990s and then "caught up" with inflation between 2000-01 and 2002-03, returning to almost the same level of spending in 2002-03 as in 1992-93 (after adjusting for inflation). Provincial spending on culture decreased consistently between 1992-93 and 1997-98. Provincial spending then increased slightly but remained 10% lower in 2002-03 than in 1992-93 (after adjusting for inflation). Municipal cultural spending increased fairly consistently during the 10-year timeframe and was 16% higher in 2002-03 than in 1992-93 (after adjusting for inflation).

The cumulative impact of the federal cutbacks during the 1990s is \$2 billion, over two-thirds of one full year of federal funding for culture. That is, if federal support had grown by the rate of inflation in each year, rather than decreasing during the late 1990s and then increasing in the last few years, there would have been an additional \$2 billion spent on culture between 1992-93 and 2002-03.

The cumulative impact of the provincial cutbacks is \$2 billion. That is, if provincial support had grown by the rate of inflation in each year, there would have been an additional \$2 billion in provincial investment in culture between 1992-93 and 2002-03.

Municipal support grew by more than the rate of inflation between 1992-93 and 2002-03. In fact, the cumulative additional investment by municipal governments was \$740 million over this timeframe. That is, if municipal support had grown *just* by the rate of inflation in each year, \$740 million *less* in municipal support for culture would have been provided between 1992-93 and 2002-03.

An examination of changes in government funding adjusted for *both* the 19% inflation and the 11% population growth between 1992 and 2002 shows that:

- Overall cultural spending decreased from \$219 to \$199 per capita;
- Heritage and libraries funding decreased from \$104 to \$98 per capita;
- Cultural industries funding decreased from \$81 to \$67 per capita;
- Funding for multiculturalism, multidisciplinary and other cultural activities increased from \$18 to \$19 per capita; and
- Arts funding decreased from \$17 to \$15 per capita.

Given that the growth rates of the cultural labour force (20%) and artists (29%) were much higher than population growth (11%), these per capita decreases significantly underestimate the impact of changes in government funding between 1992-93 and 2002-03.

Adjusted for inflation only (not population growth), government spending on the arts decreased rapidly from 1992-93 to 1995-96 and remained relatively low between 1995-96 and 1998-99. After this time, government spending on the arts increased consistently. By 2002-03, government spending on the arts had reached almost the same value as in 1992-93 (after adjusting for inflation).

However, the cumulative impact of the 1990s government spending cutbacks to the arts was almost \$600 million. This represents more than one full year of additional funding during the 10-year timeframe. That is, if government support for the arts had grown by the rate of inflation in each year, rather than decreasing during the middle years and then increasing in the last few years, almost \$600 million more would have been invested in the arts between 1992-93 and 2002-03.

Provincial governments, the largest supporters of the arts of the three levels of government, decreased their arts funding consistently from 1992-93 to 1997-98. Provincial government spending on the arts increased between 1997-98 and 2000-01 and then decreased again in 2001-02 and 2002-03. In 2002-03, provincial government spending on the arts was 12% lower than in 1992-93 (after adjusting for inflation).

Federal government spending on the arts decreased from 1992-93 to 1996-97. After this time, federal government spending on the arts increased consistently. In 2002-03, federal government spending on the arts was 53% higher than in 1992-93 (after adjusting for inflation).

Municipal government spending on the arts decreased significantly between 1992-93 and 2002-03. However, it is not clear whether a portion of this decrease might be due to the fact that municipal data is estimated using a sample of municipalities.

Between 1992-93 and 2002-03, provincial governments provided more than twice as much in grants to artists and cultural organizations as the federal government. However, federal spending on grants and contributions increased by 47% from 1992-93 to 2002-03 (after adjusting for inflation), while provincial grants and contributions decreased by 5% (after adjusting for inflation). Municipal cultural spending is not broken down into grants and contribution categories and cannot be analyzed in the same way as federal and provincial funding.

The cumulative impacts of the changes in government spending on grants are:

- \$730 million less in provincial grants and contributions during the 10-year period; and
- \$270 million *more* in federal grants and contributions during the 10-year period.

The net loss in grants and contributions to artists and cultural organizations over the 10-year period is \$460 million.

On a per capita basis, total spending on culture decreased from \$219 in 1992-93 to \$199 in 2002-03 (after adjusting for inflation). Government cultural spending per capita increased in four provinces: New Brunswick, Nova Scotia, Saskatchewan and Quebec. Government cultural spending per capita decreased in the other six provinces: Alberta, Ontario, British Columbia, Prince Edward Island, Manitoba and Newfoundland and Labrador.