

CANADA
COUNCIL
FOR THE
ARTS

2010-11

Annual Report

Management's Discussion
and Analysis



Canada Council
for the Arts

Conseil des Arts
du Canada

Management's Discussion and Analysis

The scope of the Canada Council

The Canada Council for the Arts plays an active role in the arts ecosystem. The thousands of grants that it awards annually to artists and arts organizations are essential to maintaining the stability of this fragile, but resilient, ecosystem. The environment in which artists and organizations operate is sometimes affected by factors beyond their control; the recent economic downturn, for example, led to a drop in revenue for many organizations. For these organizations and their communities, the Council's financial aid provides stability which is needed to preserve the connection built over the years between the Canadian public and the work of thousands of artists. In 2010-11, the Council's support for professional artists and arts organizations was \$154.5 million. A total of 3,807 organizations and 2,291 artists received grants. Of these, 1,114 artists were first-time grant recipients. Also, over 17,000 writers received public lending right payments. These numbers show that the arts are thriving in Canada and that there is a strong generation of emerging artists. The Council's assistance reaches 518 communities in Canada and 116 others internationally.

National expertise benefits everyone

The Canada Council is Canada's national arts funding organization. Its operations are based on a unique national expertise and transparent process; its administration is based on values and strategic directions that are clear and revised and analysed in response to the changing realities of the cultural sector.

This year, 721 artists and cultural workers from all regions of Canada participated in peer assessment committees organized by the Council. Their acknowledged expertise was, once again, the guarantee of a rigorous and transparent attribution of funding. They shared their knowledge and understanding of arts practices to select artistic projects and recommend grants. Their expertise represents a unique collective value that results in a remarkable supply of artistic wealth for Canadians.

Strategic intervention

The Canada Council has now completed the final year of its strategic plan *Moving Forward 2008-11*. The vision it put forward was based on five strategic directions: (1) reinforce the Council's commitment to individual artists, working alone or collaboratively, as the core of artistic practice in Canada; (2) broaden the Council's commitment to arts organizations to strengthen their capacity to underpin artistic practices in all parts of the country; (3) enhance the Council's leadership role in promoting equity as a critical priority in fulfilling Canada's artistic aspirations; (4) make partnerships with other organizations a key element in the Council's approach to advancing its mandate; (5) implement structural changes within the Council to improve communication and strengthen the organization's capacity to implement change. Above all, the Council's goal has been to support the arts sector and its diversity and vitality, which in turn, enriches the lives of Canadians. The tables that follow provide an overview of the distribution of funding, while the following comments give more details on the nature of the Council's interventions.

Support for artists and arts organizations

The Canada Council has maintained its support for professional artists. The number of applicants, the number of artists receiving their first grant and the number of artists receiving a grant have remained relatively stable throughout the three years of the strategic plan. The results of two programs, in particular, illustrate the operational flexibility of the Council and its concern for streamlining.

First, despite the economic instability of the past year, the Canada Council's Art Bank retained the loyalty of its government clientele and increased its share of private-sector clients, allowing it to post a surplus. The surplus was used to purchase new works of art to expand its collection. As such, the Art Bank's balanced budget approach enables it to pursue its mandate to make contemporary art accessible to as wide an audience as possible.

In the first year of the three-year Strategic Plan, the Council invested \$700,000 in the Public Lending Right program (PLR). Using the payment scale established by the PLR Commission, the program was able to respond to the constant growth in the number of authors who are registered, and offer a significant payment to authors of newly-registered titles. In the last fiscal year, 17,487 authors in 1,783 Canadian communities received \$9.9 million in PLR payments. Throughout 2011, numerous organizations are celebrating the 25th anniversary of the program. Their engagement shows the popularity of the public lending right principle, the high level of support for the program and the importance of acknowledging the right to free access to culture.

The Council examines and revises its programs on an ongoing basis to ensure they are relevant, coherent and reflect the ever-changing arts ecosystem. For example, the Council recently undertook two separate exercises: it reviewed its program evaluation framework and consolidated its programs.

The Council's revised program evaluation framework, entitled *The Path Forward*, describes a framework for regular program evaluation that corresponds more closely to its mandate and the national scope of its interventions. Already, in 2010-11, the Council evaluated, as pilot projects, two programs using this framework: the Artists and Community Collaboration Program, and Assistance to Professional Canadian Contemporary Art Dealers.

The program consolidation exercise, conducted by all sections of the Council, follows up on an exhaustive analysis of the organization's program offerings. This exercise will continue throughout the next few years, adapting as needed to different artistic realities. This year, the Media Arts Section consolidated its programs of assistance to media arts organizations to reflect the current media arts environment and in response to a far-reaching consultation of the media arts community. Ten programs were consolidated into four, allowing for greater flexibility, a simpler application process, a reduced number of applications and as a result, reduced evaluation costs. Further, grouping applications within a single program gives a better overall vision of the media arts practice and a greater coherence in evaluation. The objectives of each program are clearly stated in a way that allows for the measurement of results. The Media Arts Section is now working with Research and Evaluation to develop performance indicators.

Finally, the Canada Council has developed a Program Architecture Logic Model that illustrates the effective and complex interaction of its activities, and the strategic, targeted and concerted nature of its interventions. More than just a chart of Council's operational structure, this model will be used over the next few years to evaluate how the combination of the organization's interventions and the results obtained help it to achieve its objectives. While it highlights that programs are central to the Council's activities, it also takes into account how other strategic directions are applied to overall activities.

Leading the way in equity

In 2010-11, the Canada Council continued to advance its commitments to equity. For example, the Council recognizes the contribution made by disabled and Deaf artists and is developing a strategy for disabled artists to ensure that they have equitable access to its programs and services. As well, the Council has launched a project to establish an arts strategy for Nunavut. This new initiative is aimed at increasing the Council's presence in Nunavut in a way that takes into account the priorities, interests and realities of this region, and ensures that artists and arts organizations in this territory have equitable access to the Council's programs and services.

Partnerships

More than ever, the Council is promoting partnerships with other organizations, in order to pool resources to extend its reach. One example is the partnership with Business for the Arts¹ that makes it possible to discuss arts funding on a national scale with the private sector. Also, the Canadian Public Arts Funders (CPAF) network has begun discussions on the digital transition in our society and the impact of new technologies on the arts. It recently conducted research on this theme to support these conversations².

The Council and the Alberta Foundation for the Arts (AFA) renewed the Alberta Creative Development Initiative (ACDI) for 2010-11. Over three years, the program has distributed \$6 million in grants to more than 350 professional artists and arts organizations. For 55% of these artists, this was their first-ever Council grant, and several had never before received funding from either of the two organizations. This initiative allowed the Council to reinforce its support for the arts in Alberta.

Partnerships also make for increased efficiency. The result of a joint effort by arts funding agencies, the CADAC system (Canadian Arts Database / Données sur les arts au Canada) is playing an increasingly significant role. The Council provides the secretariat for this web-based system which captures and analyses financial and statistical data of Canadian arts organizations funded by several federal, provincial, territorial and municipal arts agencies. It provides essential information on the financial and statistical situation of arts organizations in a way that is reliable and consistent across funding agencies, while identifying different trends at the national, provincial and regional levels. Several other arts organizations have already shown a strong interest in participating in CADAC as it lightens the administrative burden on arts organizations by allowing them to complete one set of financial forms. The system was inspired by a commitment to partnership and collaboration, and pays dividends in operational efficiency.

Organizational development

In 2010-11, the Council embarked on a number of initiatives to help it make the organizational changes needed to adapt to its evolving environment and to ensure efficient processes.

The Council struck the Business Processes and Systems Steering Committee to establish an inventory of administrative processes, the information systems that support them and the corresponding infrastructures with a view to better integrate systems and simplify processes. The exercise also aims to facilitate more effective accountability. It will enable the Council to renew its web presence by offering a user-friendly platform for information exchange, adapted to the needs of the community and integrated into the systems used by the Council.

New technologies offer several possibilities to enhance process efficiency that the Council has not hesitated to adopt. This year, the Council tested the use of the iPad tablet computer and WebEx videoconferencing technology for its peer assessment committees. The iPad could replace the vast amount of paper documentation that committees currently have to review; videoconferencing makes it easier to solicit the one-time participation of specialists to discuss certain items in the committees. The results are encouraging and show that significant savings can be realized.

The Council also wants to respond to the strong trend toward increasing public engagement in the arts. It wants to expand on the scope of its messa-

ges on the role of the arts in society and promote greater citizen engagement. The Council is developing a global communications strategy that will include the redesign of its website and increased use of social media.

The future: strengthening connections

The end of one strategic plan announces the beginning of another. In April 2010, the Canada Council launched a consultation on follow-up to the 2008-11 Strategic Plan, *Moving Forward*. The 2,500 responses it received demonstrate the interest and confidence of the arts community in the Council. The majority of respondents felt it necessary to continue to pursue the objectives identified in the 2008-11 Strategic Plan. The Council has thus adopted a new strategic plan for the period 2011-16, *Strengthening Connections*, which reaffirms its commitment to the major directions of the previous plan. However, these directions are overlaid by three themes that were identified in the consultation:

- **Synergy**, to bring people together and allow them to share their experiences, and to promote the pooling of various stakeholder resources in the arts;
- **New technologies**, to ensure that the arts sector is not left behind in the transition to a digital society;
- **Public engagement**, to allow artists and arts organizations to broaden and deepen their engagement with audiences. The Council will underscore the contribution that artists and arts organizations make to the lives of all Canadians.

The way in which the 2011-16 Strategic Plan will be achieved is further elaborated in the 2011-16 Corporate Plan (a summary version is available on the Council's website). This plan integrates the essential elements of the strategic plan, the budget, the evaluation framework and the risk management plan, and identifies the indicators that will be used to measure the results of Council's actions. The culmination of an internal process of cooperation, it expresses the Council's commitment to align the organization's actions with its strategic priorities and administrative and financial framework.

The current activities and strategic directions of the Council integrate the values that have defined it since its creation. Respect for artistic merit, a historic commitment to diversity and equity, quality of decision-making and responsiveness, expertise and commitment of staff, adaptability and flexibility, transparency and accountability remain the core values of the Canada Council for the Arts.

1. Business for the Arts was founded in 1974 by a group of leading business CEOs in Canada. They saw a need to encourage strong relationships between business and the arts in order to strengthen cultural institutions, support artists and improve quality of life for all. The partnership with the Canada Council makes it possible to hold a series of round tables across the country, bringing together public and private stakeholders to discuss arts funding.

2. Canadian Public Arts Funders (CPAF) is a network that unites and serves the federal, provincial and territorial arts councils and equivalent public arts funders. The CPAF network is assisted by a Secretariat housed at the Canada Council. The research report entitled *Digital Transitions and the Impact of New Technology on the Arts* can be consulted on CPAF's web site (<http://cpaf-opsac.ca>).