



Canada Council  
for the Arts

Conseil des arts  
du Canada



Understanding Canadian Arts Through CADAC Data:

# A Portrait of 47 Symphony Orchestras

Research, Evaluation and Performance Measurement Section

01-12-2019

Bringing the arts to life  
De l'art plein la vie

CADAC (Canadian Arts Data / Données sur les arts au Canada) is a web-based integrated financial and statistical system for Canadian arts organizations applying for recurring funding which allows the Canada Council for the Arts and other public funders to collect and share common financial and statistical data. CADAC currently collects data from more than 921 Canada Council funded organizations across all arts disciplines.

CADAC partners include provincial, territorial and municipal arts funders. These include: the British Columbia Arts Council, the City of Vancouver, the Alberta Foundation for the Arts, the Edmonton Arts Council, the Saskatchewan Arts Board, the City of Saskatoon, the Manitoba Arts Council, the Ontario Arts Council, the Toronto Arts Council, the City of Toronto Culture Division, the City of Greater Sudbury, The City of Kingston Arts Fund, the New Brunswick Arts Development Branch / Department of Tourism, Heritage and Culture, the Newfoundland and Labrador Arts Council and the Canada Council for the Arts.

Statistical data from CADAC not only includes receptive audience involvement such as number of performances and attendance, but also contains participatory data, including volunteering and community arts projects. Appendices contain a breakdown and more detailed tables on CADAC data.

This report is part of an ongoing series of reports using CADAC data produced by the Research, Evaluation and Performance Measurement Section of the Canada Council for the Arts. Other reports in the series are Arts Facts Using CADAC Data: 49 Media Arts Presenters; Arts Facts Using CADAC Data: 45 Media Arts Production Centres; Arts Facts Using CADAC Data: A Portrait of 77 Art Museums / Public Arts Galleries; Arts Facts Using CADAC Data: A Portrait of Artist-Run Centres; and The Visual Arts Landscape in Canada As Seen Through CADAC, 2011-12.

## CADAC Methodology

- This report describes 47 symphony orchestras that receive funding from the Canada Council for the Arts; it does not include data from all orchestras in Canada (see appendix for complete list of organizations included).
- The data collected for this report was extracted in October 2018. For the most part, data is being reported for 2010-11 to 2016-17 (historical data); the years with the most accurate CADAC data. In some instances, projections of financial data for 2017-18 and 2018-19 have been included.
- Financial figures from CADAC are reconciled with the financial statements presented by the arts organizations, while statistical data are not validated and represent what is reported by organizations. Data was removed, in rare instances, when the exceptional circumstance of one organization skews the overall picture of the whole group or statistical data presents unexplained trends over a period of time.
- For more information regarding the indicators presented in this report, please refer to the Notes section (page 1). For interpretation of the CADAC lines, please consult the Definitions sections of the CADAC Financial and Statistical Forms available at <http://www.thecadac.ca/cms/en/guides.html>.
- The next phase of this type of CADAC data report consists of an investigation and validation process that will analyse and respond to significant deviation from the normal trends, e.g. attendance with variations higher than 20% over a period of time.
- For this report, organizations were classified into three categories according to revenue size:
  - I. Organizations with less than \$1M of total revenues (20 organizations);
  - II. Organizations with total revenues from \$1M to \$5M (16 organizations); and,
  - III. Organizations with total revenues of \$5M or more (11 organizations).

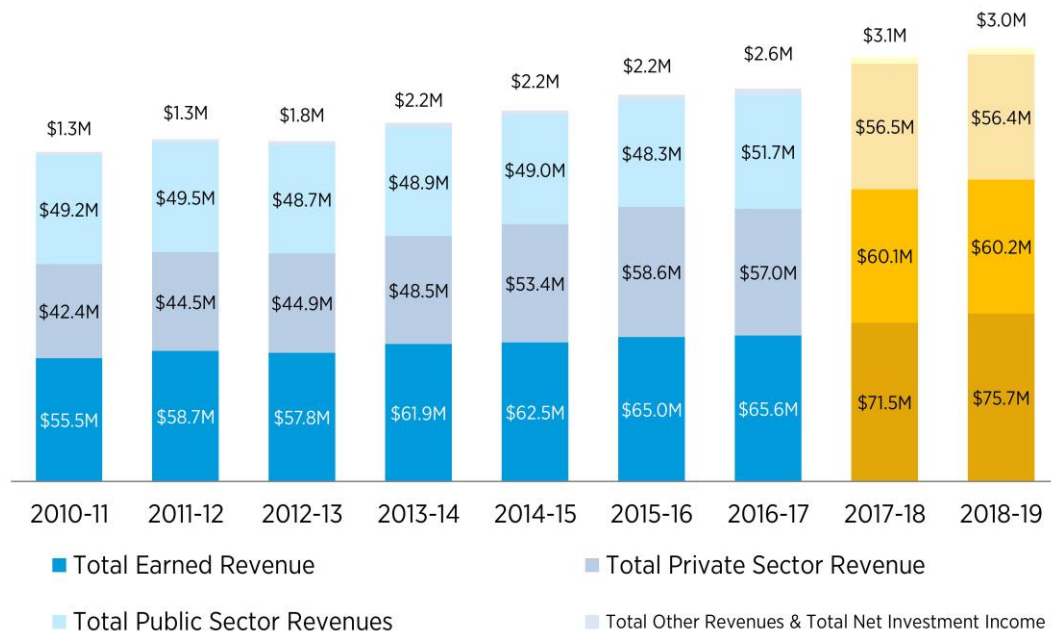
# 1. Economy

## Financing<sup>1</sup>

Sustained revenue growth: over the past six years, the total revenue of the 47 orchestras sampled in this report increased 19.3%, or \$28.6M, from \$148.3M in 2010-11 to \$176.9M in 2016-17. This represents a compound annual growth rate (CAGR) of 3.0% throughout this six-year period.<sup>2</sup> Revenues were seen to increase in every year except 2012-13, when they declined by 0.5%.

In 2016-17, public funders contributed \$51.7M to this sample of 47 orchestras across Canada. During the same year, these organizations generated over **\$65.6M in earned revenues (37% of total revenues)** and **\$57.0M in private support (32% of total revenues)** (see Fig. 1).<sup>3</sup> The share of public support to operating budgets declined somewhat over the period covered by this analysis, falling from 33.2% of total revenues in 2010-11 to 29.2% in 2016-17, causing it to be eclipsed by private sector support, which grew from 28.6% to 32.2% over the same interval.

Fig. 1 Financial Support (in CA\$ million, actuals and projections)



n=47

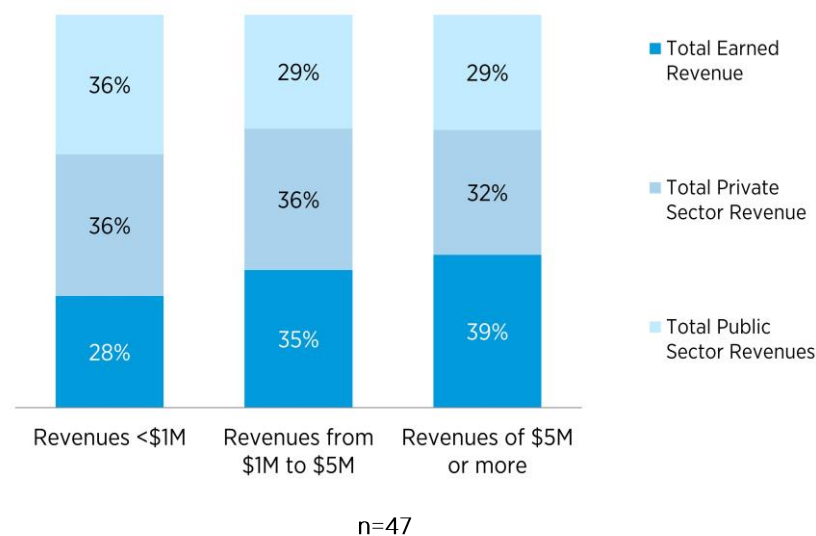


Public and private sector revenues show increases of 5.0% and 34.4%, respectively, from 2010-11 to 2016-17 (CAGRs of 0.8% and 5.1%), while earned revenues increased by 18.4% (CAGR of 2.8%).

The forecast shows that revenues from all sources are expected to continue to grow in Fiscal Year (FY) 2017-18 before levelling off in 2018-19. Relative to 2015-16, in 2016-17 [these 47 organizations forecast an 8.9% increase in total earned revenues, and 5.4% and 9.4% increases in private and public sector revenues, respectively](#). In FY 2018-19, by contrast, earned and private sector revenues are anticipated to grow an additional 5.8% and 0.2%, respectively, while public sector revenues are predicted to fall by 0.2%.

The relative contribution of each source of income to an orchestra's revenues appears to depend on the size of an organization. As shown in Fig. 2, orchestras with budgets of less than \$1M depend the most on public sector revenues, and in 2016-17, 36% of their total revenues derived from this type of support. Correspondingly, they have the lowest level of earned revenue (28%). By contrast, larger orchestras report relatively larger earned revenues, while tending to exhibit lower reliance on public support.

Fig. 2 Financial Support by Organization Size  
(by total revenues) in 2016-2017



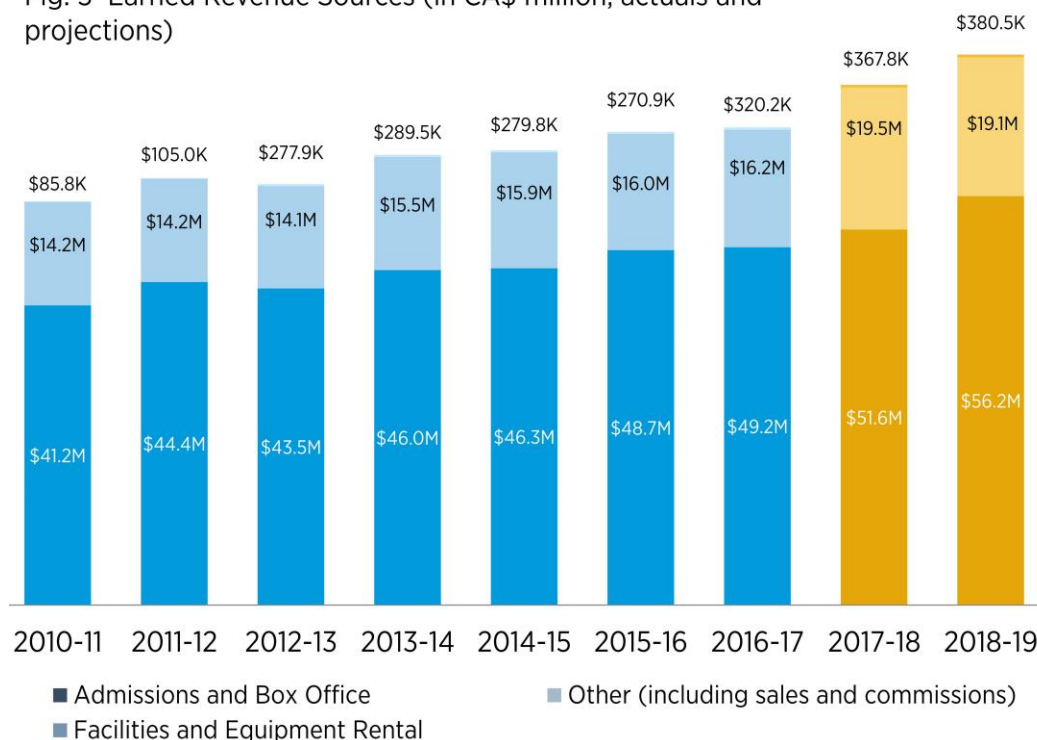
[Financial support from the Canada Council declined slightly](#) during the seven years covered by this analysis, amounting to \$12.9M in 2010-11 and \$12.3M in 2016-17; because revenue from other sources tended to increase between 2010-11 and 2016-17, the Council's share of total revenues also decreased from 8.7% to 7.0% over this time span. However, the 47 orchestras forecast growth in Canada Council revenue in 2017-2018 and, to a lesser extent, in 2018-19 as well. Provincial arts funding increased significantly in FY 2015-16 and 2016-17, a trend which is expected to continue in the upcoming two years (see Table 1).

Table 1. Revenue distribution (in \$CA Mil., actuals and projections)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Total revenues	148.3	154.0	153.2	161.5	167.1	174.1	176.9	191.2	195.3
Total public Sector Revenues	49.2	49.5	48.7	48.9	49.0	48.3	51.7	56.5	56.4
Total Canada Council grants	12.9	13.0	13.2	12.8	12.6	12.4	12.3	15.0	16.1
Total provincial arts funder revenue	16.3	16.6	15.8	16.1	16.4	23.8	23.5	24.3	24.6
Total municipal arts funder revenue	2.2	2.0	2.1	2.3	2.4	2.7	3.8	4.2	4.2

In 2016-17, nearly three-quarters (74.9%) of the total earned revenue for these arts organizations derived from admissions and box office (\$49.2M). This source of income has grown more or less consistently from 2010-11 to 2016-17 at an annual rate of 3.0%. In relative terms, however, admissions and box office revenues have remained essentially constant, because other earned revenues from sources have also been increasing at a healthy rate (see Fig. 3).<sup>4</sup>

Fig. 3 Earned Revenue Sources (in CA\$ million, actuals and projections)



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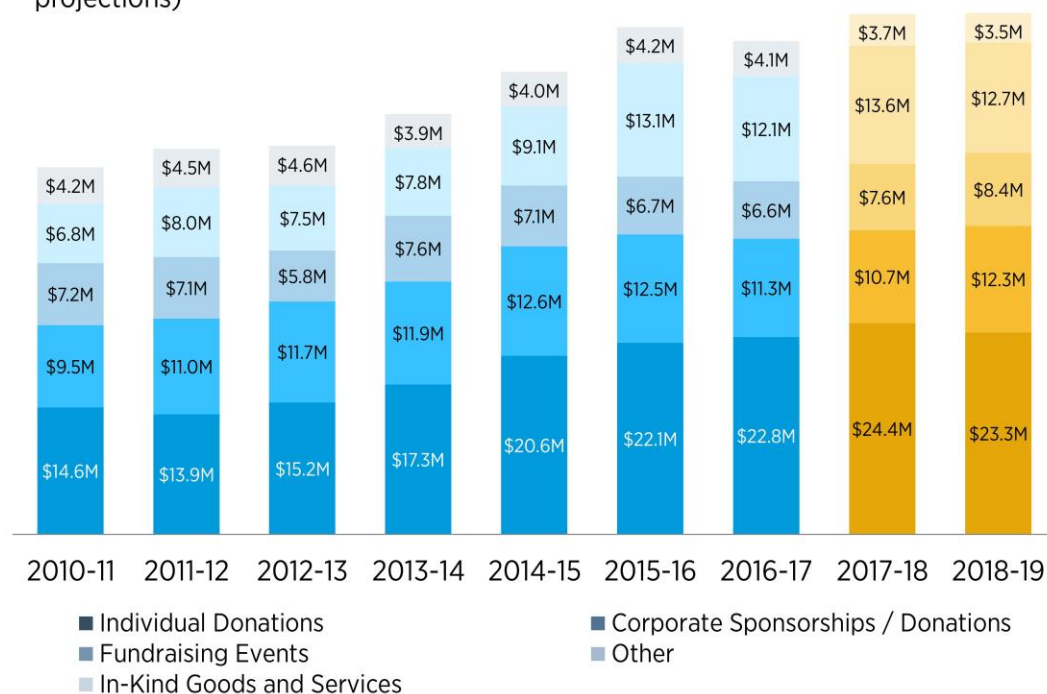


Revenues from rentals of facilities and equipment, as well as other types of revenues, increased 273.2% and 13.8%,<sup>5</sup> respectively, from 2010-11 to 2016-17. Combined, they represent 25.1% of total earned revenues in 2016-17. Other types of earned revenues include fees from workshops, classes, conferences, annual meetings, seminars, colloquia, and so forth. These types of educational activities represent an important component of the orchestras' activities for the artistic community and public.

Most private support comes from individual donations.<sup>6</sup> In 2016-17, individual donations (\$22.8M) accounted for 40.0% of the total private support,<sup>7</sup> representing a substantial increase of 55.7% relative to 2010-11. Forecasts suggest this will grow a further 6.9% in 2017-18 but is expected to decline 4.4% in the subsequent year (see Fig. 4).

Corporate sponsorships represented 26.7% of all private support in 2016-17, experiencing 19.3% growth from 2010-11 to 2016-17. Revenues from fundraising events and the value of in-kind goods and services have declined in both relative and absolute terms over this period; however, income from fundraising events is expected to rebound in 2017-18 and 2018-19. Other sources of revenue, which consist largely of foundation grants and donations, increased by more than three-quarters (77.2%) over the period under consideration, and beginning in 2015-16 overtook corporate sponsorships as the second largest source of private support for the orchestras in the sample.

Fig. 4 Private Support Sources (in CA\$ millions, actuals and projections)



n=47

## Staffing and Programming

In 2016-17, artists, cultural workers and technical staff of these 47 symphony orchestras earned **\$96.3M in fees and salaries, which accounts for 81.4% of the total artistic expenses** (see Table 2).<sup>8</sup> In general, artists' fees are paid to artists for the creation and presentation of their work. Artistic salaries are paid to cultural workers who may or may not be professional artists. It is important to mention that more than **nine out of every ten (93%) artists paid fees were Canadian**.<sup>9</sup>

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Artists' and professional fees	42.3	44.5	44.2	44.9	46.1	48.6	50.0	55.3	53.7
Artistic salaries - permanent and temporary employees	37.1	38.8	38.2	40.1	41.3	42.4	42.0	44.1	45.6
Production / technical services professional fees	0.8	1.0	0.9	1.0	0.7	0.6	0.7	0.9	1.0
Production / technical salaries - permanent and temporary employees	2.5	2.6	2.7	2.5	2.9	3.2	3.6	3.8	3.8
Total	82.7	86.9	85.9	88.5	91.0	94.8	96.3	104.1	104.1
% of Total artistic expenses	84%	85%	84%	83%	82%	83%	81%	81%	80%

Further analysis shows that **\$121.5M – or 70% of total expenses – were paid as salaries and professional fees** for artistic, technical staff along with facility operating, marketing, fundraising and administration staff in 2016-17. This represents 235% of the total amount received from public support in that year. While remaining relatively stable in relative terms (that is, as a proportion of all expenses), this amount increased most years between 2010-11 and 2016-17, and as Table 3 suggests, they are expected to continue to do so in 2017-18 and 2018-19.<sup>10</sup>

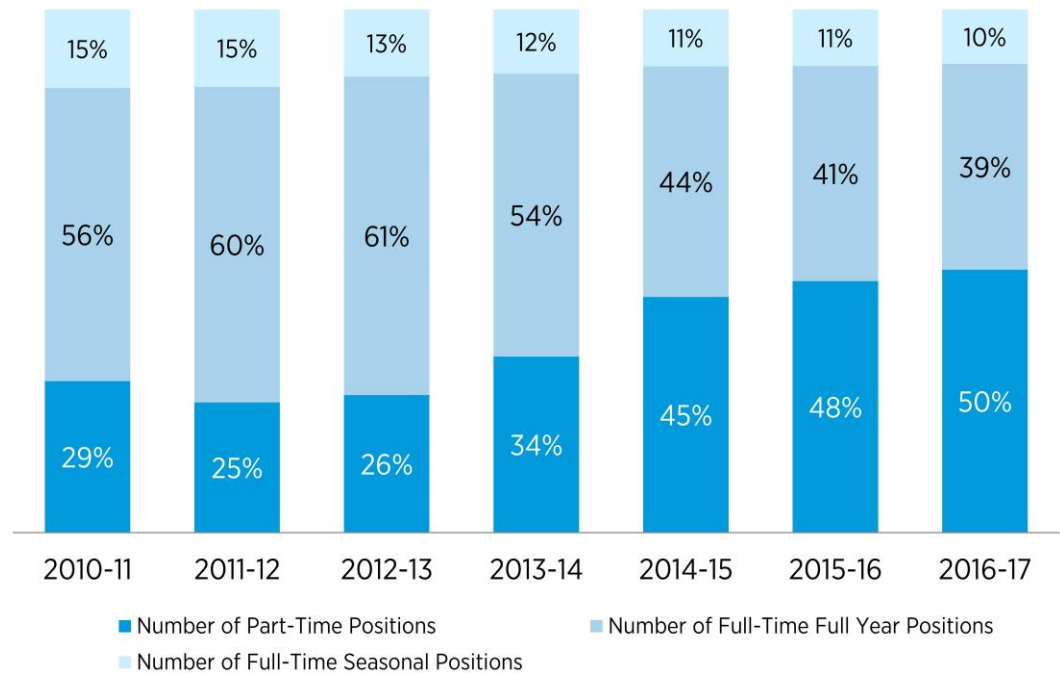
	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Total salaries and professional Fees	103.0	108.5	107.5	110.7	114.1	120.5	121.5	129.8	131.5
% of total expenses	70%	70%	70%	69%	69%	71%	70%	70%	69%

In 2016-17, **39% of the overall workforce positions of these orchestras were full-time, full-year** (see Fig. 5). In comparison, the same ratio for all CADAC organizations in 2016-17 was 29.0%. The total number of full-time full-year positions registered by these organizations in 2016-17 was 466, which is an 11.4% decline when compared with 2010-11. Further analysis of the CADAC data suggests the period studied in this report was marked by a transition away from full-time full-year and seasonal positions, the share of which declined by 21.3% between 2010-11 and 2016-17 in favour of part-time positions, which accounted for only 29% of staff in these organizations in 2010-11, but had increased to half by 2016-17.<sup>11</sup>





Fig. 5 Breakdown of Number of Positions

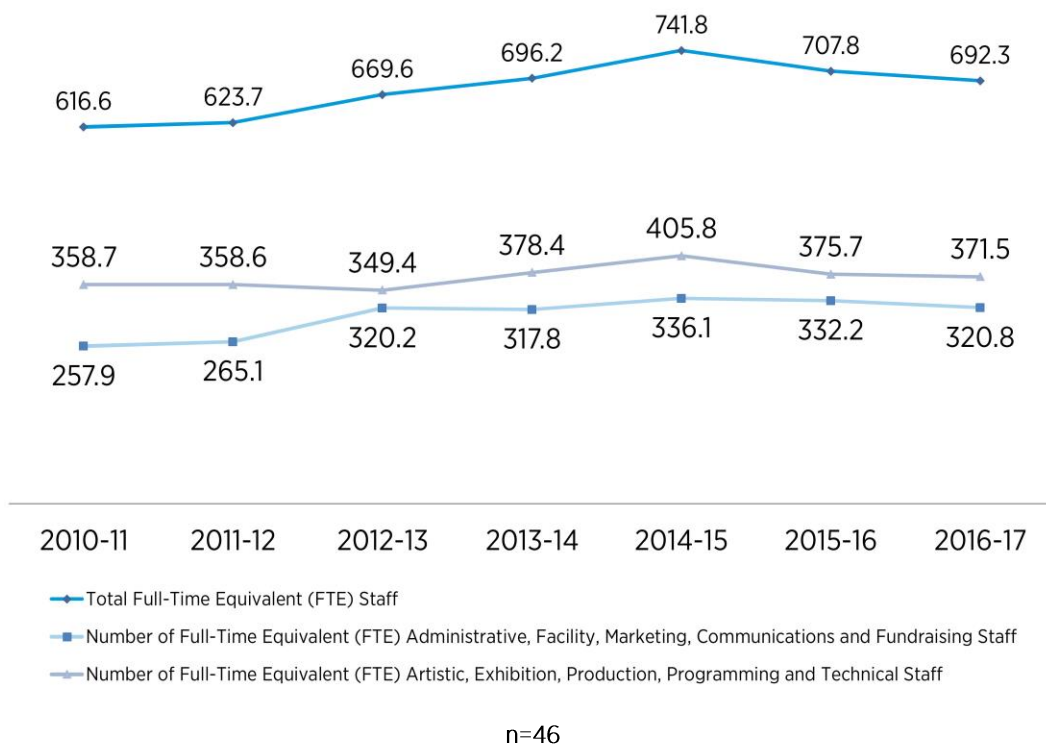


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In 2016-17, 46 symphony orchestras had a total of 692 full-time equivalent (FTE) staff.<sup>12,13</sup> This constitutes a 12.3% increase during the seven-year period under analysis, but a 6.7% decline relative to 2014-15, when total employment peaked (see Fig. 6). Overall gains between 2010-11 and 2016-17 were largely driven by increases in administrative, facility, marketing, communications and fundraising staff, the number of which grew 24.4% over this period, as compared with artistic, exhibition, production, programming and technical staff, which increased by only 3.6%. FTE losses between 2014-15 and 2016-17 were more or less evenly divided among the two groups.



Fig. 6 Full-Time Equivalent Staff



In addition to salaries and fees expenses, the 47 orchestras spent \$21.4M (12.3% of total expenses) in 2016-17 for programming expenses, such as artistic production, programming, presentation, and so forth (see Table 4). This percentage is relatively similar to the one registered by all CADAC organizations, which was 20.4%.

Table 4. Total programming expenses - production costs (actuals and <b>projections</b> )	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Total programming expenses	15.2	15.3	16.2	17.6	20.0	19.0	21.4	23.0	25.7
% of total expenses	10%	10%	11%	11%	12%	11%	12%	12%	14%



## Summary

These 47 symphony orchestras registered a 19.3% increase in total revenues from \$148.3M in 2010-11 to \$176.9M in 2016-17. Earned revenue and revenue from private sources increased significantly over this period, growing by 18.4% and 34.4%, respectively. Nearly three-quarters of earned revenue in 2016-17, or \$49.2M, originated from admissions and box office.

The share of public support to operating budgets declined by 4.0% from 2010-11 (33.2% to 2016-17 (29.2%)), causing it to be eclipsed by support from the private sector, which increased 3.6 percentage points over the same interval (from 28.6% in 2010-11 to 32.2% in 2016-17). This occurred because private sector revenues grew at a significantly faster rate (34.4%, CAGR of 5.1%) than public sector revenues (5.0%, CAGR of 0.8%) over this span of time.

The value of individual donations increased by more than half (55.7%) over the past six years, from \$14.6M (34.5% of all private sector support) in 2010-11 to \$22.8M (40.0%) in 2016-17. Private support from corporate sponsorships / donations also increased a healthy 19.3%, from \$9.5M in 2010-11 to \$11.3M in 2016-17, although their share as a percentage of total private revenues decreased from 22.4% to 19.9% over the same interval. Revenue from fundraising events and the value of in-kind contributions declined in both absolute and relative terms from 2010-11; the opposite, however, was true of revenue from other sources, particularly foundation grants and donations.

The number of positions and full-time equivalents sustained by symphony orchestras in the sample increased by 26.1% and 12.3% between 2010-11 and 2016-17. This is attributable to a substantial decline in the number of full-time full-year (11.4%) and seasonal (12.8%) positions, and an accompanying increase in part-time staff (118.8%).

\$121.5M was paid as salaries and professional fees in 2016-17, representing 70% of total expenses, and 2.4 times the total amount received from public support (\$51.7M). A total of 6,640 Canadian artists (86% of all artists) received artists' fees in that year.

## 2. Artistic Activities and Public Participation<sup>14</sup>

### Activities and Attendance

In 2016-17, 7,731 artists were featured in 2,675 total public performances by 47 symphony orchestras,<sup>15</sup> 2,340 of which were produced and presented at a local scale, in their own city / town / reserve, attracting more than 1.87 million people in attendance (see Table 5).<sup>16</sup> The total number of public performances registered a 37.8% increase when comparing 2016-17 with 2010-11. Meanwhile, attendance increased 16.1% during the same period.

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of public performances produced by your organization and presented in your city / town / reserve	1,698	1,705	1,756	1,885	1,892	2,285	2,340
Attendance (millions)	1.6	1.7	1.6	1.7	1.7	1.7	1.9
Production admissions and box office from subscriptions / admissions membership, group admissions or single ticket sales (in CA\$ million)	41.2	44.4	43.5	46.0	46.3	48.7	49.2

In addition to the public performances produced and presented in their own city / town / reserve, these symphony orchestras also produced and presented public performances at a regional / national level. In 2016-17 there were a total of 303, which represented 11.3% of the total number of public performances (see Table 6).

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of public performances produced by organizations and presented nationally	327	338	349	317	323	351	303
Attendance	223,810	190,914	202,104	153,759	183,858	198,061	191,475
Number of public performances produced by organizations and presented internationally	45	63	32	40	50	24	32
Attendance	39,401	48,695	31,520	39,838	50,541	32,257	23,198
Total number of public performances	2,070	2,106	2,137	2,242	2,265	2,660	2,675

Canadian artists represent 93% of all artists who received artists' fees in 2016-17. This proportion was stable during the period from 2011-12 to 2016-17 (see Table 7).<sup>17</sup>

Table 7. Canadian artists	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total number of Canadian artists who received artists' fees	5,404	5,628	6,463	7,234	8,316	8,237	6,640
% in Total artists paid artists' fees	93%	93%	94%	94%	94%	94%	93%

The number of [new works](#) created or commissioned by Canadian artists in this group of 47 symphony organizations was 225 in 2016-17, [increasing 80% from 2010-11 to 2016-17](#), and representing a CAGR of 10.3% (see Table 8). 259 new works (including those specifically for children and youth) were presented during 2016-17, representing a significant 25.7% increase over 2015-16. On average, during the period under analysis (2010-11 to 2016-17), approximately 24 new works per year were specifically created or commissioned for children and youth.

Table 8. New works	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of new works presented or exhibited which were created by or commissioned from Canadian artists	125	185	123	179	163	188	225
Number of new works specifically for children up to 14 years of age presented or exhibited which were created by or commissioned from Canadian artists	22	26	10	14	8	11	28
Number of new works specifically for youth 15-24 years of age presented or exhibited which were created by or commissioned from Canadian artists	13	15	8	6	7	7	6
Number of works by Canadian artists purchased by organizations	0	0	0	1	0	0	0
Number of works by Canadian artists donated to organizations	0	0	3	1	0	0	0
Total number of new works	160	226	144	201	178	206	259

## Arts Education, Learning Activities, and Public Participation

In 2016-17 there were **592,281 participants in the combined 2,211 arts education and arts learning activities** produced by these organizations (see Table 9),<sup>18</sup> with attendance and the number of events increasing by 12.9% and 11.0%, respectively, over the preceding year. However, the number of arts education and arts learning activities reached a maximum in 2012-13, while the number of participants peaked in the following year.<sup>19</sup>

Table 9. Arts education and arts learning activities and attendance	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total number of arts education and arts learning activities	2,053	2,150	2,573	2,490	2,411	1,991	2,211
Attendance	568,099	620,935	631,634	669,157	660,492	524,630	592,281

The 47 symphony orchestras recorded 800 activities that added value to artistic programming in 2016-17, which engaged an estimated 97,070 participants; in the same year, organizations convened 72 training workshops and 66 arranged community arts activities for 4,995 and 39,812 participants/attendees, respectively (see Table 10).<sup>20,21,22</sup>

Table 10. Activities for adults or all ages and public participation	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of activities that add value to artistic programming	565	632	652	724	820	740	800
Attendance and participants	170,169	179,770	191,730	194,190	208,804	89,141	97,070
Number of training workshops	79	104	80	71	104	58	72
Attendance and participants	1,425	5,325	1,613	1,318	2,940	2,389	4,995
Total number of community arts projects	58	44	42	68	85	63	66
Attendance and participants	16,402	12,758	9,777	31,212	39,615	43,511	39,812

42% of all arts education and arts learning activities in 2016-17 were designed for children, while 15% were intended for youth (see Table 11).<sup>23</sup> More than 488,000 children and youth attended and/or participated in these activities.

Table 11. Activities for children and youth and public participation	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Percentage of total activities for children	43%	42%	46%	44%	41%	40%	42%
Percentage of total activities for youth	21%	18%	18%	18%	18%	16%	15%
Attendance and participants	394,898	433,541	433,992	470,353	446,407	430,798	488,063

On average, during the past seven years, 327 children and youth attended and participated in 1,370 activities per year delivered by these organizations. These activities reached in average 442,579 children and youth participants per year.

Also, in 2016-17, 801 teachers participated in 17 workshops organized by this group of arts organizations, and had access to 113 curriculum-related materials prepared by them (see Table 12).<sup>24,25</sup>



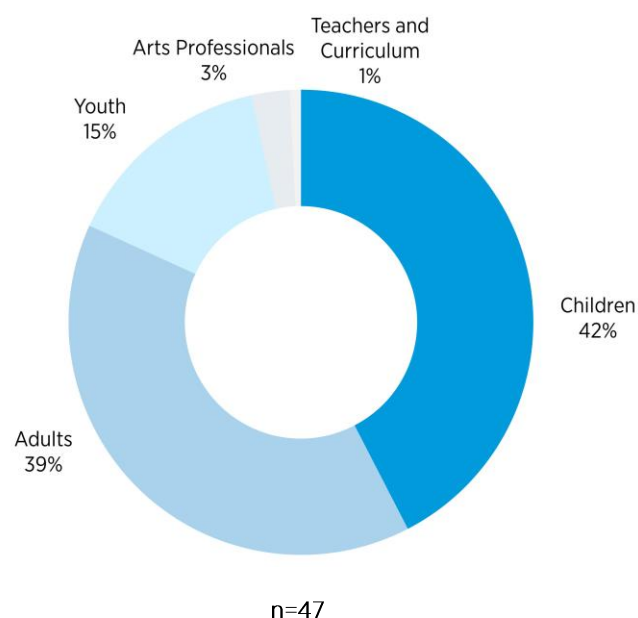
Table 12. Teachers and curriculum	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of workshops for teachers	16	17	19	19	20	14	17
Participants	569	559	714	876	931	1,247	801
Number of study guides, curriculum and curriculum-related material	73	67	79	81	126	107	113

From 2010-11 to 2016-17, on average, there were 95 activities for arts professionals per year, which attracted an average of 20 participants (see Table 13). Additionally, there were an average of 23 artists-in-residence projects and 41 conferences organized and presented by symphony orchestras in this seven-year period.<sup>26,27</sup>

Table 13. Activities for arts professionals	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Number of professional training programs	22	33	59	62	9	10	17
Number of professional development activities	67	68	124	63	37	54	42
Number of artists-in-residence projects	15	25	28	28	17	25	25
Number of conferences organized and presented by organizations	84	94	22	25	40	15	8
Average participants (professional training and development only)	12	17	20	19	31	16	23

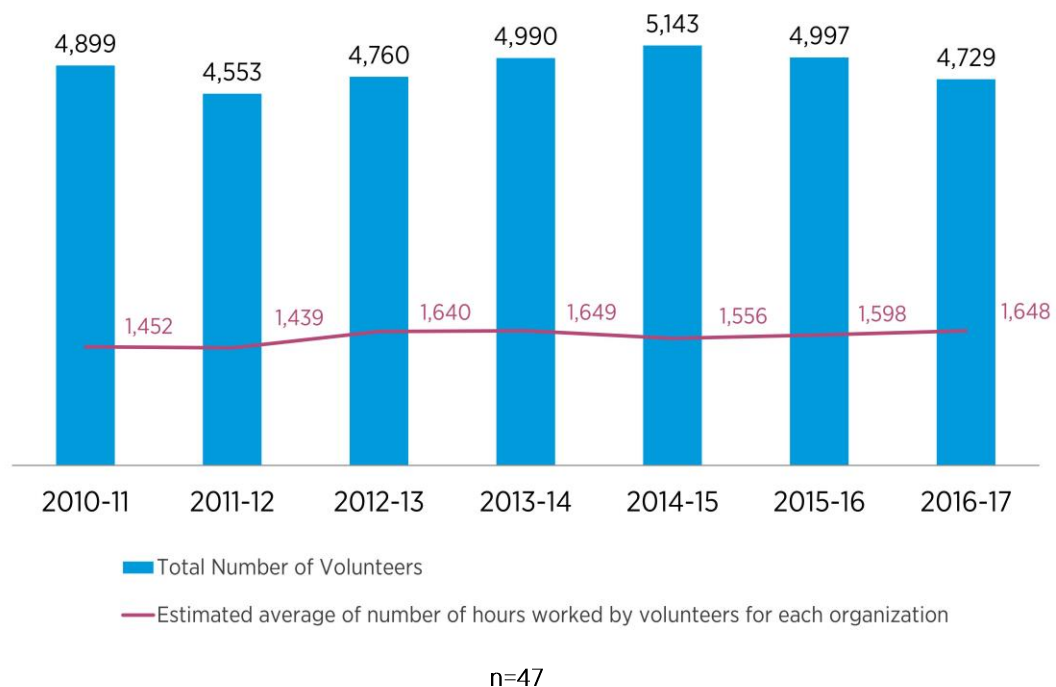
As an overview, in 2016-17, this group of 47 arts organizations offered 42% of their arts education and professional development activities to children, 39% to adults, 15% to youth, and the remaining 4% to teachers and arts professionals (see Fig. 7).

Fig. 7 Arts Education and Professional Development Activities  
Offered in 2016-17 to:



There has been a 3.5% decrease in volunteers offering their support to these symphony orchestras over the past seven years, although the data suggests some year-over-year variability in volunteerism is common. The estimated number of hours worked by volunteers in each organization has increased 13.5% over the same interval, and in 2016-17 was similar to the levels observed three years earlier when the value for this period peaked (see Fig. 8).

Fig. 8 Number of volunteers and estimated average of number of hours worked by volunteers



In 2016-17, 4,729 volunteers with symphony orchestras in the sample collectively contributed over 165,819 hours of their time.<sup>28</sup> The annual average of this group of orchestras reporting data in CADAC was 101 volunteers, working 1,648 hours per organization. This represents an increase of 50 hours over the previous year, and it's explained by a loss of 268 volunteers that coincides with a reduction of approximately 4,000 hours of volunteer effort. In comparison, all CADAC organizations reported an average of about 102 volunteers, working 2,804 hours per organization (in 2016-17).





## Summary

In 2016-17, \$49.2M was generated through admission and box office (74.9% of total earned revenues). This represents a 19.4% increase in comparison with 2010-11. On average, 85% of the artists presented during the past six years were Canadian.

During 2016-17, 2,340 public performances produced by this group were programmed and presented locally. In addition, 303 performances were presented nationally and 32 were presented internationally. Total attendance at local performances produced by these symphony orchestras amounted to more than 1.87 million in that year alone.

A total of 259 new works were generated during 2016-17, 225 of which were created or commissioned from Canadian artists—including 34 developed specifically for children and/or youth. This represents an increase of 61.9% over 2010-11.

Arts education and arts learning activities represent an important part of the activity that connects these arts organizations with their communities. There were 592,281 participants at 2,211 activities in 2016-17.

42% of all arts education and arts learning activities were designed for children, and 15% for youth. Over 488,000 children and youth attended and/or participated in these arts education activities during 2016-17. In addition, 102,000 Canadians of all ages took part in 72 training workshops and 800 other recorded activities adding value to symphony orchestras' artistic programming.

These activities were complemented by 17 workshops for educators attended by more than 800 participants, as well by the application of 113 study guides, curricula and curriculum-related materials developed by Canada Council-funded symphony orchestras.

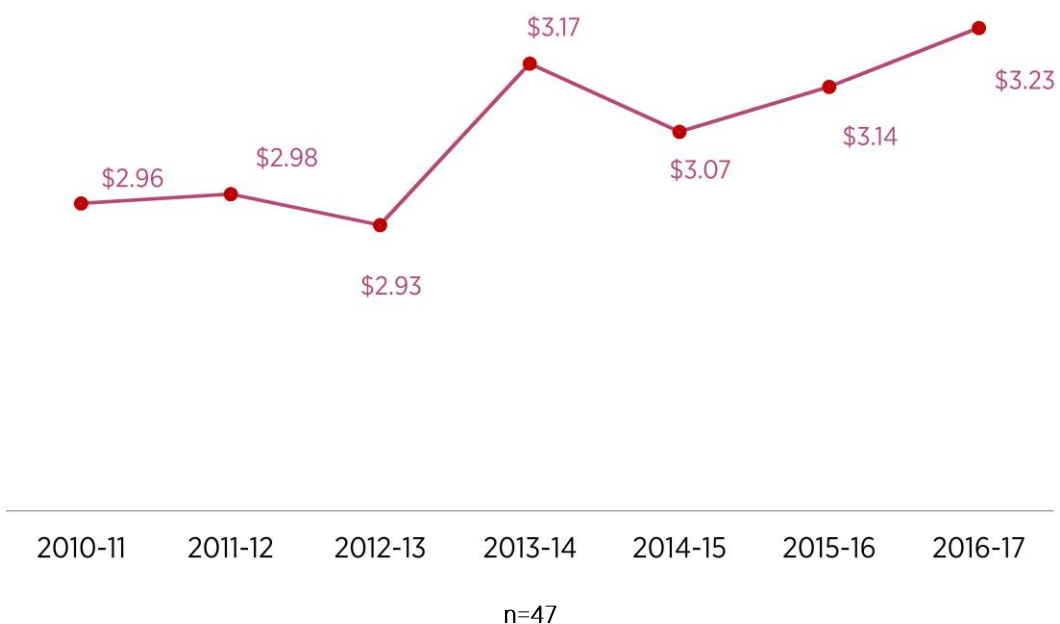
In 2016-17, 4,729 volunteers collectively contributed over 165,819 hours of their time to support the ongoing operation of orchestras reporting data in CADAC. On average, each organization benefits from the dedication of approximately 101 volunteers, who together commit approximately 1,648 hours of their time to the arts.

## 3. Financial Position and Long-Term Continuity

### Marketing and Fundraising Activities

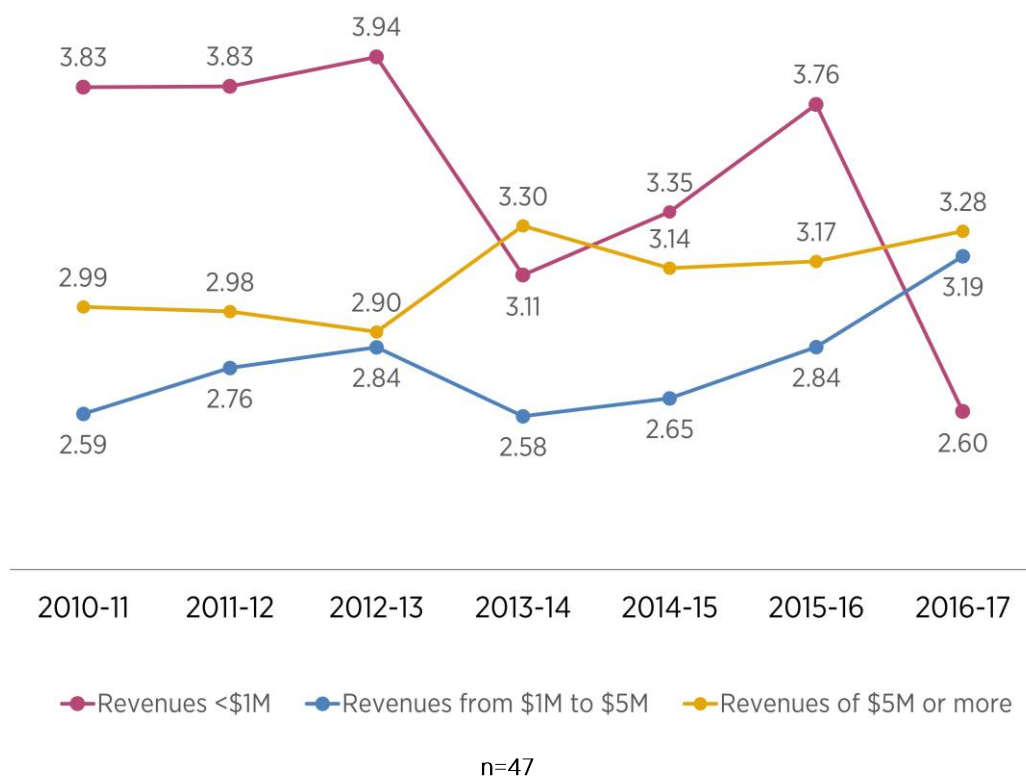
For each dollar spent in [marketing activities](#), this group of 47 orchestras generated [\\$3.23 in earned revenue](#) during 2016-17 (see Fig. 9). This represents an 8.9% increase in comparison to the amount registered in 2010-11,<sup>29</sup> and is explained by 18.4% growth in earned revenues, combined with a more modest 8.7% increase in marketing expenses in this period. The total earned revenue for each dollar spent in marketing by this group was somewhat less than the average for all CADAC organizations, which was \$3.82 in 2016-17.

Fig. 9 Each dollar spent in marketing brings \$X in total earned revenues



On average, organizations with revenues less than \$1M received the most earned revenues per dollar invested in marketing activities (\$3.42), followed by orchestras with revenues of \$5M or more (\$3.24) and between \$1M and \$5M (\$2.91) (see Fig. 10). The variability observed in the effectiveness of marketing activities within small symphony orchestras is explained by significant swings in marketing expenditures within a subset of these organizations, which causes the ratio to fluctuate.

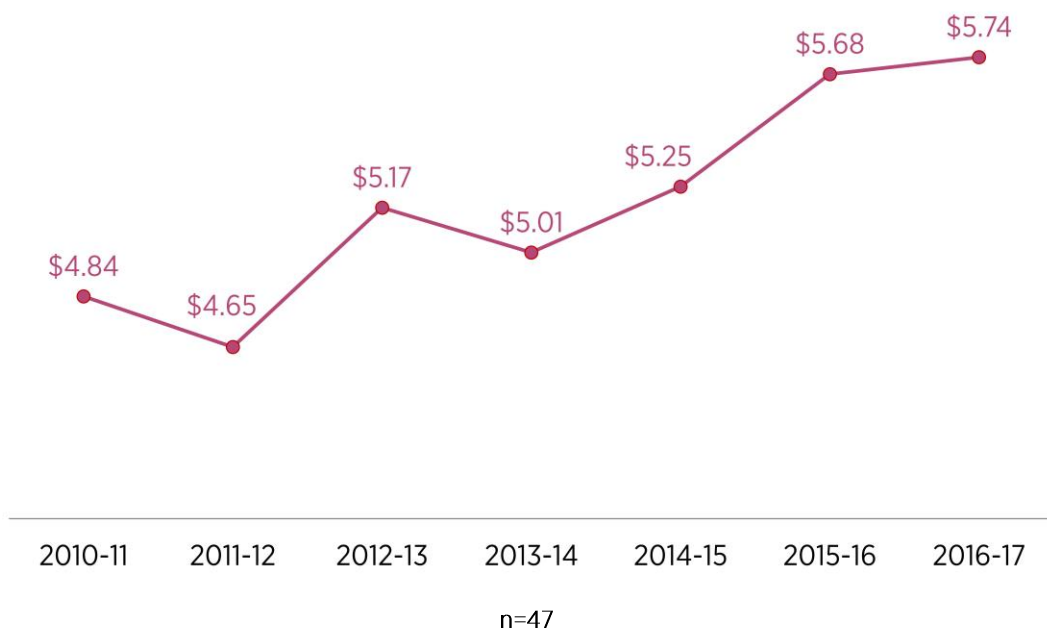
Fig. 10 Each dollar spent in marketing brings \$X in total earned revenues (per organization size in terms of total revenues)





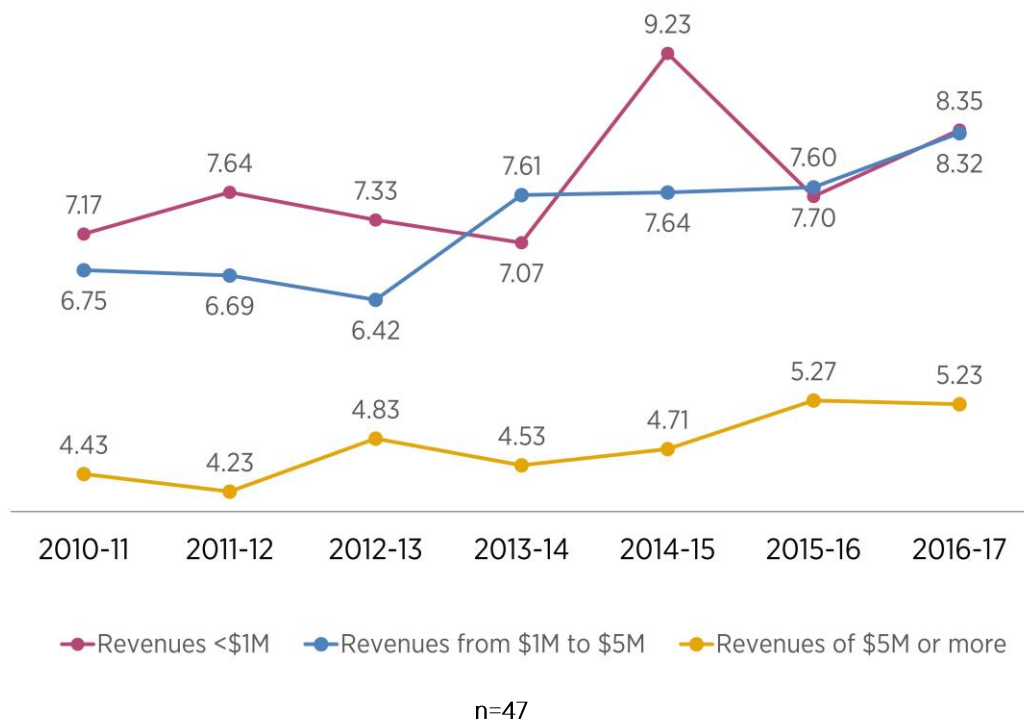
For each dollar spent in fundraising activities in 2016-17, this group of 47 symphony orchestras earned \$5.74 in private revenues (See Fig. 11) This is 18.7% higher than the ratio calculated for 2010-11,<sup>30</sup> and reflects a trend that has continued since 2013-14. It also suggests orchestras have outperformed CADAC organizations more generally, which collectively reported a return of \$5.36 on each dollar of fundraising expenditures in 2016-17.

Fig. 11 Each dollar spent in fundraising brings \$X from private sector



Large symphony orchestras with revenues of \$5M or more consistently received the lowest return on their fundraising efforts, reporting an average of \$4.82 in private sector support for every fundraising dollar (See Fig. 12). Small organizations with revenue less than \$1M tended to outperform medium-sized symphonies with revenues between \$1M and \$5M between 2010-11 and 2012-13 and have performed better on average over the entire seven-year period (\$7.70 and \$7.10 per dollar invested in fundraising, respectively);<sup>31</sup> however, the data suggests medium-sized organizations have begun to catch up with their smaller counterparts in more recent years.

Fig. 12 Each dollar spent in fundraising brings \$X from private sector (per organization size in terms of total revenues)



## Financial Structure and Ratios

For these 47 symphony orchestras, [administrative costs accounted for 11.0%](#) of total expenses in 2016-17. This share of administration expenses in the total expenses increased 0.2 percentage points over the last seven years (see Table 14). In addition, [artistic expenses represented on average 67.9% of the total expenses](#) during 2016-17, while facility operating expenses represented 3.7% of expenditures (see Table 14).<sup>32</sup>

Generally speaking, the structure of organizational expenditures across these spending categories remained relatively stable between 2010-11 and 2016-17, although artistic and administrative expenses increased modestly over the period (1.4% and 0.2%, respectively), while expenses set aside for operation of facilities declined slightly (0.5%).

Table 14. Artistic and administration expenses

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Total artistic expenses	66.5%	66.0%	66.6%	66.8%	67.3%	66.9%	67.9%
Total facility operating expenses	4.1%	4.0%	4.2%	4.2%	3.6%	3.7%	3.7%
Total administration expenses	10.8%	11.1%	10.7%	10.7%	10.7%	11.2%	11.0%

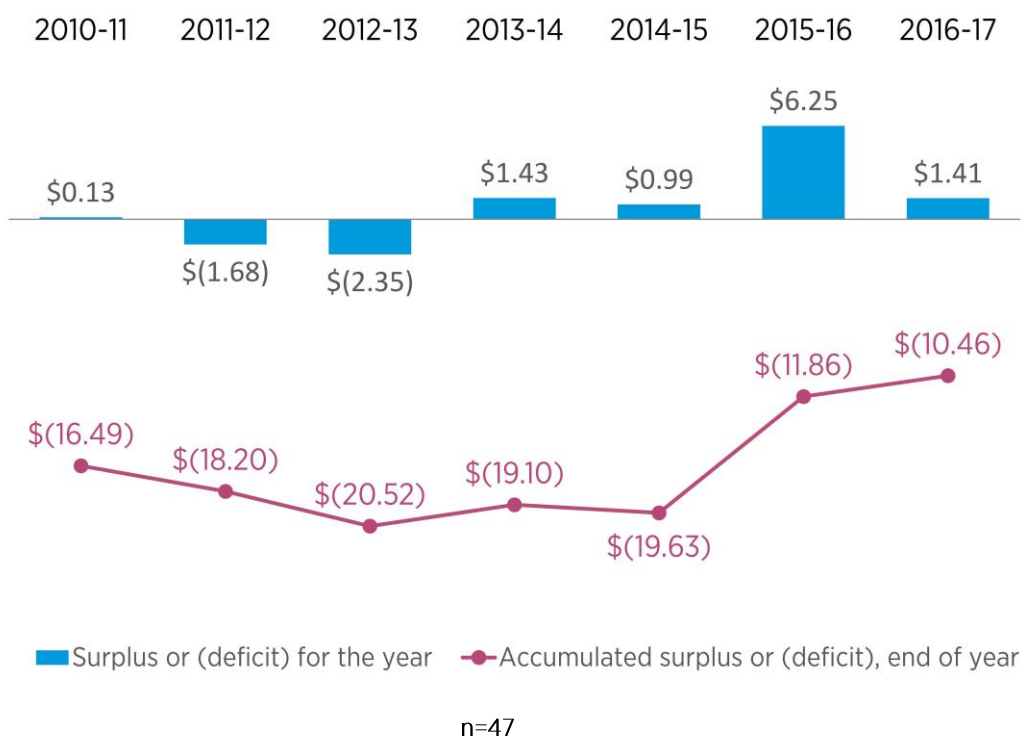
In 2016-17, this group of symphony orchestras had earned [revenue per attendee / participant of \\$25.64](#); and [total expenses per attendee / participant of \\$68.04](#) (see Table 15). The former represents a reduction of 5.9% (or \$1.60) in comparison with 2010-11, while the latter represents a decline of 6.3% (or \$4.56). These results can be explained by the observation that growth in annual attendance between 2010-11 and 2016-17 significantly outstripped increases in both earned revenue and organizational expenditures.

Table 15. Earned revenue and expense per attendee

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Earned revenue / attendee	\$27.23	\$28.07	\$27.77	\$28.43	\$27.58	\$27.50	\$25.64
Expenses / attendee	\$72.60	\$74.37	\$73.91	\$73.33	\$73.09	\$72.25	\$68.04

Data collected from these symphonies suggest the accumulated deficit increased from -\$16.5M in 2010-11 to -\$20.5M in 2012-13, before flattening out (2012-13 to 2014-15) and finally declining in more recent years of operation (2015-16 to 2016-17), reaching -\$10.5M in 2016-17 (see Fig. 13).<sup>33</sup> The accumulated deficit was reduced by 36.6% for the period as a whole, equivalent to a CAGR of -7.3%. These results appear driven by several consecutive years of surpluses, which have, on average, enabled these organizations to improve their financial position.<sup>34</sup>

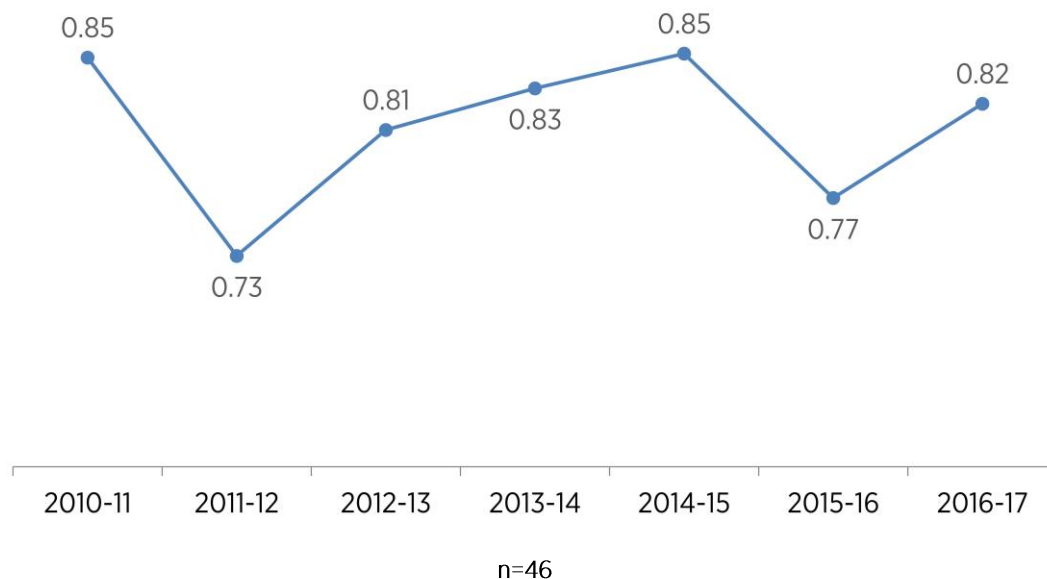
Fig. 13 Trend of Accumulated Deficit (in CA\$ million)



The [working capital ratio](#) of these arts organizations averaged 0.81 from 2010-11 to 2016-17, and in 2016-17 it registered 0.82, which represents a 7.6% increase in comparison to 2015-16, but a 3.3% decline relative to the level (0.85) recorded for 2010-11 (see Fig. 14).<sup>35,36</sup> The working capital ratio indicates the ability of an organization to meet its payment obligations as they become due. In general, the higher the number, the greater an organization's financial flexibility. The average of all CADAC organizations in 2016-17 was 0.95.



Fig. 14 Working Capital Ratio



The investment capacity of these 47 symphony orchestras is also evidenced by an increase of [investment in capital assets](#) (from \$5.1M in 2010-11 to \$7.9M in 2016-17), equivalent to a 54.3% increase in seven years.<sup>37</sup> However, it should be noted this increase occurred largely in 2015-16 and 2016-17, following several years of decline and stagnation.

[The operating margin averaged 0.6% over the past seven years](#) (see Table 16), reaching 1.5% in 2016-17. The national benchmark for all CADAC organizations in 2016-17 was 2.8%. Generally, a decrease in the operating margin affects the ability of an organization to allocate revenues for future projects.

[The debt to assets ratio increased from 130.7% in 2010-11 to 146.0% in 2012-13, but has since declined significantly, reaching 113.8% in 2016-17](#); this is above the national benchmark for all CADAC organizations, which registered 64.7% in 2016-17.<sup>38</sup> Consequently, there is pressure on these arts organizations to find additional financial resources to cover their long-term debts, although the situation has evidently improved in recent years.

Table 16. Financial ratios	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Revenue growth		3.8%	-0.5%	5.4%	3.5%	4.2%	1.6%
Operating margin	0.3%	-0.9%	-0.5%	1.2%	0.9%	1.9%	1.5%
Surplus to total assets	1.3%	-3.8%	-2.0%	4.4%	3.2%	6.2%	5.1%
Debt to assets	130.7%	139.3%	146.0%	137.1%	131.9%	116.9%	113.8%



## Summary

The financial data reported to CADAC by these 47 symphony orchestras reveal the following insights:

- **Growing returns on marketing expenses** (\$2.96 in 2010-11 to \$3.23 in 2016-17), equivalent to a 9% increase. This is slightly lower than the national benchmark for all CADAC organizations (\$3.82 during 2016-17). On average, the greatest returns to investment in marketing accrued to the smallest organizations (i.e., annual revenues less than \$1M).
- **Increasing returns on fundraising expenses** over the last seven years (\$4.84 in 2010-11 and \$5.74 in 2016-17), equivalent to 19% growth. Symphony orchestras are currently exceeding the national benchmark for CADAC organizations (\$5.36 during 2016-17). Returns to fundraising activities are particularly impressive for small (\$8.35 per dollar invested in 2016-17) and medium-sized symphonies (\$8.32 per dollar invested in 2016-17).
- **Organizational infrastructure** that ensures a stable balance between artistic, administrative and facility operation expenses during the seven-year interval (2010-11 to 2016-17), with shares of total expenses averaging 67%, 4%, and 11%, respectively.
- **Declining revenue and expenses per attendee / participant resulting from rapid growth in attendance over the period of analysis.**
- **Accumulated deficits have decreased significantly in recent years**, from -\$16.5M in 2010-11 to -\$10.5M in 2016-17 — equivalent to a CAGR of 7.3%. This result is attributable to several consecutive years of surpluses, and is particularly noticeable in large organizations.
- **Positive working capital ratio** (current assets / current liabilities), which averaged 0.81 over the past seven years. This value is lower than the benchmark for all CADAC organizations, which was 0.95 in 2016-17.
- These symphony orchestras have seen **a significant improvement in the debt-to-assets ratio** in the past seven years, from 130.7% in 2010-11 to 113.8% in 2016-17; despite these gains, symphonies clearly remain under pressure to sustain their long term operations, as exemplified by the fact their debt-to-assets ratio is significantly larger than the benchmark for all CADAC organizations (64.7% in 2016-17).

## Notes

<sup>1</sup> All financial figures in this report are expressed in current (nominal) dollars and have not been adjusted for inflation.

<sup>2</sup> The compound annual growth rate (CAGR) is the annual return based on each year's previous balances, where each previous balance includes both the original principal and all interest accrued from prior years. To calculate compound annual growth rate, divide the final value by the initial value, raise the result to the power of one divided by the period length, and subtract one from the subsequent result ( $CAGR = (Present\ Year/Base\ Year)^{(1/n)} - 1$ ).

<sup>3</sup> The information was obtained from the following CADAC lines: 4175 Total Earned Revenue, 4345 Total Private Sector Revenue, 4550 Total Public Sector Revenue, 4615 Total Other Revenues, and 4210 Total Net Investment Income.

<sup>4</sup> The information was obtained from the following CADAC lines: 4105 Production admissions and box office from subscriptions / admissions membership or group admissions, 4110 Production admissions and box office from single ticket sales, 4115 Co-productions, 4120 Touring revenue / exhibition rental, 4125 Presenting / hosting admissions and box office, 4130 Distribution revenue (media arts), 4135 Fees - guarantees (local market), 4140 Other artistic revenues and fees, 4145 Fees from workshops / classes / conferences / annual meetings / seminars / colloquia, 4150 Revenue from associated school (gross), 4155 Membership dues or fees (not eligible for a tax receipt), 4160 Sales, commissions and broadcasting (gross), 4165 Facilities and equipment rental, sale of works of art, and 4170 Other earned revenues.

<sup>5</sup> Relatively few organizations in the sample earned revenues from rentals of facilities and equipment over the period under consideration in this study. The sizable increase in revenues generated from this source between 2010-11 and 2016-17 is attributable to a marked increase in the value of facility and equipment rentals within one symphony orchestra.

<sup>6</sup> Individual donations include donations of artwork in addition to monetary donations.

<sup>7</sup> The information was obtained from the following CADAC lines: 4305 Individual donations, 4310 Corporate donations, 4315 General corporate sponsorships (cash), 4320 Specific corporate sponsorships (cash), 4325 Foundation grants and donations, 4330 Fundraising events (gross), 4335 In-kind goods and services revenues from private sector, and 4340 Other private sector revenues, including shared private/public funds.

<sup>8</sup> The information was obtained from adding the following CADAC lines: 5105 Artists' and professional fees, 5110 Artistic salaries, 5125 Production / technical salaries, 5130 Production / technical services professional fees, and 5195 Total Artistic Expenses.

<sup>9</sup> The information was obtained from the following CADAC lines: 2325 Total number of Canadian artists and 2340 Total number of artists to whom your organization paid artists' fees.

<sup>10</sup> The information was obtained from the following CADAC lines: 5105 Artists' and professional fees, 5110 Artistic salaries, 5125 Production / technical salaries, 5130 Production / technical services professional fees, 5205 Facility operating salaries, 5210 Facility operating professional fees, 5305 Marketing and communications salaries, 5310 Marketing and communications professional fees, 5405 Fundraising salaries, 5410 Fundraising professional fees, 5505 Administrative salaries, 5510 Administrative professional fees, and 5600 Total Expenses.

<sup>11</sup> These trends are driven to a significant extent by significant reductions in full-time employment at one large symphony orchestra between 2010-11 and 2013-14, and sizable and sustained increases in part-time employment at a second organization, beginning between 2013-14 and 2014-15.

<sup>12</sup> The information was obtained from the following CADAC lines: 2360 Number of full-time equivalent (FTE) artistic, exhibition, production, programming and technical staff, 2385 Number of full-time equivalent (FTE) administrative, facility, marketing, communications and fundraising staff, and 2405 Total Full-Time Equivalent Staff.

<sup>13</sup> Records regarding FTEs for one symphony orchestra are incomplete, which was observed to be skewing the data. This organization was therefore not included in the calculations underlying Fig. 6, although it is included in other analyses comprising the entire group of orchestras.

<sup>14</sup> Statistical data are not validated and represent what is reported by organizations. As such, they may include double counting.

<sup>15</sup> Results presented in Tables 5 and 6 exclude data for one organization from CADAC line 1112 (Number of public performances and literary readings where your organization is presented by another organization in your city / town / reserve), which reported implausibly large figures for 2014-15 and 2015-16. Other data from the same organization are included in Tables 5 and 6.

<sup>16</sup> The information was obtained from the following CADAC lines: 1110 Number of public performances and literary readings produced by your organization and presented in your city / town / reserve, 1112 Number of public performances and literary readings where your organization is presented by another organization in your city / town / reserve, 1140 Total Number of Public Performances produced by your organization, 1510 Attendance at public performances and literary readings produced by your organization and presented in your city / town / reserve, 4105 Production admissions and box office from subscriptions / admissions membership or group admissions, 4110 Production admissions and box office from single ticket sales, and 2350 Total Number of Artists.

<sup>17</sup> The information was obtained from the following CADAC lines: 2325 Total number of Canadian artists and 2340 Total number of artists to whom your organization paid artists' fees.

<sup>18</sup> The information was obtained from the following CADAC lines: 2155 Total Number of Arts Education and Arts Learning Activities, and 2160 Total Attendance at/Number of Participants in Arts Education and Arts Learning Activities.

<sup>19</sup> The sizable declines in the number of activities and the level of attendance observed between 2014-15 and 2015-16 is attributable to the apparent cessation of delivery of arts education and learning activities at three symphony orchestras and significant contraction of the scale of these activities at a fourth.

<sup>20</sup> The information was obtained from the following CADAC lines: 2015 Number of activities that add value to artistic programming, 2020 Number of participants in activities that add value to artistic programming, 2025 Number of training workshops, 2030 Number of participants in training workshops, 1420 Total Number of Community Arts Activities, 1670 Total Number of Participants in Community Arts Activities, and 1700 Total Attendance at Community Arts Activities.

<sup>21</sup> The significant decline in participation in activities adding value to artistic programming reflects a dramatic reduction in the scale of programming delivered by one specific orchestra.

<sup>22</sup> Only a small subset of the 47 symphony orchestras administered community arts projects between 2010-11 and 2016-17. Increases in the number of, and participation in, these projects reflect increases in the scale of project delivery at several of these organizations over a relatively short span of time.

<sup>23</sup> The information was obtained from the following CADAC lines: 2040/2045 Number of activities in which children create work/number of participants, 2050/2055 Number of activities specifically designed for children/number of participants, 2060/2065 Number of all ages activities directed at children/number of participants, 2075/2080 Number of activities in which youth create work/number of participants, 2085/2090 Number of activities specifically designed for youth/number of participants, 2095/2100 Number of all ages activities directed at youth/number of participants, and 2155 Total Number of Arts Education and Arts Learning Activities.

<sup>24</sup> This information was obtained from the following CADAC lines: 2110 Number of workshops for teachers, 2115 Number of participants in workshops for teachers, and 2120 Number of study guides, curriculum and curriculum-related material.

<sup>25</sup> Results presented in Table 12 exclude data for one organization from CADAC line 2120: Number of study guides, curriculum and curriculum-related material, which reported implausibly large figures for 2016-17. Other data from the same organization are, however, included.

<sup>26</sup> This information was obtained from the following CADAC lines: 2130 Number of professional training programs, 2140 Number of professional development activities, 2210 Total Number of Artists-in-Residence, 1920 Number of conferences organized and presented by your organization, 2135 Number of participants in professional training programs, 2145 Number of participants in professional development activities, and 2220 Number of public participants in artist-in-residence projects that include public engagement.

<sup>27</sup> Only four orchestras administered conferences between 2010-11 and 2016-17. The decline in the number of conferences reflects the fact that three of the four organizations ceased holding these after 2011-12.

<sup>28</sup> The information was obtained from the following CADAC lines: 2425 Total Number of Volunteers and 2430 Estimated number of hours worked by all volunteers.

<sup>29</sup> Calculation using CADAC lines: 4175 for Total Earned Revenues / 5330 Total Marketing and Communications Expenses.

<sup>30</sup> Calculation using CADAC lines: 4345 Total Private Sector Revenue / 5425 Total Fundraising Expenses.

<sup>31</sup> The spike in the ratio of private sector revenues to fundraising expenditures for small symphony orchestras in 2014-15 is attributable to significant increases in private sector support in several of these organizations, which coincided with a sizable reduction in fundraising expenditures during the same year.

<sup>32</sup> The information was obtained from the following CADAC lines: 5195 Total Artistic Expenses, 5235 Total Facility Operating Expenses, 5525 Total Administration Expenses, and 5600 Total Expenses.

<sup>33</sup> The information was obtained from the following CADAC lines: 6210 Surplus or (deficit) for the year, and 6215 Accumulated surplus or (deficit), end of year.

<sup>34</sup> These results appear disproportionately driven by deficit reduction in a small number of large organizations. However, removing these organizations from consideration does not change the overall conclusion that orchestras' financial position appears to have improved in recent years.

<sup>35</sup> The information was obtained from the following CADAC line: 6360 Working capital ratio.

<sup>36</sup> The analysis of working capital ratio did not include observations from one symphony orchestra that did not report current assets and/or current liabilities between 2010-11 and 2016-17. It also excluded working capital ratios larger than three, which were observed in some years within a subset of small organizations in the sample.

<sup>37</sup> The information was obtained from the following CADAC line: 6315 Invested in Capital / fixed assets.

<sup>38</sup> Calculation using CADAC lines:

Revenue Growth: (Annual % growth in total revenues) =  $(6100 \text{ Total Revenues}[t] - 6100 \text{ Total Revenues}[t-1]) / 6100 \text{ Total Revenues}[t-1]$

Operating margin: (Ratio of surplus to total revenues) =  $(6100 \text{ Total Revenues} - 6105 \text{ Total Expenses}) / 6100 \text{ Total Revenues}$

*Measures the ability/willingness to allocate revenues to future periods. A negative value is a strong indicator of financial distress.*

Surplus to Total Assets (Operating surplus generated by each dollar of assets) =  $(6100 \text{ Total Revenues} - 6105 \text{ Total Expenses}) / 6275 \text{ Total Assets}$

*A higher ratio indicates that investments in assets are generating a higher surplus. A low ratio might cause an increase in the cost of capital. A negative ratio is a strong indicator of financial distress.*

Debt to Assets (Measure of leverage) =  $6300 \text{ Total Liabilities} / 6275 \text{ Total Assets}$

*A measure of total liabilities relative to total assets. A high/increasing value may indicate future problems with solvency, the ability to pay debts as they come due. A ratio less than 1 is considered favorable; a high or increasing value may indicate future problems with solvency.*

## Appendix

The organizations included in this report are:

Legal Name (as registered in CADAC)	City	Province / Territory
Calgary Philharmonic Society	Calgary	Alberta
Concerts symphoniques de Sherbrooke, inc.	Sherbrooke	Québec
Edmonton Symphony Society	Edmonton	Alberta
Ensemble Arion	Montréal	Québec
Evergreen Club Contemporary Gamelan	Toronto	Ontario
Kamloops Symphony Society	Kamloops	British Columbia
Kingston Symphony Association	Kingston	Ontario
Kitchener-Waterloo Symphony Orchestra Association	Kitchener	Ontario
L'Orchestre de chambre I Musici de Montréal	Montréal	Québec
Les Violons du Roy	Québec City	Québec
Manitoba Chamber Orchestra Inc.	Winnipeg	Manitoba
McGill Chamber Orchestra / Orchestre de chambre McGill	Montréal	Québec
Motion Ensemble Inc.	Fredericton	New Brunswick
New Orchestra Workshop Society	Vancouver	British Columbia
Newfoundland Symphony Orchestra Association	St. John's	Newfoundland and Labrador
Okanagan Symphony Society	Kelowna	British Columbia
Orchestre Symphonique de Drummondville	Drummondville	Québec
Orchestre symphonique de Trois-Rivières	Trois-Rivières	Québec
Orchestre symphonique de Longueuil	Greenfield Park	Québec
Orchestre symphonique du Saguenay—Lac-Saint-Jean	Chicoutimi	Québec
ORCHESTRE SYMPHONIQUE DE MONTRÉAL	Montréal	Québec
Orchestre Métropolitain	Montréal	Québec
Orchestre symphonique de Québec	Grande Allée E	Québec
Orchestre symphonique de Laval (1984) inc.	Laval	Québec
Orchestre La Sinfonia de Lanaudière	L'Assomption	Québec
Ottawa Symphony Orchestra	Ottawa	Ontario
Prince Edward Island Symphony Society	Charlottetown	Prince Edward Island

Prince George Symphony Orchestra Society	Prince George	British Columbia
Red Deer Symphony Orchestra Association	Red Deer	Alberta
Regina Symphony Orchestra	Regina	Saskatchewan
Saskatoon Symphony Society	Saskatoon	Saskatchewan
Sinfonia Toronto	Toronto	Ontario
Symphony New Brunswick Inc.	Saint John	New Brunswick
Symphony Nova Scotia Society	Halifax	Nova Scotia
Tafelmusik	Toronto	Ontario
The Niagara Symphony Association	Niagara	Ontario
The Winnipeg Symphony Orchestra Inc.	Winnipeg	Manitoba
The Esprit Orchestra	Toronto	Ontario
The Toronto Symphony	Toronto	Ontario
The Hamilton Philharmonic Orchestra (2000) Inc.	Hamilton	Ontario
Thirteen Strings Baroque Ensemble of Ottawa Inc.	Ottawa	Ontario
Thunder Bay Symphony Orchestra Association Inc.	Thunder Bay	Ontario
Vancouver Island Symphony	Nanaimo	British Columbia
Vancouver Symphony Society	Vancouver	British Columbia
Vancouver Inter-Cultural Orchestra	Vancouver	British Columbia
Victoria Symphony Society	Victoria	British Columbia
Windsor Symphony Society	Windsor	Ontario