

Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By: Canadian Museums Association

August 7, 2020



List of Recommendations

Recommendation 1: The Canadian Museums Association recommends that the 2021 Federal Budget extends and increases emergency support to museums.

Recommendation 2: The Canadian Museums Association recommends that through the 2021 Federal Budget, the government continues to prioritize an investment of resources toward the review of the national museum policy; and

Recommendation 3: The Canadian Museums Association recommends that the 2021 Federal Budget increases funding to Canada's museums to at least \$60 million annually.

Executive summary

Museums are at the heart of a just and knowledgeable society. They educate and inspire. They house our culture and history. They create a sense of community and belonging. They allow us to better understand our past, our present and shape our future. They spark conversations and reflection. They build empathy and understanding for each other and remind us how diversity makes us stronger.

As the federal government seeks to restart the economy in order to recover from the pandemic, the economic and societal benefits of museums must be recognized as part of the recovery solution. Canada's museums must be effectively supported and adequately funded.

Canada boasts some 2700 museums, cultural heritage and science centres. A new study of the GLAM (galleries, libraries, archives and museums) sector conducted by Oxford Economics, commissioned by the Ottawa Declaration Working Group, co-led by Library and Archives Canada and the Canadian Museums Association (CMA), found that museums contribute significantly to the Canadian economy and societal well-being. Among the findings:

- For every dollar invested in museums, Canadian society gets \$4 in benefits.
- 96% of respondents surveyed for the study said that museums contribute to our overall quality of life in Canada.
- Museums across Canada welcome an estimated 30 million annual visitors, which is seven million more than the entire NHL did during the 2018-19 season (30 million vs. 22 million).
- Museums provide \$2.9 billion per year in economic benefits.
- Museums provide a value of \$1.2 billion per year in educational benefits and \$277 million per year in value of online visits.

In addition to these financial and social impacts, Canada's museums contribute to other Canadian goals, including the important work of reconciliation and climate change.

Despite all this, Canada's over 30-year old national museum policy is woefully out of date; funding levels for museums are at lower levels than they were in the 1970s; and our museums have been tremendously hard hit by the pandemic – some are likely to close their doors permanently as a result.

While there are many recommendations the CMA could make to improve the situation for museums, for the purpose of this submission we have focused our attention on three key areas and we therefore recommend that through the 2021 Federal Budget the Government of Canada:

- Extends and increases emergency support to museums;
- Continues to prioritize an investment of resources toward the review of the national museum policy; and
- Increases funding to Canada's museums to at least \$60 million annually.

Recommendation 1: The Canadian Museums Association recommends that the 2021 Federal Budget extends and increases emergency support to museums.

Canada's museums have been tremendously hard hit by the pandemic – some are likely to close their doors permanently as a result.

Museums have demonstrated leadership in these difficult times. At the outset of the pandemic, many closed with no guarantee of support to offset lost revenues from suspending their activities. Even as museums reopen, many are experiencing decreased visitor numbers and increased operating costs as they follow public health guidelines and tourism remains limited.

International research by UNESCO and others suggests that at least 1/8 of museums worldwide may not survive the pandemic.

An emergency fund of \$500 million was dedicated to cultural heritage and sport, with \$53 million for museums. While museums appreciate this support, it is not enough to address the problems and risks to museums as a result of the pandemic.

The funding is one time and the application period ends on September 1st, 2020. These funds will not be able to address longer-term impacts of the pandemic. Also, the proportion of the emergency fund allocated to museums is insufficient given the massive revenue losses museums are experiencing, which threaten their very existence.

The Finance Minister has spoken of the importance of growth, resilience and creating opportunities for those most impacted. Canada's museums have been significantly impacted by the pandemic and they will need ongoing support, beyond the more immediate emergency measures, in order to survive this pandemic and contribute to economic recovery.

The Canadian Museum Association therefore urges the Government of Canada to extend and increase pandemic-related emergency support to museums.

Recommendation 2: The Canadian Museums Association recommends that through the 2021 Federal Budget, the government continues to prioritize an investment of resources toward the review of the national museum policy.

Canada's over 30-year old national museum policy is woefully out of date. Unfortunately, as a result of the pandemic, the review of the national museum policy, which was included in the mandate letter of the Minister of Canadian Heritage, has taken a backseat.

The CMA would argue that this review is particularly imperative and should be prioritized *because* of the pandemic. With a modern policy in place, museums would be much better positioned to weather and survive challenges of this nature.

We continue to encourage urgent and concrete action on recommendations in *Moving Forward — Towards a Stronger Canadian Museum Sector*, a report of the House of Commons Standing Committee on Canadian Heritage. These include:

- a review and modernization of the policy, last updated close to 30 years ago;
- a review of funding streams for museums with the goal of establishing a more sustainable funding system, to help ensure more aspects of museum operations are supported;
- an expansion of the Museums Assistance Program to enable an investment beyond collections-based activities (including but not restricted to digital efforts); and
- a simplification of the funding application for museums, especially for small museums, which have important stories to tell and for whom the current process presents barriers.

With a 21st century and more secure policy in place, museums and other related heritage organizations will be able to make better long-term decisions and investments in their infrastructure and in their communities.

Recommendation 3: The Canadian Museums Association recommends that the 2021 Federal Budget increases funding to Canada’s museums to at least \$60 million annually.

Greater financial support of Canada’s museums is urgently and desperately needed, and that investment is a smart one, as it is to the direct benefit of Canadian society and our economy.

The Museums Assistance Program (MAP), a main funding source for Canada’s museums, has seen a consistent decline in funding since being introduced in 1972. In 1977, MAP funding reached its highest level with a program budget that was \$15 million,¹ valued at \$63 million today when adjusted for inflation. The Program’s budget in 2016-17 was \$16.2 million, 74% lower than in 1977 and we understand that it remains at similar levels today.

As a comparison, the Canadian Museum of History Crown Corporation which is inclusive of the Canadian Museum of History, the Canadian War Museum and the Virtual Museum of Canada, received \$76.2 million in funding in 2018-19. This is more than the entire MAP program combined.

Meanwhile, Canada gains nearly \$2.9 billion a year in economic benefits, in addition to a myriad of social advantages, from museums. For every dollar invested in these non-profit institutions, society gets nearly four dollars in benefits, a return that is on par with government investments in transportation infrastructure projects.

Now, more than ever, is a critical time to ensure that museums have adequate funding. We must fully recognize that the sector feeds the economy and innovation, and that it forms an integral part of the fabric of our nation, benefiting Canadians of all ages, backgrounds and regions.

Moreover, Canadians support this increased investment. A key finding of the GLAM study by Oxford Economics is that both users and non-users of these institutions would be willing to spend billions more per year to access them if required — a testament to just how much they value GLAMs.

The CMA therefore urges the Government to increase its investment in museums to at least \$60 million annually.

¹ <http://ccarts.ca/wp-content/uploads/2004/06/2004-Budget-Analysis-Dear-Prudence.pdf>

About the Canadian Museums Association

The Canadian Museums Association (CMA) is the voice for Canada's vibrant museum community, from small, volunteer-driven organizations to cherished national institutions, and for the millions of Canadians whose lives are enriched by museums.

We advocate for public policies and support, we build skills across the profession, and we establish and inspire connections to strengthen and sustain museums.

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