

August 7, 2013

NOTE FROM THE OFFICE OF THE CITY CLERK:

Copies of Appendices I and II available upon request
or by visiting the Region's website. (See link on
Council Correspondence Report August 26, 2013)

CL 10-2013, August 1, 2013

ICPC 11-2013, July 24, 2013

Report ICP 76-2013

LOCAL AREA MUNICIPALITIES

SENT ELECTRONICALLY

Results of the Economic Impact Assessment of
Niagara's Culture Sector

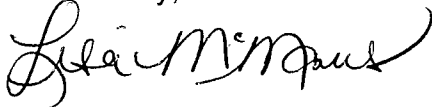
ICP 76-2013

Regional Council, at its meeting of August 1, 2013, approved the following
recommendations of its Integrated Community Planning Committee:

That Report ICP 76-2013, July 24, 2013, respecting Results of the Economic
Impact Assessment of Niagara's Culture Sector, **BE RECEIVED** for information
and **CIRCULATED** to area municipalities.

A copy of Report ICP 76-2013 is enclosed for your information.

Yours truly,



for / Janet Pilon
Regional Clerk

:nld

cc: Clerks of the Local Area Municipalities of Niagara Region
P. Robson, Commissioner, Integrated Community Planning
M. Bannerman, Coordinator, Community & Corporate Initiatives
T. Donia, Project Manager, Community & Corporate Initiatives
K. Delong, Economist
K. Weaver, Director, Community & Corporate Planning
S. McPetrie, Administrative Assistant, Integrated Community Planning
C. Heaslip, Administrative Assistant, Community & Corporate Planning

Niagara Region

REPORT TO: Integrated Community Planning Committee

SUBJECT: Results of the Economic Impact Assessment
of Niagara's Culture Sector

RECOMMENDATION

That this report **BE RECEIVED** for information and **BE CIRCULATED** to area municipalities.

PURPOSE

The purpose of this report is to provide the results of the economic impact assessment of Niagara's culture sector project, conducted in fulfillment of Strategic Action 1.1 of the Niagara Culture Plan. This initiative also supports Council Business Plan Themes 2 – Healthy Community, 3 – Open for Business, and 7 – Public Engagement and Communications, and aligns with the Sustainable Niagara Plan.

BUSINESS IMPLICATIONS

Funding of \$77,042.00 was awarded for this project from the Creative Communities Prosperity Fund of Ontario's Ministry of Tourism, Culture and Sport. While an overview of project results appears below, three key indicators with significant implications for business are worth noting here. This project found that Niagara's culture sector contributes to the regional economy:

- (1) In Employment: 13,088 jobs (FTEs)
- (2) In Labour Income: \$396.3 million
- (3) In Gross Regional Product: \$595.2 million

As these figures suggest, Niagara's culture sector is a productive asset on which the region may wish to further capitalize to expand and sustain its transitioning economy.

REPORT

Project Background and Objectives

The Niagara Culture Plan (ICP 11-2010) identifies an economic impact assessment (EIA) of the culture sector in Niagara as a key action in valuing and strengthening Niagara's creative economy.

This project was undertaken with the support of the Niagara Region Culture Committee and approval from Council in September 2011 (ICP 77-2011).

The objectives of the project were fourfold: (1) assess the impact of the cultural sector on Niagara's economy; (2) measure and promote the economic vitality of culture; (3) encourage the growth of culture to support both the sector and broader economic prosperity in Niagara; and (4) develop a user-friendly framework for updating and tracking economic data, and assist cultural groups to develop and refine their own indicators and metrics. To accomplish these aims, the project employed three central components:

- Community Engagement – including information sessions; a comprehensive Niagara sector survey; an open house; and a metrics and indicators workshop
- Information Collection – including existing data sources such as government economic and demographic data (e.g., StatsCan NAICS codes); original online Niagara culture sector survey results; and case studies
- Analysis – including Niagara culture industry profile; direct (employment and revenue flow in the culture sector) , indirect (economic activity associated with other sectors supplying goods and services to the culture sector) and induced (economic activity attributable to respending of labour income) impacts of culture; Niagara's culture sector in context; strengths and challenges assessments; and opportunities and recommendations

Stakeholders and Participants

Most key components of the project, such as the original online survey, workshops and community engagement sessions, were targeted at the Niagara Region culture sector. For the purposes of this economic impact assessment, the culture sector was determined to include the five key areas outlined in the Niagara Culture Plan: people, places, history, expression and play. Project participants came from all 12 local municipalities and represented a full range of organizations and individuals in the sector including not-for-profit and for-profit, small and large, freelance and organizational employees, and subsectors including visual and performing arts, festivals, heritage, recreation, municipal committees and staff, and more. In addition, other sectors and the public were welcome to participate and provide feedback, and some (e.g., chambers of commerce and community service groups) did so.

Key Findings

A great deal of the information and data contained in the EIA report about Niagara has not existed, or not been compiled in one location, before now. The full study can be found in Appendix I, but select highlights of the study include (please note: data, drawn from sources indicated above, are from 2011 unless otherwise indicated):

(1) Key Indicators

Employment: 13,088 jobs (FTEs) – including some subsectors which are more than double (performing arts/spectator sports) and triple (heritage) the provincial average

Labour Income: \$396.3 million – though there is a wide variance in average earnings

Gross Regional Product: \$595.2 million – not including spillover impacts such as volunteerism and non-monetized goods (e.g., quality of life)

(2) Highlights of Niagara-specific Sector Survey

- Fully 73% percent of Niagara's cultural sector workforce has post-secondary education, compared to Niagara (19%) and Ontario (29%) workforces
- Over \$156M in purchases were made inside the region by cultural businesses
- Niagara's cultural freelancers operate on average 18 years, primarily in rural areas, deriving 35% of their total income from cultural work
- Volunteers' contribution to Niagara's culture sector is broad and critical, but difficult to assess
- Lack of financial support from government was identified as the most significant factor limiting culture sector's success and development

(3) Strengths and Challenges

Some of the strengths identified as specific to Niagara's culture sector include:

- A well-established cultural sector with mature artisans and organizations
- A wide variety of existing cultural offerings
- Access to a large pool of emerging and established professionals
- Advantageous position for tourists (between GTA and US)
- Easy access from outside the region
- The potential to leverage cultural offerings with other strong draws (e.g. natural, historic, culinary) in the area

Some challenges to Niagara's culture sector were identified as:

- Lack of cross-sectoral and cross-community collaboration
- Low levels of investment from all sources
- Geographic size as an inhibitor to building brand and identity
- Low average household income/perceived lack of economic opportunities which affect number, nature and renewal of culture consumers and workers;
- Lack of facilities and infrastructure for production and presentation of cultural products, services or events

(4) Opportunities and Recommendations

Opportunities for Niagara outlined in the report underscore that promoting and supporting, rather than having to invent, the regional culture sector will be key to increased success. Suggestions in the report were to consider:

- Encouraging greater investment in Niagara's cultural sector
- Strengthening and diversifying local support for Niagara's cultural offerings
- Building on Niagara's existing strength as a tourism destination
- Strengthening marketing and promotion of Niagara's cultural sector outside the region
- Engaging in more collaborative and complementary product development and cross-promotion

- Continuing research and tracking of cultural indicators to support the cultural economy


Next Steps

This EIA project, like the recently adopted Amendment (ICP 31-2013) embedding culture in the Regional Policy Plan, is a critical step forward in implementing key directions of the Niagara Culture Plan. Data, analysis, tools and recommendations generated as part of this project will now be used by Niagara Region and other community partners to inform the continuing implementation of the Niagara Culture Plan. Specific areas and tasks which may benefit from this project include: generating investment; encouraging inter- and intra-sectoral collaboration; informing cluster development, infrastructure and land-use planning; attracting, training and retaining creative cultural workers; creating job opportunities; supporting cooperative cultural marketing; promoting sustainability and community competitiveness; and ongoing tracking of culture sector progress (a report on the metrics and indicators workshop for the sector can be found in Appendix II) and contributions to Niagara's quality of life.

REPORTS PERTINENT TO THIS MATTER

ICP 31-2013 (May 1, 2013):	Final Recommendation Report, Niagara Culture Plan Implementation: Proposed Regional Policy Plan Amendment 1-2011
ICP 77- 2011 (September 7, 2011):	Creative Communities Prosperity Fund, Economic Impact Assessments of Niagara's Culture Sector
ICP 11- 2010 (February 24, 2010):	Niagara Culture Plan, Creative Niagara: Economy, Places, People, Identity

Submitted by:


Patrick Robson
Commissioner
Integrated Community Planning

Approved by:


Patrick Robson
Acting Chief Administrative Officer

This report was prepared by Marian Bannerman, Coordinator, Community and Corporate Initiatives, and reviewed by Terri Donia, Project Manager, Kristen Delong, Economist and Kirk Weaver, Director of Community and Corporate Planning.

APPENDICES (Available electronically only)

- Appendix I Economic Impact Assessment of the Cultural Sector in Niagara Final Report, Nordicity in association with Lord Cultural Resources, April 2013
- Appendix II Cultural Indicators and Measurements Final Report, WCM Consulting Inc., June 2013