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Canada

Summative Evaluation of the Cultural Spaces Canada Program

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Table of Contents

Executive Summary ..... **i**

1. Introduction and Context **1**

1.1 Program Overview 1
1.2 Methodology/Approach 3

2. Key Findings **7**

2.1 Success and Outcomes 7
2.2 Cost Effectiveness 19
2.3 Rationale and Relevance 23

3. Conclusions **30**

4. Recommendations and Management Response **33**

Annex A: Logic Model for the CSC **34**

Annex B: Evaluation Issues/Questions/Indicators **35**

Annex C: Documents Reviewed **39**

Annex D: Files Reviewed **42**

Annex E: Key Informants **44**

Annex F: Case Study Participants **46**

Acronyms and Abbreviations

ADPD	Arts Development and Programs Directorate
APC	Arts Presentation Canada
CAHSP	Canada Arts and Heritage Sustainability Program
CIP	Cultural Initiatives Program
CSC	Cultural Spaces Canada
HVAC	Heating, ventilation, and air conditioning
KI	Key informant
PCH	Canadian Heritage

Executive Summary

Introduction and Context

This report presents the findings of the *Summative Evaluation of the Cultural Spaces Canada (CSC) Program*. The report is based on research conducted for Canadian Heritage (PCH) by Hallux Consulting Inc.

Program Overview

The operations of arts and heritage organizations are often impacted by the state of facilities and equipment. Inadequate infrastructure can lead to performance groups performing under less than optimal physical conditions and the unavailability of visual arts, museum and heritage collections to the general public.

PCH launched the CSC Program in June 2001. Its objectives are to increase and improve access for Canadians to performing arts, visual arts, media arts, museum collections and heritage displays; and improve physical conditions for artistic creativity, presentation and exhibition. Funding was targeted to not-for-profit professional arts and heritage organizations. Projects presented by municipal or regional governments and agencies of provincial/territorial governments or First Nations, Inuit and Métis equivalent governments were also considered.

The key objective of the *Summative Evaluation of the Cultural Spaces Canada Program* was to conduct an assessment of the program. The evaluation examined success/impacts of the program against its objectives, cost-effectiveness/alternatives; and rationale and relevance.

Methodology

The evaluation included the following research methodologies:

- ***Document review***. This included program related documentation; studies and surveys commissioned by PCH (including the 2007 Harris-Decima *APC/CSC User Satisfaction Survey*); studies and research by external consultants and academics; and information on the websites of other governments.
- ***File and database review***. An analysis of key attributes of all funded projects to July 5, 2007 on a database maintained by Arts Policy Branch was combined with a detailed review of project files (n=24).
- ***Key informant*** (KI) ***interviews*** with government officials involved with or familiar with CSC, representatives of national and provincial arts and heritage organizations, and representatives of provincial and municipal agencies involved in the arts and heritage (n=36).
- ***Telephone survey*** of funded feasibility study recipients (n=36).

- A ***web-based survey*** of arts and heritage organizations that had not participated in the Program (n=161).
- ***Case studies*** of nine organizations that received CSC funding.

While there were limitations associated with specific lines of enquiry, the information gathered from all of them was consistent. The greatest weight has been given to information that came from documents (including the database and file reviews) and our analysis of it, as it was deemed to provide the most reliable and unbiased information. The information from the interviews, case studies and surveys has generally been used to supplement it and provide context.

Findings

Success and Outcomes

Generally, CSC has achieved the outcomes that were established for the Program and the unexpected outcomes are viewed positively within the arts and heritage community.

All of the planned outputs and immediate outcomes as documented in the Program logic model (see Annex A) were realized. Specifically:

- A wide range of projects had been funded as of July 5, 2007 since Program inception. The projects occurred in all provinces and territories and in communities of all sizes and were in line with expected outputs for the program.
- Projects funded by CSC have either created new facilities that offer arts and/or heritage experiences or have improved the infrastructure of existing facilities.
- CSC funded projects led directly to improvements in the quality or standards of arts and heritage infrastructure for participating organizations.
- CSC funded projects have contributed to the increased effectiveness of arts and heritage organizations.

With varied sources of funding available for cultural infrastructures, it is difficult to attribute outcomes solely to CSC. However, the evaluation has shown that access to other sources of funding has been facilitated to a certain extent by CSC. Also, it is difficult to determine CSC's impact on the extent to which Canadians participate in and benefit from access to activities provided by funded arts and heritage organizations. However, most of the lines of enquiry support the proposition that the CSC Program had a positive impact on participating organizations due to improvements to facility access (e.g., ramps, audio systems) and capacity (e.g., increased seating capacity, increased exhibit areas).

The unexpected outcomes of the Program are generally viewed as positive within the arts and heritage community. They included the manner in which CSC complemented other sources of funding; increases in the staffing complement due to the project; and greater involvement in the community in the form of outreach. Unexpected negative outcomes were generally associated with program design issues that were similar to those identified in the 2003 formative evaluation of the Program.

Cost Effectiveness

Administrative costs appear to be reasonable and recipients' share of funded project costs was significantly more than the minimum implicit in the program design.

Program administrative costs appear to be reasonable. They are lower than some other programs administered by the Arts Development and Programs Directorate (ADPD) for programs that typically provide smaller amounts and greater than those for another ADPD administered program that has considerably fewer recipients.

The majority of funding required for CSC-funded projects comes from other sources. Approximately five dollars are raised from other sources for every dollar provided by CSC amongst projects that were approved as of July 5, 2007. This is significantly greater than the minimum implicit in the program design (based on the maximum contributions provided under CSC, recipients must raise at least one to two dollars from other sources for every dollar provided by the Program). A number of organizations indicated that they found it easier to raise funds from other sources once funding was received from CSC. In that way, CSC funding acts as a catalyst for other sources of funds.

Programs like CSC are rare. There are few, if any, stable, longer-term capital programs aimed specifically at supporting the development and/or improvement or arts and heritage infrastructure in the other jurisdictions examined. Support that is provided is generally part of a larger program. Without CSC, it is expected that most Canadian arts and heritage groups would have an increased difficulty in securing the funds necessary to proceed with significant infrastructure projects.

Rationale and Relevance

There is no indication that the need for investment in capital infrastructure for the arts and heritage has abated since the launch of CSC. The federal government is a key potential source of funding for arts and heritage organizations, which generally must obtain funding from a variety of public and private sources before capital infrastructure projects can proceed.

The need for investment in the arts and heritage has not abated since the launch of CSC. There is significant documentary evidence showing that many cultural facilities built in the 1960s and 1970s are now in need of repair and/or replacement. There is also an ongoing requirement to upgrade facilities as building codes evolve. Similarly, equipment must be replaced when it reaches the end of its useful life and/or technological obsolescence occurs.

Many arts and heritage facilities are in need of capital investment. The funds necessary for this investment must come from a variety of sources. In that context, the federal government is a key potential source of funding that arts and heritage organizations can access. In some instances, federal support also facilitates access to other sources of funding by affording increased credibility to funded projects. Program staff and other key informants were universal in their belief that continued federal government intervention in arts and heritage infrastructure was

warranted. Survey data also show that federal government support was important in enabling infrastructure projects to proceed and that without it, some projects will not proceed as quickly, if at all, as they might otherwise. Some arts and heritage organizations, which did not participate in the CSC program (herein referred to as "non-participants"), undertook similar projects as CSC recipients although these projects were, on average, of a smaller scale

CSC fits well with PCH's priorities and strategic outcomes, but it is not obviously aligned with the Government's top 5 priorities. The Minister of Canadian Heritage has made it clear in her speeches that the Government is committed to the arts. What is not clear is how that commitment will be demonstrated. Over the past two years, the Government, through its public statements, has announced new cultural investments in national cultural institutions or in those institutions where the investment in infrastructure will make a significant economic impact at the national or regional level. Under this latter investment, through Infrastructure Canada, for other, smaller institutions or for smaller scale projects, it has left the priority setting to other levels of government to determine what available federal funds beyond what is available through CSC, will be invested in cultural infrastructure.

Recommendation

The following recommendation is based on the evaluation's research findings and conclusions.

Recommendation 1: PCH should more clearly articulate the incremental impact the program is expected to have on program recipients and their stakeholders in comparison to those organizations that do not receive funding.

Both program participants and some non-participants achieved the stated objectives of CSC albeit to varying degrees. By better capturing the incremental impact on the various stakeholders of providing infrastructure funding, the program will be able to strengthen its case in support of government investment of scarce resources into this area.

Management Response – Accepted

Redesign of the program's Terms and Conditions, to be completed in 2009-10, will include measures to ensure that the next generation of the CSC program can better demonstrate the impact the program is having on its recipient organizations versus organizations that did not receive funding. The program will gather data to respond more clearly to this question, in preparation for the next summative evaluation.

Program renewal will draw from the recommendations contained in the Report of the Independent Blue Ribbon Panel on Grants and Contributions Programs. In doing so, the program will streamline reporting processes and will focus on the incremental impact of its investments.

***Implementation Schedule*:** March 31, 2010

1. Introduction and Context

1.1 Program Overview

1.1.1 Program Objectives

Arts and heritage organizations are often challenged to fund their operations. Many performance groups have to perform under less than optimal physical conditions. Visual arts, museum collections and heritage collections may be unavailable to the general public because arts and heritage organizations have inadequate facilities. The construction of new facilities or the renovation of existing facilities can be held up for years as organizations raise the necessary funds.

PCH launched the CSC Program in June 2001 and renewed in 2005. It replaced the infrastructure component of the Cultural Initiatives Program (CIP), and is housed within the Arts Policy Branch (Arts Development and Programs Directorate (ADPD)) of the Department. The Program contributes to improved physical conditions for artistic creativity as well as to access to arts and heritage experiences, including investments to support improving, renovating and constructing arts and heritage facilities.

CSC's specific objectives are to:

- Increase and improve access for Canadians to performing arts, visual arts, media arts, museum collections and heritage displays;
- Improve physical conditions for artistic creativity, presentation and exhibition.

The Program logic model, showing the link between CSC's activities and immediate, intermediate and long-term outcomes, is provided in Annex A.

1.1.2 Program Delivery

The ADPD is responsible for managing and coordinating CSC, which is delivered through PCH's five regional offices (located in Moncton, Montréal, Toronto, Winnipeg, and Vancouver), with the support of the district offices. There is also consultation with provincial/territorial officials to ensure complementarities of projects.

CSC provides assistance in three areas:

- Renovation and expansion/construction of arts or heritage facilities;
- Acquisition of specialized equipment; and
- Preparation of feasibility studies for cultural infrastructure projects.

The Program offers support of up to 33 per cent of eligible project costs for expansion/construction or renovation, and up to 50 per cent[1] of eligible project costs for specialized equipment purchases or feasibility studies.

Under exceptional circumstances, the Program may consider increased levels of support towards eligible project costs. Exceptional circumstances are determined by PCH and may include projects occurring in rural or remote areas, or in underserved populations (such as Aboriginal, youth, official language minority and culturally diverse communities) where the need is clearly demonstrated and justified.

1.1.3 CSC Recipients

The Program mainly targets not-for-profit arts and heritage organizations, defined as follows:

- Arts organizations – professional organizations which create, produce or make accessible works in dance, theatre, music, visual arts, media art or literature, such as performing arts companies, artist-run centres, literary festivals and arts service organizations, and national arts training institutions that are eligible for support through PCH funding programs;
- Heritage organizations – professional organizations which collect, preserve, interpret or present heritage collections for the public such as museums, archives, art galleries and libraries.

CSC recognizes the specific needs of the following targeted groups: Aboriginal, youth, official language minority, culturally diverse, remote and rural communities. The specific needs of challenging contemporary artistic disciplines and genres such as contemporary theatre or dance, contemporary music, etc. are also considered.

Eligible recipients of funding under CSC are non-profit arts and heritage organizations incorporated under Part II of the *Canada Corporations Act* or corresponding provincial or territorial legislation. Projects presented by municipal or regional governments and agencies of provincial/territorial governments or First Nations, Inuit and Métis equivalent governments are also considered.

1.1.4 Program Funding

Over the period 2001-2002 to 2009-2010, $260 million has been allocated to the Program as shown in Table 1 on the next page. Funding has been provided to approximately 550 organizations as of July 5, 2007 as shown in Table 2.

[1] Effective April 1, 2007 the maximum amount that would be provided under the Program for specialized equipment purchases or a feasibility study was reduced from 50 per cent to 40 per cent.

Table 1: Resources Allocated to CSC

Fiscal Year	Total Allocated	Allocated Gs&Cs	Allocated O&M	FTEs
2001-2002	$20,000,000	$18,600,750	$1,399,250	4
2002-2003	$30,000,000	$28,301,000	$1,699,000	8
2003-2004	$30,000,000	$28,201,000	$1,799,000	8
2004-2005	$30,000,000	$28,267,000	$1,733,000	8
2005-2006	$30,000,000	$27,672,000	$2,328,000	17
2006-2007	$30,000,000	$26,949,850	$3,050,150	23
2007-2008	$30,000,000	$26,949,850	$3,050,150	23
2008-2009	$30,000,000	$26,949,850	$3,050,150	23
2009-2010	$30,000,000	$26,949,850	$3,050,150	23
TOTAL	**$260,000,000**	**$238,841,150**	**$21,158,850**	**N/A**

Table 2: Accepted Applicants, 2001-2002 to June 2007[2]

Component	**2001-2002**	**2002-2003**	**2003-2004**	**2004-2005**	**2005-2006**	**2006-2007**	**2007-2008**[3]	**TOTAL**
Construction, Adaptive Re-use or Renovation of Arts & Heritage Facilities	17	26	15	25	18	30	8	**139**
Acquisition of Specialized Equipment	30	28	27	72	21	45	4	**227**
Project with More than one Component (i.e., Renovation and equipment)	19	25	7	28	13	23	1	**116**
Feasibility Studies	7	11	5	9	5	28	-	**65**
Total	**73**	**90**	**54**	**134**	**57**	**126**	**13**	**547**

1.2 Methodology/Approach

1.2.1 Evaluation Issues

Three evaluation issues were established for this evaluation:

- To what extent is CSC meeting its objectives, within budget and without unwanted outcomes?
- To what extent are the most appropriate and efficient means being used to achieve objectives, relative to alternative design and delivery approaches?
- To what extent does CSC continue to be consistent with departmental and government-wide priorities and does it address an actual need?

[2] Based on data extracted July 5, 2007 from CSPS, an MS Access database maintained by the Arts Policy Branch.
[3] Includes data only up to July 5, 2007.

A matrix of the evaluation issues, questions and associated indicators is provided in Annex B.

1.2.2 Methodology

The information required to address the evaluation issues was obtained from a variety of sources. These included:

- ***A review of documentation***. This included, as detailed in Annex C:
  - A wide range of program related documentation (Program approval documentation, PCH planning documents, formative evaluation on the Program, Program application guides, etc.)
  - Several studies and surveys commissioned by Canadian Heritage. This included the Decima-Harris *APC/CSC User Satisfaction Survey* based on information collected between July 9th and August 31st, 2007. As part of this survey, 158 organizations that received funding from CSC were contacted. The primary interview was conducted with Chairmans, Board Directors, Executive Directors, Managing Directors or other individuals in senior executive positions. A further 32 more in depth interviews were conducted with selected individuals who had participated in the first round of the survey. In addition, a separate set of interviews was conducted with 75 technical directors, production managers, production personnel, technicians and collection managers from organizations that received funding under either APC or CSC.
  - Studies and research by external consultants/academics on the impact of investment in cultural facilities.
  - A review of approaches in other jurisdictions to funding cultural infrastructure.

- ***File and database review***. An analysis was undertaken of all projects approved for funding since the inception of CSC using a database (referred to as CSPS) maintained by Arts Policy Branch. Attributes that were examined included type of project (new construction, renovation/reuse, feasibility study, specialized equipment, etc.), type of organization, targeted audience, planned features, amount of contribution, and total value of project. In addition, a sample of 24 files was selected for a detailed review to provide a better understanding of the actual outcomes achieved in comparison to what was planned. A list of the files reviewed is provided in Annex D.

- ***Interviews with key informants***. Key informants (KI) included PCH management responsible for CSC, regional staff involved in the delivery of the Program, representatives of federal funding organizations, representatives of national and provincial arts and heritage organizations, representatives of provincial and municipal agencies involved in the arts and heritage, and representatives of federal regional economic development organizations. A list of the thirty-six individuals interviewed is provided in Appendix E.

- ***Telephone survey of funded recipients for feasibility studies***. Attempts were made to obtain input from all 43 organizations that had received CSC funding for a feasibility study and had completed it as of July 5, 2007. Input was obtained from 36 of the organizations for a response rate of 83.7 per cent.

- A ***web-based survey*** was undertaken of organizations that had not participated in the Program. The survey instrument was based on the survey instrument utilized by Harris-Decima in its 2007 *APC/CSC User Satisfaction Survey* so that similar information would be collected. Email addresses were taken from the *National Inventory of Existing Cultural Infrastructure*, which had been submitted to PCH in March 2002. A total of 161 responses were received with an estimated response rate of 17.4 per cent amongst those who received the survey (approximately half of the emails sent out were returned as undeliverable). This response rate is within the normal range for this type of instrument.

- ***Case study of nine organizations that received funding from PCH***. Projects included in the sample were for completed construction/renovation/adaptive re-use and specialized equipment projects. The names of the organizations that participated in the case study are listed in Annex F.

1.2.3 Limits of the Methodology

It is recognized that there are limitations associated with specific lines of enquiry that were employed for this evaluation. For example, CSC program management and staff and their counterparts in other levels of government, and others who work with organizations seeking funding from CSC have an interest in the Program that may compromise their independence and objectivity. One would expect them to be very positive about what the Program has and can achieve. This expectation played out. There was a similar expectation for all of the case study organizations, which was realized. Further, case studies are useful as illustrations, but may not be representative of the Program's overall impacts and effects.

Telephone and web based surveys are a very cost effective tool for obtaining feedback. When the response rate is less than 90 per cent, there is a risk of self-selection. The low number of respondents who agree to participate in the survey may differ in important, but unknowable ways from those who do not agree to participate, making it impossible to assure those who do respond are representative. The profile of respondents to both the telephone survey of Program recipients who received funding for a feasibility study and the web-based survey of non-participants suggested that there may have been material differences between those who responded and those who did not.

For example, in the telephone survey of Program recipients who received funding for a feasibility study, there were a disproportionate number who had projects approved in the first year of the program, were heritage organizations and had larger dollar value projects, in comparison to those who participated. In the web-based survey, less than 20 per cent of the organizations identified in the *National Inventory of Existing Cultural Infrastructure* had a valid email address and thus received the survey. The methodology for the web-based survey precludes the determination of confidence levels on the results obtained, as participants were not randomly selected.

The Harris-Decima survey, which covered both Arts Presentation Canada (APC) and CSC, also has limits and must be interpreted with care. As noted, in the report, the overall response rate for the study was 57% and the margin of error for the CSC segment of the report is +/- 5.5%. (The

real value of the variables as estimated by the sample of APC and CSC organizations (n=480) will fall within +/- 3.2% of the value presented, 18 times our of 20 (90%)). The survey report further notes that the results of the one-on-one interviews with primary contacts can be viewed as directional only, due to the small sample size.

The database that contains data on all CSC funded projects was in the midst of ongoing modifications, with the goal of making overall improvements to the accuracy of the data it contains. Some of the data fields contained limited data and the criteria used for entering data have evolved over time, thus leading to some inconsistencies in the data quality.

The project files reviewed by the evaluation team often lacked independent follow-up assessments or quantitative data on impacts, making it impossible to conclusively establish whether the longer term project objectives set out in the file had been achieved. The evaluation team nevertheless took the view that if construction was completed and / or equipment was purchased it could be presumed that certain objectives had, in fact, been achieved.[4]

Notwithstanding the limitations associated with specific lines of enquiry, the information gathered from the documentation review, database review, file review, interviews and surveys was consistent. The greatest weight has been given to information that came from documents (including the database and file reviews) and our analysis of it, in arriving at our conclusions. The information from the interviews, case studies and surveys has generally been used to supplement it and provide context.

[4] For example, if purchasing specialized lighting equipment was part of the objective of improving arts and heritage infrastructure, and the equipment was purchased, it was assumed that the objective had been achieved.

2. Key Findings

2.1 Success and Outcomes

2.1.1 Increased Number of Cultural Facilities and Improved Infrastructures

CSC projects have created new arts and heritage facilities and improved the infrastructure of existing facilities.

The last nationwide inventory of cultural facilities was carried out in 2002. It identified 5,582 individual facilities, each with one or more cultural spaces, for a total of 8,514 spaces. As noted in the inventory report, "cultural spaces are constantly appearing, changing and disappearing", and the inventory was a snapshot in time. In the absence of an up-to-date nationwide inventory[5], it is impossible to know whether the total number of cultural spaces in Canada has increased, decreased or remained the same since 2002.

Projects funded by CSC have, nevertheless, either created new facilities that offer arts and heritage experiences or have improved the infrastructure of existing facilities. Ample evidence of this is provided in CSC's files and in its database.

Twenty-two of the twenty-four files reviewed involved the acquisition of specialized equipment and/or renovation/adaptive reuse/new construction of a facility. In all cases, the project outcome reported in the file was either the creation of a new facility offering arts and heritage, or improvements to the infrastructure of an existing facility. The two other files reviewed which involved feasibility studies, were oriented to improving the infrastructure of heritage facilities.

Quantitatively, Table 3 on the next page provides a summary of the 547 CSC projects approved as of July 5, 2007 and Table 4 provides a summary of the 291 projects for which results have been compiled as of that date. As may be seen, almost half (47 per cent) of the approved projects and 45 per cent of projects with compiled results data resulted in new construction or the renovation / adaptive re-use / new construction of facilities. Both these types of projects may be presumed to have led to a new or significantly improved cultural space.[6] Specialized equipment projects, which comprise almost 42 per cent of all approved projects and almost 55 per cent of projects with compiled results data, will also have led to improved cultural spaces.

Case studies illustrated the often dramatic improvements that can result from CSC projects that combine specialized equipment purchases with renovation/adaptive re-use/new construction.

[5] A series of reports prepared by the Centre of Excellence on Culture and Communities (Simon Fraser University) in late 2007 for Regional Roundtables on the State of Cultural Infrastructure noted that there were no comprehensive inventories of cultural infrastructure.

[6] Since there are no data on whether other facilities (i.e., those not supported by CSC) were closed, abandoned or converted to another use in the region in question, whether the CSC projects led to a net increase cannot be determined.

Table 3: Regional Distribution of Approved Projects by Type of Project

	Pacific	Prairies	Ontario	Quebec	Atlantic	Total	% of Total
New Construction	10	2	7	8	10	37	6.8%
Renovation /Adaptive Re-use/New Construction	33	31	56	59	39	218	39.9%
Specialized Equipment	40	28	60	56	43	227	41.5%
Feasibility Study	14	10	20	11	10	65	11.9%
Total	97	71	143	134	102	547	100.0%

Table 4: Regional Distribution of Projects with Compiled Results Data[7] by Type of Project

	Pacific	Prairies	Ontario	Quebec	Atlantic	Total	% of Total	% with Compiled Results Data
New Construction	3	1	3	2	4	13	4.5%	35.1%
Renovation /Adaptive Re-use/New Construction	16	18	35	31	19	119	40.9%	54.6%
Specialized Equipment	32	21	34	43	29	159	54.6%	70.0%
Total[8]	51	40	72	76	52	291	100.0%	60.4%[9]

The Dynamic Earth project at Science North in Sudbury involved a $2.0 million CSC contribution to a $15.2 million project. Even though the project did not create an entirely new facility, the improvement was so extensive that it was akin to it. The in-place facility was the Big Nickel Mine, a mining exhibit accessed by a standard mine elevator (which is now a ventilation shaft for the new facility), and that led to a 45 minute, underground walking tour that was described as not family-friendly and so limited in its appeal that no-one would do it more than once. A new 20,000 sq. ft. aboveground Visitor Interpretation Centre has replaced it. The new Centre incorporates three exhibition galleries, an "object theatre", and an underground mining experience that is accessed by a full-sized freight elevator that holds at least 30 people and has glass walls. Visitors view a multi-media show from the elevator as they descend through a chasm to a 1000-plus linear foot mine exhibit that shows three eras of nickel mining that span a

[7] Table 4 includes the portion of approved projects for which CSC head office has received results data as of July 5th, 2007 (for total number of approved projects see Table 3). Table 4 *does not* include approved projects for which no results data has been received by head office as of July 5th, 2007. Reasons that results data have not been received for these projects include, but are not limited to the following: the project file is still open, the regional offices are waiting for documentation from the client, or the project itself is still ongoing. Results data enabled the calculation of various statistics that are presented throughout this report.

[8] Feasibility study projects were excluded from this table because outcomes listed in the results reports do not apply to this project type.

[9] Calculated using the total number of approved projects excluding feasibility studies (n=482).

century (from pick and shovel to modern methods where mining is mostly done by remote-controlled machinery operated from the surface).

Case studies also illustrate that improvements in infrastructure can result from modest CSC investments in specialized equipment. The Vancouver Opera Association used its $9,909 CSC contribution to purchase a new surtitles[10] projector for use at the opera's main stage at the Queen Elizabeth Theatre. Its existing projector was worn out and incapable of projecting clear surtitles, alienating its subscriber base and limiting the works it could present to well-known productions in which surtitles were not critical to understanding the events on stage. The new projector has enabled the opera to retain its subscriber base as well as to mount new productions.

2.1.2 Improved Quality and Standards of Cultural Facilities and Infrastructure

All CSC funded projects (leaving aside feasibility studies) have led directly to improvements in the quality or standards of arts and heritage infrastructure.

Prominent areas of improvement noted in the file and database review were:

- Technological and safety features;
- Environmental and conservation systems;
- Seating or visitor capacity.

Almost one-third (overall) of the projects in the file review had the objective of improving technological and safety features. All achieved their objective. The most prevalent improvement (41 per cent of projects) was to audio/visual equipment (video projectors, surtile machines, computers, software, intercoms, monitoring systems). Improvements to lighting (boards, grids) and sound (board, speakers, public address, recording) systems also figured prominently, followed by improvements to stage infrastructure (acoustic shell, flooring, pit lift, drapery, loading bay, staging and rigging equipment).

Eighty-six percent[11] of projects with results data in the database identified improvements to technological and safety features. These included improvements to lighting (44 per cent), sound systems (43.3 per cent), audiovisual equipment (37.8 per cent), stage infrastructure (27.8 per cent), security systems (19.2 per cent), public access infrastructure (13.4 per cent), marketing (1.4 per cent), and educational (databases, resource rooms, microfilm readers) (0.3 per cent).

The installation or upgrading of environmental control systems (HVAC, air quality, energy-efficiency) was a feature of over one third (36 per cent) of the projects in the files reviewed. Amongst all funded projects, improvements to the environmental control systems were less prevalent, with 12.8 per cent reporting investments in this area. Improvements were also reported to display (3.7 per cent) and storage systems (3.8 per cent).

[10] Surtiles™ projections, which were developed by the Canadian Opera Company, are a capsulized translation of an opera's libretto, projected onto a screen on the stage during a live performance.
[11] Calculations based on number of projects for which final results have been entered, and excludes feasibility studies (n= 291).

Half the files reviewed included projects that were designed to either increase or refurbish the capacity of the facility to accommodate visitors, either through increasing seating capacity (for performing arts venues), or increasing exhibit space (for heritage institutions).

Roughly one-half (46.4%) of the projects on the database that received funding, reported an increase in capacity. This included: increased seating/visitor capacity (27.2 per cent), increased exhibit space (23.7 per cent), more support/service areas (18.9 per cent), and more flexible space (12.0 per cent).

While it was rarely the only objective of a project, improving the technological and safety features was always an objective in the projects selected for case studies. Improvements to environmental and/or conservation systems were observed in seven of the nine case studies. Finally, all nine case studies showed that CSC funded projects had positive effects on a facility's visitor capacity.

2.1.3 Enhanced Effectiveness of the Operations of Funded Organizations

Multiple lines of evidence indicate that CSC has increased the effectiveness of funded arts and heritage organizations. These include:

- Surveys of recipients of CSC funding;
- The file and database review;
- Case studies;
- Key informant interviews.

In 2004, Decima Research carried out a survey of organizations that had received CSC funding. The results were published in 2005. In 2007, Harris-Decima carried out a similar survey. While the sample sizes in both cases were small, the results of the two surveys were consistent. Funded organizations:

- Increased their capacity to deliver performances, productions or exhibitions[12];
- Increased their capacity to deliver better quality performances, productions or exhibitions.

The surveys also showed that:

- Users' satisfaction with the new construction / equipment available as a result of CSC funding had increased[13];
- Employees' (artists and staff) satisfaction with working conditions had increased.

[12] In the 2007 survey, for example, over nine-in-ten (94 per cent) arts and heritage organizations report the changes made with CSC funding either significantly improved (87 per cent) or somewhat improved (7 per cent) their facility's capacity for artistic creation, production and performance and or preservation and exhibition.

[13] In the 2007 survey, employees and users were asked their satisfaction with their new facility on a ten-point scale. Nearly all reported to be either "very" (58 per cent) or "somewhat" (37 per cent) satisfied. This was a significant improvement from the 22 per cent of users and employees that report to have been either "very" (2 per cent) or "somewhat" (20 per cent) satisfied with their older building before the changes were made.

As well, while levels of self-generated revenues were not independently assessed, a majority of the organizations reported that a greater number of people and more diverse audiences attended their facilities. In the 2007 survey, more than 80 percent of all organizations report the changes enabled by CSC funding either somewhat assisted or significantly assisted their facility's ability to generate revenue[14].

The results from the surveys are mirrored in the file and database review. Improving the capacity of facilities to deliver performances, productions or exhibitions was a key objective for many of the organizations funded through CSC.

The primary means through which facilities sought to improve their capacity to deliver performances, productions or exhibitions was increasing their visitor capacity (50 percent of files reviewed). Increasing or making more flexible their exhibition space followed closely (41 per cent and 36 per cent, respectively). All projects in the files reviewed reported that they were successful.

Infrastructure improvements that expanded the artistic vision achievable in the facility and that facilitated a greater variety of, or more technically advanced, performances, productions or exhibitions were reported in half the files reviewed.

Roughly one-half (46.7%)[15] of the projects with results data compiled in the database reported improved facility capacity as a result of CSC funding. Keyword responses in the database indicated that organizations increased seating/visitor capacity (27.2%), increased exhibit space (23.7%), created more support/service areas (18.9%) and/or created more flexible work spaces (12.0%) to achieve this. One organization identified the creation of new artists' spaces.

Amongst all projects with compiled results data, 85.9 per cent are identified in the database as planning to improve facility features. Details are not available on exactly what was envisaged although as already noted improvements were made to lighting (44 per cent), sound systems (43.3 per cent), audiovisual equipment (37.8 per cent), and stage infrastructure (27.8 per cent). Improvements in these areas presumably would facilitate a greater variety of, or more technically advanced performances, productions of exhibitions.

Improvements were noted in users', artists' and staff's satisfaction with the facility / equipment as a result of CSC funded projects:

- Forty-five percent of files reviewed reported that there were improvements in satisfaction of technical staff with the working conditions associated with the facility or equipment funded by the CSC Program. Artists were even more satisfied (50 per cent of projects);

[14] A majority (54 per cent) of organizations reported that the new facility and or the changes made to their facility "somewhat assisted" their capacity to generate revenue and an additional third (34 per cent) reported they "significantly assisted".
[15] Calculations based on number of database entries for which program results have been entered, and excludes feasibility studies (n= 291).

- Eighty-eight (87.63%) percent of the records in the database for projects with compiled results data provided information on the increased satisfaction of users (artists (46.0 per cent), employees (31.6 per cent), general public (27.1 per cent), technicians (24.4 per cent), audiences (22.3 per cent), etc.) with the new facility or with the changes made.

Finally, almost three quarters (73 per cent) of the files reviewed contained projections concerning how CSC funding would improve the long-term health of the recipient organizations. The most prevalent mechanism through which this was projected to occur was increased ticket sales (45 per cent of all files reviewed). Other mechanisms included increased rental income, as the facility would become attractive to more users (14 per cent of files) and reduced energy costs due to the new equipment (5 per cent of files).

The case studies provide vivid illustrations of how projects supported by CSC funding have enhanced the effectiveness of arts and heritage organizations.

Whether through creating facilities that were vast improvements of those that had existed before (Dynamic Earth, Centre de création, de production et de diffusion des arts de la marionette, Les Amis du Village Historique Acadien, Todmorden Mills), enabling crumbling facilities in dire need of improvements to remain open (Confederation Centre of the Arts), supporting the purchase of state-of-the-art systems (Société pour la promotion d'événements culturels du Haut-Richelieu, Prairie Theatre) or by replacing equipment that was no longer working effectively (Pacific Ballet, Vancouver Opera), all case study recipients increased their capacity to deliver better quality performances, productions or exhibitions.

Interviews carried out with managerial and technical representatives of the organizations selected for case studies revealed a consistent pattern of improvement in user satisfaction with the new construction/equipment available, and in artists and staff satisfaction with their new working conditions. The reported improvements in satisfaction were related to:

- Resolution of safety issues associated with aged infrastructure (i.e., risks of electrical fires / overloads in gerrymandered wiring);
- The ability to execute the artistic vision and achieve production values in facilities that finally had proper audio/video control booths and equipment of sufficient quality and quantity to light presentations;
- Productivity improvements among technical and artistic staff;
- Increased ability to mount specialized exhibits in new display spaces;
- Increased ability to protect materials and collections from damage;
- Greater accessibility of the facility to people with disabilities and higher levels of comfort available to audience members;
- The facility's improved ability to fulfil its mandate and engage a broader and more diverse cross-section of its local community.

Finally, eight of the nine case studies reported increases in self-generated revenues after their CSC-funded projects were completed. These organizations have either increased ticket sales, increased rental income, or both. The only organization not to report increases in self-generated revenues thought audience size may have increased, but was unwilling to try to quantify it.

There was near unanimous agreement amongst key informants that CSC funding had:

- Increased the capacity of arts and heritage organizations to deliver performances, productions or exhibitions;
- Increased their capacity to deliver better quality performances, productions or exhibitions;
- Increased users satisfaction with the new construction / equipment available in the facilities;
- Increased artists and staff satisfaction with their working conditions.

In addition, almost all key informants were able to offer several examples of organizations that they were personally aware of that had benefited (some could offer only a single example).

2.1.4 Canadians Participating in and Benefiting From Access to Activities Provided by Arts and Heritage Organizations

Most of the lines of enquiry support the proposition that the CSC Program is enabling Canadians to participate in and benefit from access to activities provided by arts and heritage organizations. The exception is a recent survey of Canadians.

The supporting lines of evidence are:

- Surveys of recipients of CSC funding;
- The file and database review;
- Case studies;
- Key informant interviews.

The 2004 Decima survey of organizations funded by CSC reported that they were able to host a greater diversity and greater number of productions, performances or exhibits. It also found that this had occurred because a significant majority (77 per cent) had improved, larger, or expanded facilities with more seating. Increasing seating capacity should improve access by the public to the events held at the facility. It should also lead to an increase in audience size. As would be expected, then, over 80 per cent of funding recipients also stated that they had seen an increase in audience size.

The 2007 Harris-Decima survey showed that arts recipients could attract a larger audience (80 per cent), put on a greater number of productions (66 per cent), and put on a greater number of performances (64 per cent). 85 per cent of heritage organizations stated that they could attract more visitors, and 66 per cent reported increased visitor capacity. These findings are all consistent with improved access.

Increasing or refurbishing their visitor capacity or exhibit space was the objective of half of the projects reviewed as part of the file review. Since all projects reviewed were successfully completed, it is reasonable to conclude that this occurred, thereby increasing opportunities for Canadians to participate in arts and heritage activities.

The information in the database provides several indicators which suggest that access should have improved as a result of the successful completion of planned projects. These include:

- 24.4 per cent of the projects with compiled results data report improved facility access;
- 46.4 per cent of the projects with compiled results data report improved facility capacity;
- 32.4 per cent of projects were targeted at specific audience groups: aboriginals (4.6 per cent), culturally diverse communities (4.9 per cent), official language minorities (5.1 per cent), rural and remote areas (18.6 per cent), and young audiences (2.2 per cent).

As well, CSC projects have taken place in all provinces and territories and have occurred in communities of all sizes, ranging from large urban centres (cities with a population of over 200,000) to remote centres (population of less than 50,000 who are over 200 km from an urban centre or a provincial capital). Opportunities provided by completed CSC projects for Canadians to participate in arts and heritage activities have not, in other words, been confined to particular regions or types of communities.

All organizations selected for case studies reported increases in their capacity to deliver more and better-quality performances, productions or exhibitions. Six of the nine also reported increases in audience size/visitor attendance. It thus appears that increases in the capacity of arts and heritage organizations are more often than not followed by increases in the extent to which Canadians access and participate in arts and heritage activities in the organizations selected for case studies.

An overwhelming majority of informants believe that the CSC Program has improved the level of access to arts and heritage spaces by Canadians in their communities.

The results of a recent survey of Canadians present the single potentially discordant note to this otherwise positive picture of CSC's long-term outcome.

In 2007, Phoenix Strategic Perspectives conducted a survey of Canadian's access to the arts and heritage in Canada and provided comparison data with similar surveys conducted in 2000, 2001 and 2004. The results are mixed and do not always corroborate the results of the other lines of enquiry. Some measures indicate modest improvements in access and participation, others show a mild deterioration. Thus:

- The percentage of Canadians attending arts and cultural events shows a slight increase from 2001 for live performances (from 65 per cent to 69 per cent). Attendance at other types of arts and cultural events was down over the same period (visual art exhibit attendance went from 58 per cent to 44 per cent, media arts presentation went from 34 per cent to 30 per cent and literary/poetry reading went from 17 per cent to 15 per cent);
- The percentage of Canadians attending events having cultural traditions originating in Latin America, the Caribbean, the Middle East, Africa or Asia increased slightly, while those attending events having Aboriginal cultural traditions decreased;
- The reported importance of the arts for quality of life declined slightly, and the percentage of Canadians stating it was not important went up;

- Attendance at all types of heritage institutions went down from 2000 levels. Museum/science centre visits, for example, declined from 59 per cent to 52 per cent and public art gallery visits declined from 41 per cent to 35 per cent.

Of course, overall attendance at arts and heritage events is influenced by a wide variety of factors, and one would not necessarily expect the improvements in venue infrastructure that have occurred via CSC funded projects to drive an overall increase. Nevertheless, Canada's Performance Report 2006-2007 to Parliament states, "From 1998 to 2005, cultural participation among the Canadian population aged 15 and over was on the rise in almost all areas. For instance, professional concert and performance attendance increased from 35 per cent to 41 per cent while gallery and museum visits grew from 22 per cent to 26 per cent."[16]

The Annual Report makes no attempt to attribute these increases to a particular program, but its statistics concerning gallery and museum visits are in contrast to those presented in the 2007 Phoenix Strategic Perspectives survey: the Annual Report reports an increase while the Phoenix Strategic Perspectives survey reports a decline. The two reports reflect slightly different time frames and different types of institutions (visual art exhibit versus galleries and museums), which may have contributed to the different results.

2.1.5 Unexpected Outcomes

There are a variety of unexpected outcomes associated with CSC. Many of these are viewed as positive within the arts and heritage community.

Surveys of CSC's clients suggest that the Program complements other sources of funding rather than duplicating or overlapping them, and that it may have been instrumental in enabling clients to access other sources of funding. Thus, the 2007 Harris-Decima survey found that while the CSC was the first to provide funding in a little over one quarter of the projects (28 per cent), in a substantial majority of the 45 situations where CSC was the first to provide funding, the CSC investment had either a great deal (n=26) or some (n=9) impact in terms of helping clients obtain funding from other sources.

These findings indicate that CSC funding was part of a multi-source funding package that arts and heritage institutions had to assemble to enable their projects to go forward and that, rather than duplicating or overlapping these sources, CSC funding complemented them. As well, while CSC was not usually the first program to provide funding, it appears to have made it easier to secure funding from other sources when it was.

Projects carried out with the support of CSC funding have led to increased direct employment in the arts and heritage in over half the organizations surveyed. Over half the organizations surveyed by Decima in 2004 reported that they had hired more staff as a result of the project supported by CSC. In the 2007 survey, nearly nine-in-ten organizations anticipated having to hire more staff due to the changes. Among arts organizations, the most common types of hires were technicians and marketing directors/personnel. Among heritage organizations, the most common were facilities management and education/interpretation staff.

[16] Canada's Performance 2006-07, Report of the President of the Treasury Board of Canada, p.45

Recipients of CSC funding report that there have been a variety of positive effects that extend beyond their organization and into their local communities. The effects reported include:

- Increased outreach activities (establishing volunteer groups, renting space to community groups, offering workshops in the community);
- Artists doing more in the community, especially from smaller arts organizations that did not have opportunities to perform before;
- Changes in the types of people attending the facility (more people from the wider community were attending the facility, audiences had become more economically and culturally diverse);
- Other economic development in the community;
- Increased tourism;
- An extended tourist season.

While none of the key informants attributed the revitalization of local neighbourhoods to CSC funding, other studies have linked these types of economic benefits to arts and culture, particularly when it attracts tourist dollars into a city or region. A summary of some of the applicable literature is provided in Annex G.

Key informants were also able to cite unexpected benefits. These include:

- Facility upgrades that, by enabling institutions to meet modern standards, enable them to indemnify visiting collections against damage and therefore enable them to access travelling exhibitions and accept donations of significant cultural properties;
- An increased tendency on the part of institutions to think about the long-term health of their infrastructure and to create reserve funds to address future infrastructure requirements;
- Decreases in insurance costs as facilities are brought up to code;
- The Program operating as a catalyst that raised awareness of officials in other levels of government of the need to support cultural facilities;
- Increased dialogue and cooperation amongst officials across all levels of government vis à vis cultural facilities and their requirements.

There were also some unexpected negative outcomes. Among those cited were:

- The length of the application review and approval process and its impact on construction budgets. Cost increases that would take place while a CSC application was being approved would lead to the budget in the application no longer being sufficient to build what had been planned;
- The difficulties associated with construction projects (e.g., cost escalation during the approval process, unforeseen delays interacting with the fiscal year-end and potential for lapsing funds) created incentives to focus on specialized equipment projects;
- The burden of the application process itself, and its potential to dissuade smaller organizations from applying for funding;

- The creation of long-term dependencies on public funding[17] in institutions that did not have enough to offer over the long-term in their community/market to be viable without such funding.

Similar concerns were identified with the application and approval process in the 2003 formative evaluation. Some adjustments were made to the Program when it was renewed in 2005.

2.1.6 Non-Participating Organizations

Some arts and heritage organizations that did not participate in CSC have completed similar projects, although, on average, those projects were on a smaller scale than those completed by the Program's participants.

The evaluation team conducted a web-based survey of non-participants as part of the evaluation. The research was undertaken to gain an understanding of the types of projects undertaken by non-participants and the outcomes they achieved. The findings from the survey show that 59% of the responding organizations conducted infrastructure projects without CSC support, although the non-supported projects were smaller in scope.

The most frequently reported areas of change noted by the 59% of non-participants who conducted infrastructure projects were storage space, facility design, architecture or layout, and office space. Multi-media equipment, sound systems, lighting systems and storage systems were the types of equipment most likely to be acquired.

On the other hand, 41% of non-participants did not undertake an infrastructure project similar to those funded by CSC (construction, renovation or specialized equipment purchase). Of these organisations who did not complete a project, over half did not did not do so due to insufficient funds. The rationales provided include 'can't afford such a project at this time', or 'currently fundraising.

Projects undertaken by non-participants were significantly smaller than those who received funding from the Program. Almost three quarters of the initiatives of non-participants involving specialized equipment had a value under $50,000 while 33 per cent of similar projects approved for CSC funding as of July 5, 2007, were this size. About a third (35.0 percent) of the reported construction/renovation/adaptation projects of non-recipients were valued at under $50,000 and twenty percent were valued at $1 million or more. Amongst CSC recipients with funding approved as of July 5, 2007, less than 3.0 per cent of similar projects were valued under $50,000 and 54 per cent had a value of $1 million or more.

Non-participants who undertook a project also reported improvements on the quality and standards of the infrastructure. Facilities were modernized, security and safety improved (57.8% of non-participant projects), number and/or capacity of available space increased (51.6%), and audience accessibility improved (42.2%). There was almost unanimity that the changes either

[17] Most arts and heritage organizations that are eligible to receive funding under CSC also receive public funding through other programs (federal, provincial and/or municipal) to cover at least part of their on-going operating costs.

significantly improved or somewhat improved the facility's capacity for artistic creation, production and performance, or for preservation and exhibitions.

The projects undertaken by respondents will enhance the effectiveness of operations. Almost half reported an increased profile in the community (45.3%). This presumably should increase attendance, and with it, revenues. A similar number reported that, as a result of the project, more people from the wider community attended events or visited (43.8%). These findings are similar, albeit to a lesser degree, to those reported by the CSC recipients that took part in the 2007 Harris-Decima telephone survey. The 2007 Harris-Decima survey indicates that 90% of the CSC recipients who were respondents reported an increased profile in the community, while 85% reported that more people from the wider community attended events or visited.

The finding that some arts and heritage organizations that do not participate in the CSC Program are able to carry out infrastructure projects, albeit of lesser size and scope as those, which do participate, is not to diminish the importance of CSC support to its recipient organizations. The finding does, however, indicate that arts and heritage infrastructure renewal is not completely dependent on CSC funding. In its absence[18], arts and heritage organizations in the web-based survey accessed a wide range of funding from other sources in pursuit of their infrastructure renewal objectives. These included:

- Provincial or territorial governments (26.5 per cent);
- The private sector such as businesses, foundations or individual donors (19.1 per cent);
- Municipal governments (13.2 per cent);
- The federal government, other than the CSC Program (7.4 per cent);
- Other (33.8 per cent). Other included the parent university, internally generated funds, local service club, local fundraising through casino nights, raffles, lotteries, etc.

These findings parallel those of Facility Needs Assessment Survey carried out by ArtsBuild Ontario. It found that, over the five years prior to 2006, when the survey was conducted, organizations relied on a wide variety of funding sources for capital expenditures:

- Operating budget (45 per cent);
- Individual/corporate fundraising (40 per cent);
- Ontario Trillium Foundation grants (37 per cent);
- Municipal grants (30 per cent);
- Foundation grants (21 per cent);
- Other grants (18 per cent);
- Corporate sponsorship (18 per cent);
- CSC grants (12 per cent);
- Financing loans (8 per cent);
- Deficit financing (5 per cent)
- Capital reserve fund (5 per cent).

1. [18] About one-half (49.2%) of non-participants who undertook a project were unaware of the CSC Program and did not apply for funding. Almost one quarter (23.7%) had sufficient funds from other sources.

Grant and contribution programs were nevertheless important to arts and heritage organizations planning capital expenditures – 97 per cent of the organizations planning a project in the ArtsBuild survey said they would very likely apply for funding from a new capital grant program, if one existed.

It should be noted, however, that other funding sources in different parts of the country are not necessarily the same as in Ontario, where organizations have access to more funding options, particularly with regard to private and corporate sponsorships. Also, while 45% of organizations in Ontario relied on their operating budget to fund infrastructure projects, it is not clear that organizations in other provinces could spend the same proportion of their operating budget without compromising their artistic mission.

2.2 Cost Effectiveness

2.2.1 Program Administration

CSC administrative costs are in line with those of other programs targeted at arts and heritage organizations.

Program management has estimated administrative costs at 9 per cent of total Program costs for 2006-07. This is less than those for Arts Presentation Canada (APC), the Canadian Arts and Heritage Sustainability Program (CAHSP) and programs administered by the Canada Council for the Arts at 13 per cent, which typically provide smaller amounts, and greater than the amount estimated for the National Arts Training Contribution Program at 4 per cent, which has 37 recipients.

With one exception, who questioned whether there may be some duplication of administrative resources between programs at the federal and provincial levels that could impede value for money, key informants believe that the CSC Program represents good value for money for the taxpayer.

Recipients express broad support for the Program's administration.

Recipients of funding are broadly satisfied with its administration. The 2007 Harris-Decima Survey reported that more than two-thirds of organizations are satisfied with the application process. Two-thirds of all organizations found the guidelines and application form easy to understand. Meanwhile, half of the organizations rated the response time for the approval process as seven or higher on a ten point scale, while only one-in-three were dissatisfied with the response time. Two-thirds of organizations were satisfied with the reporting requirements.

The feedback received from respondents on several program administrative areas suggest that there is, nevertheless, some potential for improvement. The most common recommendations referred to the length of time for approval, more funding, more clarity and explanations, and improving/simplifying the forms, surveys and reports. Similar issues were identified in the 2003 *Joint Formative Evaluation of Arts Presentation Canada, Cultural Spaces Canada and the Canadian Arts and Heritage Sustainability Program*.

2.2.2 Funding Sources

The majority of funding required for CSC-funded projects comes from other sources. A number of organizations found it easier to raise funds from other sources once funding was received from CSC.

CSC was designed to provide support of up to 33 per cent of eligible project costs for expansion / construction or renovation, and up to 50 per cent[19] of eligible project costs for specialized equipment purchases or feasibility studies. Given these constraints, one might expect that, on average, a dollar invested by CSC would lead to between one to two additional dollars being invested by other sources. The average leverage is actually much higher. Based on the information in CSPS, approximately five dollars are raised from other sources for every dollar invested by CSC for approved projects. Similarly, five dollars were raised for every dollar invested in projects with compiled results data.

The range of project financing from CSC found in the files reviewed was from a low of 16 per cent of total (for the restoration of roof, gutters and windows at the Maison de la Culture in Rivière-du-Loup and at the Stratford Shakespearean Festival of Canada's Brunswick Centre "top up") to a high of 50 per cent at the Meneka Thakkar and Mermaid Theatres, Muskoka Steamship and Historical Society, the Cabaret Théâtre du Vieux St-Jean, and Montréal Arts Interculturels (these were all specialized equipment purchase projects).

According to the CSPS database, the amount of funding required from other sources varies depending on the nature of the project. Generally, the more expensive the project, the greater the percentage of the total cost that came from other sources. [20] On average, CSC funding ranges from about 12 per cent of the total cost for new construction, specialized equipment, renovation/adaptive reuse projects, to almost 40 per cent for feasibility studies.

Not only do most projects funded by CSC go forward with a majority of funding provided by other sources, many organizations found it easier to raise funds from other sources once funding was received from CSC. The 2007 Harris-Decima survey of recipients found that, of the organizations that reported CSC was the first to provide funding[21], 77 per cent of these believed that the CSC investment had an impact in terms of helping them obtain funding from other sources.

2.2.3 Alternatives to CSC

Programs like CSC appear to be rare, and other publicly-provided alternatives are not readily apparent.

[19] Effective April 1, 2007 the maximum amount that would be provided under the Program for specialized equipment purchases or a feasibility study was reduced from 50 per cent to 40 per cent.
[20] The extent of leverage depends on the size of project. For approved construction/renovation/adaptation and special equipment projects for example, the average leverage for projects valued up to $100,000 is about 2.2, for projects between $100,000 and $1M it is almost 3, and for projects valued at more than $1M it is 6.7.
[21] 28 per cent reported that CSC was the first to provide funding, while one-fifth (21per cent) reported it was the last to provide funding.

An Internet-based review of funding practices in other jurisdictions[22] shows that there are few, if any, stable, longer-term capital programs aimed specifically at supporting the development and/or improvement of arts and heritage infrastructure. Instead, public funding is concentrated on supporting individual artists and artistic enterprises throughout the production and presentation process.

This is not to say that other jurisdictions provide *no* support for arts and heritage infrastructure; some do, but most do not have a program aimed specifically at infrastructure. In fact, several specifically prohibit using public funds for infrastructure. Where infrastructure is not prohibited, it is usually part of a larger, more generalized program.

For example, in the United Kingdom, Arts Council England awards grants from funds provided by the National Lottery and the Government for capital projects (up to £100,000) for buying, refurbishing and improving buildings for arts use. Such projects, however, are simply one of many types of projects and activities funded by Arts Council England, and there appears to be no funding specifically set-aside for capital projects.

France has a long tradition of state support for the arts and culture. France has a Ministry of Culture, initially created by Charles de Gaulle in 1959, and the *droit à la culture* (the right to culture) is incorporated into the French constitution. The importance attached to the arts and culture in France has often taken the form of direct state intervention. There are, for example, no independent or quasi-independent agencies comparable to the Arts Councils that one finds in Canada, the United Kingdom and Australia. Nevertheless, in nearly every region of France, there are contemporary art centres which have the official label (and funding) of the Ministry of Culture. Many of them started their activity in the 70s. Since 1983, the Ministry of Culture has supported many of them financially, and created others in partnership with local and regional authorities. In the last few years, there has been a general debate about the vitality and necessity of these art centres, a debate usually initiated by local authorities who are reluctant to pay their part. Nevertheless, the art centres have mostly survived despite important funding cuts and even after over a decade of decentralization, central government still intervenes energetically in the arts. It does not appear, however, that this intervention is based on a program aimed specifically at infrastructure per se. Rather, funding is organized around artistic disciplines.

In Australia, the Australia Council for the Arts provides 1,700 grants a year in support of young, emerging and established artists, as well as new and established organisations. None of these, however, appear to be part of a program aimed at infrastructure per se. For example, the Council's handbook states that it will not fund major capital expenditure, including the purchase of real estate, the purchase and refurbishment of buildings, and purchase of major equipment and vehicles.

In the United States, the National Endowment for the Arts is the nation's largest annual funder of the arts, bringing art to all 50 states, including rural areas, inner cities, and military bases. However, funding is not available for construction, purchase, or renovation of facilities. (Predevelopment, design fees, and community planning are eligible.) No Arts Endowment or

[22] Australia, France, Quebec, Saskatchewan, United Kingdom, United States.

matching funds may be directed to the costs of physical construction or renovation or toward the purchase costs of facilities or land.

At the provincial level, both Quebec and Saskatchewan have recently announced programs aimed, at least in part, at arts and heritage infrastructure (e.g., Saskatchewan's Building Communities Program[23] and Quebec's November 2007 announcement that it would invest $885 million over 5 years), but most provincial governments do not have formal programs aimed specifically at this type of infrastructure. In addition, such programs typically operate on a cost–sharing basis, requiring recipients to secure funding from other public or private sources.

None of the key informants could envisage any viable alternatives to the CSC Program, either at other levels of government or in the voluntary and/or private sector. Problems cited with attempting to have other levels of government or the voluntary/private sector assume responsibility for a CSC-like program included:

- Lack of fiscal capacity. Even though CSC's funding is viewed as modest by many in relation to the level of need for infrastructure investment, it is viewed as significantly exceeding funding that would be available from private or voluntary organizations;
- Lack of administrative capacity. With the potential exception of ArtsBuild Ontario[24], no other organization was seen as having the administrative capacity to manage an arts and heritage infrastructure program. Even ArtsBuild Ontario, however, is still in its formative stages, and is not ready either financially or administratively, to manage a capital infrastructure program. In addition, its mandate is exclusively Ontario. Most provincial governments lack programs focused on arts and heritage infrastructure and therefore do not have the expertise found in the CSC Program to evaluate proposals targeted at this infrastructure;
- Loss of a national orientation. Were CSC (and its funding) to be transferred to another level of government or the private or voluntary sector (and the administrative capacity built up), there would be a significant risk that local, as opposed to national, interests would dominate decision making. The perception of this risk was not confined to CSC personnel. The CSC Program was widely viewed as being able to rise above local interests, and to take a broader perspective that enabled otherwise underserved groups and disciplines to participate.

Finally, there was an almost unanimous consensus among key informants that not renewing funding for CSC would lead to serious negative impacts on Canadian arts and heritage facilities. Some of the main negative impacts mentioned were that: the sector would be left in a vulnerable position; facilities in rust out now would have an accelerated rate of decline; an increasing number of facility-specific disasters; there would be huge losses for the cultural landscape and a loss of infrastructure that reflects the national cultural heritage; Canadians' access to high-calibre

[23] This program is aimed at recreational and cultural infrastructure.

[24] ArtsBuild Ontario is a project overseen by a number of arts service organizations for the benefit of the broader arts sector. It has three-year funding from the Trillium Foundation to embark upon a project to establish the most effective mechanism by which to address the "facilities deficit" in Ontario. At present it has no capital funding, but has a long-term goal to develop a permanent non-profit arts capital finance fund.

production would be curtailed; and there would be enormous pressure on the provinces and municipalities, and the perception that the federal government was practicing burden-shifting.

2.3 Rationale and Relevance

2.3.1 The Continuing Need for CSC

Evidence from a variety of sources indicates that the need for investment in arts and heritage infrastructure has not abated since the launch of CSC.

Cultural funding at the federal and provincial/territorial levels fell throughout the 1990s. By the late 1990s, two federal initiatives that could provide support for cultural infrastructure (the Strategic Development Assistance and Capital Assistance components of the Cultural Initiatives Program) were dormant. By then, many of the cultural facilities that were built in the 1960s and 1970s were in need of repair and upgrading, a fact that was acknowledged in the 1999 report by the Standing Committee on Canadian Heritage, A Sense of Place – A Sense of Being. It recommended that the government establish a long-term financial strategy to deal with Canada's deteriorating cultural facilities. CSC, which was launched in 2001 as part of a much larger initiative to "create stability within the arts and culture community by providing predictable levels of funding in the years to come", was part of the government's response to this recommendation.

Since then, documents emphasizing the need for continued investment in arts and heritage facilities come from a variety of sources.

For example, the *2006 Facility Needs Assessment Survey* conducted by ArtsBuild Ontario found that 45 per cent of Ontario facilities were constructed over 25 years ago. Not surprisingly, many of the small and mid-sized organizations that use these facilities were planning capital infrastructure projects: the survey found 164 organizations planning 348 projects with an estimated total cost of $104 million. Only 16 percent of the organizations had capital reserve funds for these projects, with the value of these reserves amounting to 3.4 percent of the total value of their projects. Ninety-seven per cent of the organizations reported that they would apply for a capital grant under a capital grant program, if such a program existed.

A 2007 report prepared for the British Columbia Ministry of Tourism, Sport and Arts (*A Case for Investing in Arts, Culture and Heritage Infrastructure*) estimated that the province's cultural infrastructure shortfall likely exceeded $1 billion.

In late 2007, a series of reports were produced by Simon Fraser University's Centre of Expertise on Culture and Communities to support regional roundtables that offered participants an opportunity to engage in face-to-face policy dialogue with municipal policy makers, cultural workers, the private sector, and members of the provincial and federal government on issues of cultural infrastructure. These reports found that while provincial and municipal inventories, where they exist at all, are out of date, or lack the scope to make them effective tools for infrastructure investment planning, there was a widespread belief among participants that arts and heritage infrastructure, much of which is aged, was in need of renewal.

Individual cities have also undertaken reviews of their cultural infrastructure. The City of Ottawa, for example, identified $125 million in arts, heritage and cultural infrastructure priority projects. Similarly, a 2007 study in Calgary (*Current State of Cultural Spaces for Arts*) noted that, for example:

- The city's purpose-built spaces were operating at or near capacity (system average venue use of 92.3 percent), preventing new entrants or the growth of existing organizations;
- Most spaces in Calgary are aging and in need of reinvestment:
- Large areas of Calgary have no dedicated arts facilities, limiting accessibility to arts, especially in areas not well served by transit.

The study includes a plan that calls for up to $150 million in municipal investment in the 2007-2014 period, noting that this could leverage an additional $500 to $750 million in additional investment from other orders of government and the private sector.

Infrastructure problems noted in studies carried out at the municipal level include:

- Crumbling and inadequate infrastructure: many of the single purpose facilities built in the 70s are now needed for multiple uses;
- Lack of affordable live-work space for artists in city centres;
- Technological obsolescence (e.g., of sound and lighting systems);
- Competition for funds from other infrastructure needs;
- Amalgamation had reduced the number of projects that municipalities can seek support for under provincial programs.

In November 2007, a report prepared by the Federation Of Canadian Municipalities estimated that the total size of the municipal infrastructure deficit was $123 billion, including a sub-deficit of $40.2 billion for community, recreational, cultural and social infrastructure.

There was unanimous consensus among key informants that there is a continuing need for the CSC Program, with over three-quarters of the individuals interviewed identifying changes that reinforced the need for the Program. The reasons cited include:

- There is still a major unmet need for infrastructure investment as many facilities that were created in the 60s and 70s are experiencing rust out. Some of these have received funding from the CSC Program that has been carried out to-date, but many still need updating/repair[25];
- There is also a need for new facilities to respond to the needs of growing communities and cultures. It was pointed out that the population has increased 30 percent in the past 30 years, much of which includes new citizens with new cultural expressions;

[25] For example, internal documents prepared in 2006 by CSC program staff showed that applications under consideration and anticipated requests to 2009-2010 totalled $65 million (under consideration) and $222 million ("highly speculative") versus available funding of $89 million

- CSC is the only federal program that stresses cultural infrastructure as opposed to other infrastructure such as major water, sewer or transportation projects. Moreover, even when arts and heritage infrastructure is an eligible category in other infrastructure programs, these programs are aimed at mega-projects or at the economic development aspects of cultural infrastructure, not at the small- to medium-sized facilities that CSC is focussed upon.

Key informants also observed that there are a number of changes that have occurred since CSC's inception that reinforces the continuing need for the Program. These include:

- Changes in provincial infrastructure funding, or in some cases a complete withdrawal of funding targeted at arts and heritage facilities (i.e., the end of the SuperBuild Program in Ontario). CSC is now the only public funding program outside the municipal level in some provinces;
- Private funding is either not present in many jurisdictions, or is not obtainable by the small- to medium-sized facilities that CSC is focussed upon;
- Even where there is other public or private funding available, arts and heritage organizations may have difficulty obtaining sufficient funds from these sectors without federal funding. Federal funding is viewed by other funding sources as giving credibility to a project, enabling it to leverage funds from these sources;
- There has been significant technological change in the arts and Canadian artists need up-to-date, state-of-the-art facilities to create and present in;
- Museum standards have changed as well, and there is a need for Canadian museums to upgrade their HVAC and environmental control and lighting systems to maintain their classification levels;
- Costs have risen, pressuring both sources of funding and facilities. The funding that is available from other sources does not go as far as it did given the rise in construction costs. Facilities that were operationally sustainable when energy prices were lower are threatened unless they can become more energy efficient.

Finally, the survey of non-applicants to the CSC Program showed that lack of funds was the primary reason organizations did not undertake an infrastructure project during the period April 1, 2001 to March 31, 2007.

2.3.2 Justification for Federal Government Intervention

Many arts and heritage facilities are in need of capital investment. The funds necessary for this investment must come from a variety of sources. The federal government is a key potential source of funding that all arts and heritage organizations could access.

Program staff and other key informants were universal in their belief that continued federal government intervention in arts and heritage infrastructure is justified. They cited a number of arguments in support of this:

- The level of demand for investment in cultural infrastructure far exceeds the levels of funding currently available from public sources such as CSC;

- Federal programs, such as CSC, are often complementary to other sources of public or private funding. Indeed, provincial programs, where they exist[26], often assume that funding from sources will be available. For example, Saskatchewan's Building Communities Program requires that recipients have a minimum of three partners. Calgary's plan assumes that partnerships with other levels of government will be available;
- In many jurisdictions, other sources of public funding are either not available or very restricted in their size and scope. Ontario, for example, has no program specifically focussed on arts and heritage infrastructure, though the Ontario Trillium Foundation will consider projects on a case by case basis and up to a maximum amount of $150,000 per project;
- The Federal Government, as evidenced by the Building Canada Fund component of the Building Canada Plan, is committed to investing in infrastructure, including cultural infrastructure.

Survey data also lend support. For example, the surveys of CSC funding recipients and non-participants show, respectively that:

- Funding received from the CSC Program was very important for many recipients in leveraging funding from other sources for their projects;
- Lack of funds was the primary reason non-participating organizations did not undertake an infrastructure project during the period April 1, 2001 to March 31, 2007.

These results suggest that federal government support was important in enabling infrastructure projects to proceed and that without it, some infrastructure projects will not go forward.

As well, surveys of Canadians commissioned by the department since 2001 show consistent levels of public support for government engagement in the arts, including government assistance to targeted infrastructure. Thus, the 2007 survey reports that:

- 89 percent think that the government should place at least a moderate amount of importance on supporting arts and culture in Canada;
- 88-94 percent agreed that government should help preserve and protect Canadian heritage, provide support for the arts and culture, promote awareness of events/activities, ensure that attendance is affordable, and to make sure there are enough facilities to serve the public;
- only 40 percent of respondents said that the number of facilities in their communities was good or very good;
- 83 percent think that the government should provide financial support for culturally diverse communities;
- 80 percent think that the government should provide financial support for Aboriginal communities.

[26] Only Saskatchewan and Quebec appear to have funding programs specifically targeted at cultural infrastructure.

These high levels of public support are consistent with CSC's objectives and its priorities for targeting specific communities, and suggest that the Program is suitably reflecting the interests of ordinary Canadians.

Finally, internal analyses developed by the Department of Canadian Heritage[27] note that many of Canada's largest census metropolitan areas have decided to invest in cultural infrastructure in order to maintain or enhance their competitiveness in the knowledge economy. They are doing so in the belief that investments in cultural infrastructure generate spin-off benefits that far exceed the amounts invested in that infrastructure.

Notwithstanding the above, it is important to note that:

- Levels of demand for public funding often exceed the available funding, so cultural infrastructure is no exception in this regard.
- The fact that one level of government has designed programs and plans that assume funding from other sources will be available does not bind another level of government. As Calgary's plan notes, the assumption that money invested by Calgary can be leveraged is a risk and "the capacity of other orders of government to participate at the necessary level, especially over time, is not clear";
- The lack of funding programs at provincial and municipal levels for creating or refurbishing provincial and municipal infrastructure does not obligate the federal government to set up programs to do this;
- The Building Canada Fund (BCF) represents an investment of $8.8 billion dollars over seven years. Two thirds of the funds for large scale strategic projects under BCF will be directed to national priorities (drinking water, wastewater, the core National Highway System, public transit and green energy). Provinces and territories can also put the remainder towards other priorities including large priority cultural projects under the Major Infrastructure component of the fund. Likewise, cultural infrastructure investment is also eligible for communities under 100,000 through the Communities Component. Proponents of cultural infrastructure projects must demonstrate that their project has a significant economic and/or regional impact. The necessary agreements with Provincial/Territorial governments for the program were in place with seven of thirteen provinces and territories as of March 31, 2007[28].

In addition, while it is true that CSC funding was important to its recipients, as shown by the survey of non-participants, some arts and heritage institutions have been creating and renewing arts and heritage infrastructure without federal government support, although on a smaller scale. Organizations planning capital projects access a wide range of funding sources. In the survey of non-participants these included:

- Municipal governments (41.7 per cent);
- Private sector such as businesses, foundations or individual donors (36.1 per cent);

[27] Creative Communities for A Knowledge Economy, An Opportunity for Canada's Competitiveness and Prosperity, Department of Canadian Heritage, October 2007

[28] Agreements had been signed with British Columbia, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunuvat and Yukon as of March 31, 2008.

- Provincial or territorial governments (19.4 per cent);
- The federal government other than the CSC Program (19.4 per cent); and
- Other (19.4 per cent). Others included internally generated funds, local fundraisers, and the parent university.

2.3.3 Alignment with Departmental and Governmental Priorities

CSC fits well under the Department's strategic outcomes.

CSC's objectives and the department's strategic outcomes – Canadians live in an inclusive society built on intercultural understanding and citizen participation, and Canadians express and share their diverse cultural experiences with each other and the world – are clear. By improving access to performing arts, visual arts, media arts, museum collections and heritage displays, particularly those originating from culturally diverse groups (one of the Program's targets), the Program is facilitating intercultural understanding. In addition, sharing diverse cultural experiences is facilitated through improved physical conditions for artistic creativity – through the Program's efforts to increase the number of arts and heritage facilities and/or improve the infrastructure of existing facilities. If such facilities did not exist or could not be used, venues for sharing cultural experiences would be denied to Canadians.

The CSC Program objective – to improve access to performing arts, visual arts, media arts, museum collections and heritage displays; and to contribute to improved physical conditions for artistic creativity and innovation – *is* also related to a commitment made in the context of the Building Canada Plan, part of the Government's priority to provide effective economic leadership. Through this plan, an Infrastructure Canada program, the Government committed to investing in Canada's transport and trade hubs, including the Windsor–Detroit corridor and the Atlantic and Pacific gateways. It stated that the result would be safer roads and bridges, shorter commutes, more competitive business, improved cultural infrastructure and a better quality of life for all Canadians[29]. The Government recognizes that "Culture creates dynamic cities and communities and helps promote and sustain Canada's rich multicultural heritage. Cultural infrastructure, such as museums, theatres, and art galleries, provides the venues for citizen engagement and participation in artistic and cultural activities that help define a community. Cultural industries also generate economic activity and attract skilled workers and tourists to a community."[30]

The Building Canada Plan has arts and heritage infrastructure as an eligible category. CSC-type projects appear to most likely be funded under the Community Component of the Fund which focuses on projects in communities with a population of less than 100,000. The Government, in this instance, however, has left the decision up to the provinces and territories and their respective municipalities as to whether arts and heritage infrastructure will be deemed a priority in light of all the other fiscal priorities they are facing.

The 2008 Budget tabled in the House of Commons on February 26, 2008 contained provisions to invest in infrastructure and in culture and sports. However, neither of these was targeted at the

[29] *Strong Leadership. A Better Canada*, Speech From the Throne, October 16, 2007, p. 11.
[30] *Building Canada—Modern Infrastructure for a Strong Canada,* November 2007, p. 23

small and medium-sized arts and heritage infrastructure supported by CSC. The budget's infrastructure focus was public transit and small craft harbours. At the time of the evaluation, its cultural focus was Canada's National Museums.

There was also an announcement in the 2008 Budget concerning the Community Development Trust, which is designed to provide up to $1 billion for provincial and territorial initiatives to assist workers and communities that are experiencing hardship due to international economic volatility. Infrastructure investments that stimulate economic diversification are a feature of the trust, and the plan is to provide a base amount of $10 million to each province and $3 million to each territory, with the balance of the funding allocated on a per capita basis. Since Provincial and territorial governments will have the flexibility to draw down the funding as they require, it is conceivable that they will make some use of it for cultural infrastructure. However, this kind of arm's length commitment is not the direct intervention in arts and heritage infrastructure that was evident when CSC was launched and renewed.

The Government has announced new cultural investments over the past two years in national cultural institutions or in those institutions where the investment will make a significant economic impact at the national or regional level. For other, smaller institutions or for smaller scale projects, Infrastructure Canada's Building Canada Fund has left the priority setting to other levels of government to determine what available federal funds beyond what is available through CSC, will be invested in cultural infrastructure.

3. Conclusions

The following conclusions can be drawn from the summative evaluation of the CSC:

Success and Outcomes:

- Evidence was found showing that all of the planned outputs and immediate outcomes as documented in the Program logic model (see Annex A) were realized. Specifically:
  - Five Hundred and forty-seven projects had been funded as of July 5, 2007 since Program inception. The projects occurred in all provinces and territories and in communities of all sizes and were in line with expected outputs for the program.
  - Projects funded by CSC have either created new facilities that offer arts and/or heritage experiences or have improved the infrastructure of existing facilities.
  - CSC funded projects led directly to improvements in the quality or standards of arts and heritage infrastructure for participating organizations.
  - CSC funded projects have contributed to the increased effectiveness of arts and heritage organizations.

- With varied sources of funding available for cultural infrastructure, it is difficult to attribute outcomes solely to CSC. However, the evaluation has shown that access to other sources of funding has been facilitated to a certain extent by CSC. Also, it is difficult to determine CSC's impact on the extent to which Canadians participate in and benefit from access to activities provided by funded arts and heritage organizations. However, most of the lines of enquiry support the proposition that the CSC Program had a positive impact on participating organizations due to improvements to facility access (e.g., ramps, audio systems) and capacity (e.g., increased seating capacity, increased exhibit areas).

- The unexpected outcomes of the Program are generally viewed as positive within the arts and heritage community.
  - CSC was one of several sources of funds that arts and heritage organizations had to assemble to enable their project to move forward. Rather than duplicating or overlapping these sources, CSC funding complemented them.
  - Many of the funded organizations reported increases or anticipated increases in their staff complement due to the changes made as a result of the CSC funded project.
  - Positive effects of the project extended into local communities. These included an increase in outreach activities, artists doing more in the community, changes in the type of people attending the facility, and increases in tourism. While none of the key informants, case studies, or file reviews attributed the revitalization of local neighbourhoods to CSC funding, other studies have linked this type of economic benefits to arts and culture.
  - Key informants also identified some operating efficiencies (e.g., lower insurance costs because facilities were now compliant with building codes); an increased ability to stage performances or exhibits that could not be in the past; greater awareness of the need to support cultural facilities and to create reserve funds to address future infrastructure requirements.

- Unexpected negative outcomes were generally associated with program design issues. These were similar to the types of issues identified in the 2003 formative evaluation. Some adjustments were made to the Program when it was renewed in 2005.

Cost Effectiveness

- Program administrative costs appear to be reasonable. They are lower than some other programs administered by ADP for programs that typically provide smaller amounts and greater than those for another ADP administered program that has considerably fewer recipients.

- The majority of funding required for CSC-funded projects comes from other sources. Approximately five dollars were raised from other sources for every dollar provided by CSC for approved projects. This is significantly greater than the minimum implicit in the program design (based on the maximum contributions provided under CSC, recipients must raise at least one to two dollars from other sources for every dollar provided by the Program). A number of organizations indicated that they found it easier to raise funds from other sources once funding was received from CSC. In that way, CSC acts as a catalyst for other sources of funds.

- Programs like CSC are rare. There are few, if any, stable, longer-term capital programs aimed specifically at supporting the development and/or improvement or arts and heritage infrastructure in the other jurisdictions examined. Support that is provided is generally part of a larger program. Without CSC, it is expected that most Canadian arts and heritage groups would have an increased difficulty in securing the funds necessary to proceed with significant infrastructure projects.

Rationale and Relevance

- The need for investment in the arts and heritage has not abated since the launch of CSC. There is significant documentary evidence showing that many cultural facilities built in the 1960s and 1970s are now in need of repair and/or replacement. There is also an ongoing requirement to upgrade facilities as building codes evolve. Similarly, equipment must be replaced when it reaches the end of its useful life and/or technological obsolescence occurs.

- Many arts and heritage facilities are in need of capital investment. The funds necessary for this investment must come from a variety of sources. In that context, the federal government is a key potential source of funding that arts and heritage organizations can access. In some instances, federal support also facilitates access to other sources of funding by affording increased credibility to funded projects. Program staff and other key informants were universal in their belief that continued federal government intervention in arts and heritage infrastructure was warranted. Survey data also show that federal government support was important in enabling infrastructure projects to proceed and that without it, some projects will not proceed as quickly, if at all, as they might otherwise. Some non-participants undertook similar projects as CSC recipients although these projects were, on average, of a smaller scale.

CSC fits well with PCH's strategic outcomes. Over the past few years, the Government, through its public statements, has announced new cultural investments in national cultural institutions or on those institutions where the investment in infrastructure will make a significant economic impact at the national or regional level. Under this latter investment, through Infrastructure Canada, for other, smaller institutions or for smaller scale projects, it has left the priority setting to other levels of government to determine what available federal funds beyond what is available through CSC, will be invested in cultural infrastructure.

Summary

Generally, CSC has achieved the outcomes that were established for the Program and the unexpected outcomes are viewed positively within the arts and heritage community. Administrative costs appear to be reasonable and recipients' share of funded project costs was significantly more than the minimum implicit in the program design.

There is no indication that the need for investment in capital infrastructure for the arts and heritage has abated since the launch of CSC. The federal government is a key potential source of funding for arts and heritage organizations, which generally must obtain funding from a variety of public and private sources before capital infrastructure projects can proceed. The Program is clearly aligned with the Department's strategic objectives. Some non-participants undertook similar projects to those organizations that received funding, albeit on a smaller scale.

4. Recommendations and Management Response

The following recommendation is based on the evaluation's research findings and conclusions.

Recommendation 1: PCH should more clearly articulate the incremental impact the program is expected to have on program recipients and their stakeholders in comparison to those organizations that do not receive funding.

Both program participants and some non-participants achieved the stated objectives of CSC albeit to varying degrees. By better capturing the incremental impact on the various stakeholders of providing infrastructure funding, the program will be able to strengthen its case in support of government investment of scarce resources into this area.

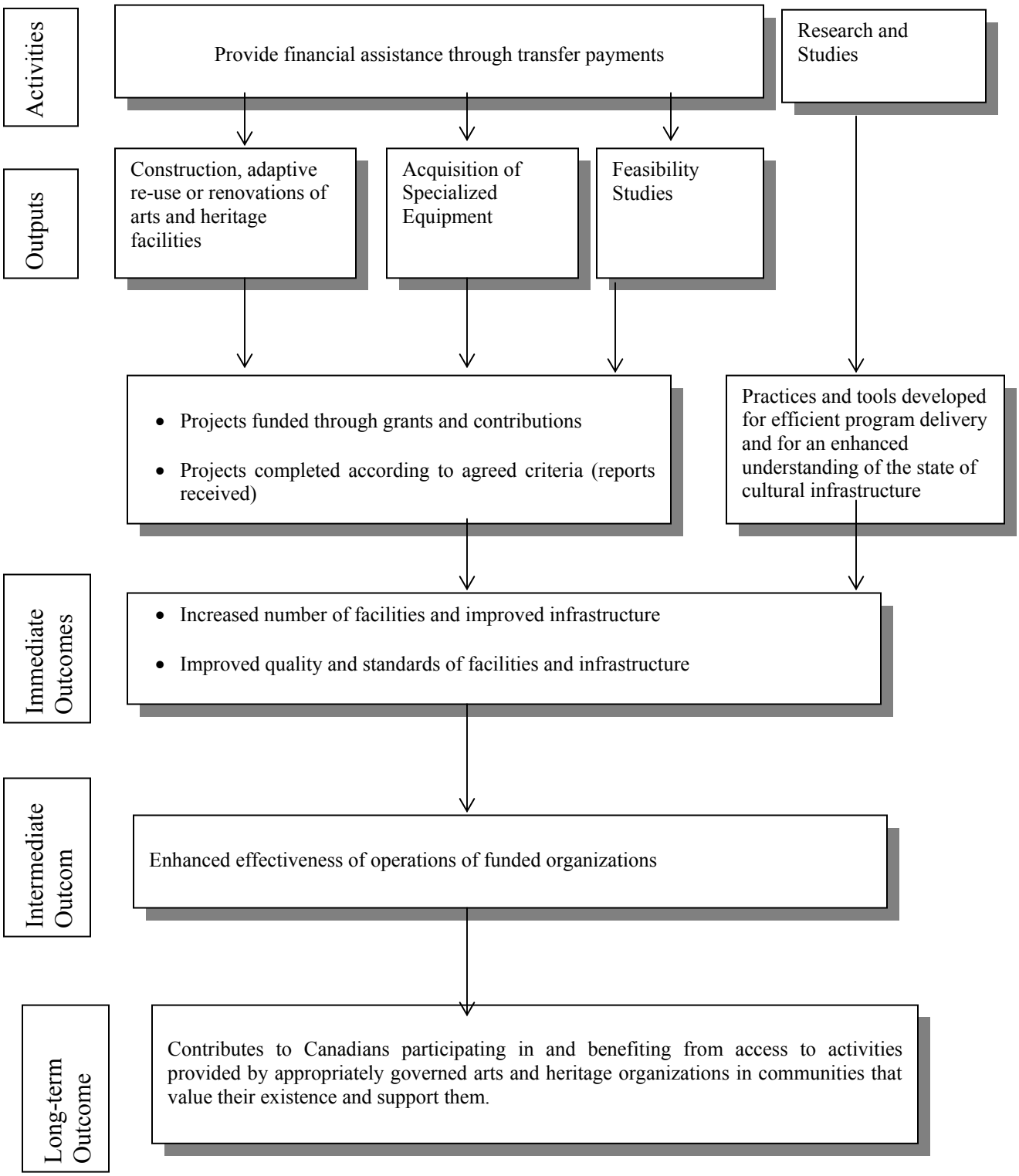
Management Response – Accepted

Redesign of the program's Terms and Conditions, to be completed in 2009-10, will include measures to ensure that the next generation of the CSC program can better demonstrate the impact the program is having on its recipient organizations versus organizations that did not receive funding. The program will gather data to respond more clearly to this question, in preparation for the next summative evaluation.

Program renewal will draw from the recommendations contained in the Report of the Independent Blue Ribbon Panel on Grants and Contributions Programs. In doing so, the program will streamline reporting processes and will focus on the incremental impact of its investments.

Implementation Schedule: March 31, 2010

Annex A: Logic Model for the CSC



Annex B: Evaluation Issues/Questions/Indicators

Issues/Questions	Indicators	Methodology							
		Document Review			Key Informant Interviews	Case Studies	Surveys of Funding Applicants & Non Applicants	File Reviews	Database Reviews
		Program Related	Other Literature	Previous Surveys					
Success and Outcomes									
To what extent is the Program meeting its expected Results?									
Immediate Outcomes									
Increased number of facilities and improved infrastructure resulting from CSC funding	• Number of constructions built and renovated by type of facilities, and by region • Number of facilities which purchased specialized equipment, by type of facility and by region • Number of projects related to specialized equipment purchased by type of facilities, and by region • Number of feasibility studies conducted by type of facilities, and by region							√	√
Improved quality and standards of infrastructure resulting from CSC funding	• Number of funded projects that had the objective/have improved technological and safety features • Number of funded projects that had the objective to improve/have improved disabled access requirements • Number of funded projects that had the objective to improve/have improved environmental and conservation requirements • Number/ of funded projects that had the objective to increase / have increased seating or							√	√

Issues/Questions	Indicators	Methodology							
		Document Review			Key Informant Interviews	Case Studies	Surveys of Funding Applicants & Non Applicants	File Reviews	Database Reviews
		Program Related	Other Literature	Previous Surveys					
	visitor capacity by type • Number of funded projects by geographic region and by type (arts, heritage)								
Intermediate Outcomes									
Enhanced effectiveness of operations of funded organizations	• Increased capacity to deliver performances, productions or exhibitions • Increased capacity to deliver better quality performances, productions or exhibitions • Anticipated long term health of the organization as a result of the project • Number of facilities users (where applicable) • Level of self-generated revenues (where applicable) • Users satisfaction with the new construction / equipment available • Employees (artists and staff) satisfaction with working conditions			√	√	√	√	√	√
Long-term Outcomes									
Contributes to Canadians participating in and benefiting from access to activities provided by appropriately governed arts and heritage organizations in communities that	• Number of facilities with increased seating/visitor capacity • Number of funded facilities by regions and by types (arts and heritage) • Level of access and participation to arts and heritage spaces by Canadians in		√	√	√	√	√	√	√

Issues/Questions	Indicators	Methodology							
		Document Review			Key Informant Interviews	Case Studies	Surveys of Funding Applicants & Non Applicants	File Reviews	Database Reviews
		Program Related	Other Literature	Previous Surveys					
value their existence and support them.	their community • Attitudes of Canadians towards Arts and Heritage experiences (e.g., level of satisfaction, desire to participate)								
Were there unexpected outcomes? (Socio-economic benefits of the funding)	• Overlaps, leveraging, complementarities of funding, synergy, duplication • Economic impacts of new/improved infrastructure on local communities • Revitalisation effects in neighbourhoods of funded facilities		√	√	√	√	√	√	
Cost-effectiveness									
Are the resources that have been allocated to CSC being used in the most efficient and effective way to deliver appropriate results? If not, what are the alternatives?	• Program cost per component vs. comparable programs (e.g. at provincial/territorial or international level) • Percentage of project budget that comes from CSC/other funding sources • Overlaps, leveraging, complementarities of funding, synergy, duplication • Other potential delivery mechanisms (e.g., practices in other jurisdictions)	√	√	√	√	√		√	√
Relevance									
Is there a continuing need for CSC?	• Current state of the need that gave rise to the Program • New conditions, issues and external factors that may influence the need for and nature of the Program • Current adequacy of Program	√	√	√	√	√	√		

Issues/Questions	Indicators	Methodology							
		Document Review			Key Informant Interviews	Case Studies	Surveys of Funding Applicants & Non Applicants	File Reviews	Database Reviews
		Program Related	Other Literature	Previous Surveys					
	and the nature of its intervention for addressing the need in question • Socio-economic characteristics of targeted population groups • Concordance between the objectives and expected outcomes of the Program and the original need								
Is the federal government intervention justified?	• The need and public policy that led to the intervention in this sector • Role and nature of the interventions of different key players in this sector (i.e., associations, federal, provincial, municipal and territorial governments, private sector) • Overlap, complementarities of funding or synergy with the intervention of provincial, territorial, aboriginal and municipal government	√	√	√	√	√	√		
To what extent is the Program aligned with departmental and governmental priorities, including departmental strategic objectives?	• Link between the Program and Government of Canada's priorities • Contribution of the Program to PCH Strategic Objectives	√	√		√				

Annex C: Documents Reviewed

Background

- Results-based Management and Accountability Framework (May 2001)
- Integrated Results-based Management and Accountability Framework/Risk-Based Audit Framework (April, 2005)
- Joint Formative Evaluation of Arts Presentation Canada, Cultural Spaces Canada and the Canadian Arts and Heritage Sustainability Program (October, 2003)
- Presentations or decks on various themes linked to CSC:
  - Cultural Spaces Canada – An Overview (May 2007)
  - Sharing Results on Cultural Spaces Canada (June 21, 2007)
- CSC web site (www.pch.gc.ca/progs/ecc-csp/index_e.cfm)
- Program application guides – available on the CSC web-site (www.pch.gc.ca/progs/ecc-csp/application_guide_e.cfm)
- Detailed Costing Table 2005-2006 to 2009-2010
- Artists in Large Canadian Cities, Hill Strategies Research, March 2006
- Audit of the Cultural Spaces Canada Program, October 2005
- Report of the Auditor General of Canada on the Expenditure Management System in Departments, Chapter 2, 2006

Rationale and Relevance

- Program Terms and Conditions
- 2007-2008 Report on Plans and Priorities (RPP) and PCH Program Activity Architecture
- 2005-06 Departmental Performance Report
- The Arts and Heritage in Canada: Access and Availability 2007, Phoenix Strategic Perspectives Inc., March 2007
- Our Heritage Future A Shared Responsibility, Final Report of the Voluntary Planning Heritage Strategy Task Force, December 2006
- Des Fondations pour Réussir, Plan Québécois des Infrastructures, Briefing technique, 5 November 2007
- Facility Needs Assessment Survey ArtsBuild Ontario, September 2006
- Reclaiming Calgary's Cultural Identity: Arts Spaces Strategy and Capital Plan, Calgary Arts Development, 2007
- Building Communities Program, Saskatchewan, 2007
- A Case for Investing in Arts, Culture and Heritage Infrastructure, British Columbia Ministry for Tourism, Sport and Arts, May 2007
- Canada's Performance The Government of Canada's Contribution, Report of the President of the Treasury Board of Canada, 2006-07
- Building Canada Modern Infrastructure for a Strong Canada
- Creative Communities for a Knowledge Economy, An Opportunity for Canada's Competitiveness and Prosperity, Department of Canadian Heritage, October 2007

- Cultural Spaces Canada Program – Applications under consideration and anticipated requests to 2009-2010, Memo from Jean-Pierre Blais to Joanne MvNamara, June 14, 2006
- The State of Cultural Infrastructure – Policy Issues and Dialogue – Regional Roundtable Background Paper – Ontario, Centre of Expertise on Culture and Communities, Simon Fraser University, November 2007
- The State of Cultural Infrastructure – Policy Issues and Dialogue – Regional Roundtable Background Paper – Pacific Region, Centre of Expertise on Culture and Communities, Simon Fraser University, December 2007
- The State of Cultural Infrastructure – Policy Issues and Dialogue – Regional Roundtable Background Paper – Atlantic Region, Centre of Expertise on Culture and Communities, Simon Fraser University, November 2007
- The State of Cultural Infrastructure – Policy Issues and Dialogue – Regional Roundtable Background Paper – Northern Region, Centre of Expertise on Culture and Communities, Simon Fraser University, November 2007
- The State of Cultural Infrastructure – Policy Issues and Dialogue – Regional Roundtable Background Paper – Prairie Region, Centre of Expertise on Culture and Communities, Simon Fraser University, November 2007

Success and Outcomes

- Studies and research conducted by PCH or external consultants/academics:
  - Jones, K., *Measuring the Impact of Investment in Cultural Facilities*, Ryerson University (2003)
  - Jones, K., Lea, T., Sharpe, D., Jones, T. and Harvey S. *Spillover Effects of Investments in Cultural Facilities*, CSCA Publication No 2004-07
  - Florida, Richard*, Cities and the Creative Class,* City and Community, March 2003.
  - Malanga, Steven, *The Curse of the Creative Class***,** City Journal, Winter 2004
  - Peck, Jamie, *Struggling with the Creative Class,* International Journal of Urban and Regional Research, Volume 29.4, December 2005, pp. 740–770
  - *Creative People, Creative Cities*, Arts Research Monitor, Volume 3, No 10
  - *Arts & Economic Prosperity III: The Economic Impact of Nonprofit Arts and Culture Organizations and Their Audiences,* Americans for the Arts, May 22, 2007
  - Creative Class, Arts Research Monitor, Volume 2, No 10

- Cultural Spaces Canada Key Client Survey (Decima Research Inc. 2005, 2007)
- Cultural Spaces Canada National Inventory of Existing Infrastructure 2002 (Commonwealth Historic Resource Management Limited)
- Arts and Heritage Access and Availability Survey (Decima Research, 2001, 2004, Phoenix Strategic Perspectives Inc., 2007)
- Joint Client User Survey (APC and CSC) (Decima Research, 2007)
- Report of the Auditor General of Canada on the Expenditure Management System in Departments, Chapter 2, 2006

Cost- effectiveness

- Comparisons of Arts Funding in Selected Countries: Canada Council for the Arts, October 2005
- Comparison with other approaches – research of the following web-sites:
  - United Kingdom
    - www.britisharts.co.uk/artsfunding.htm
    - www.artscouncil.org.uk/
    - www.awardsforall.org.uk/
    - www.aandb.org.uk/
  - Australia
    - www.ozco.gov.au/
    - www.acn.net.au/grants/
    - www.dcita.gov.au/arts_culture/funding_programs__and__support
  - United States
    - www.nea.gov
    - www.usa.usembassy.de/arts.htm
  - France
    - www.artquest.org.uk/artroute/france/the-french-art-scene.htm
    - www.culture.gouv.fr/
  - Quebec
    - www.canadacouncil.ca/grants/lo127234200510156250.htm
    - www.sodec.gouv.qc.ca/

Annex D: Files Reviewed

Organization	Description	Location	Value	Type
Western Region				
Queen Charlotte Islands / Haida Gwaii Film Society	Portable Projection System	Masset, BC	$9,000	Specialized Equipment
Vertigo Theatre Society	Pleiades Theatre – Renovation of Tower Centre Cinemas	Calgary, AB	$2,000,000	Renovation/Adaptive Re-use
Western Canadian Theatre Company	Sagebrush Theatre Enhancement	Kamloops, BC	$40,000	Specialized Equipment
Whistler Museum & Archives Society	Whistler Museum & Archive Heritage Needs Assessment Phase II: A Master Plan	Whistler, BC	$43,000	Feasibility Study
Prairie Region				
Dance Saskatchewan Inc.	Saskatchewan Dance Centre	Saskatoon, SK	$30,000	Specialized Equipment
Portage Community Centre Inc.	Break a Leg	Winnipeg, MB	$29,460	Specialized Equipment
Saskatchewan Western Development Museum Inc.	Winning the Prairie Gamble – Centennial Project	Saskatoon, SK	$410,000	Specialized Equipment, Renovation / Adaptive Re-use
Ontario Region				
City of Toronto	Feasibility Study for a Museum Strategy for Toronto's Waterfront	Toronto, ON	$90,000	Feasibility Study
City of Toronto	Museum of Contemporary Canadian Art – New HVAC – Museological Standard	Toronto, ON	$120,000	Specialized Equipment
Corporation of the Municipality of Red Lake	Red Lake Heritage Centre	Balmertown, ON	$750,000	New construction, renovation/ adaptive re-use
Meneka Thakkar Dance Company of Canada	Meneka Thakkar Dance Company Studio	Toronto, ON	$60,000	Specialized equipment
Muskoka Steamship and Historical Society	Theatrical & educational Presentation Equipment	Gravenhurst, ON	$200,000	Specialized Equipment
Sudbury Theatre Centre	Roof Replacement	Sudbury, ON	$110,000	Specialized Equipment
Soulpepper Theatre Company	The Young Centre for the Performing arts - Specialized Equipment	Toronto, ON	$730,000	Specialized Equipment

Organization	Description	Location	Value	Type
Stratford Shakespearean Festival of Canada	The Brunswick Centre - Supplement	Stratford, ON	$500,000	Renovation / Adaptive Re-use
Quebec Region				
Leonard and Bina Ellen Art Gallery Concordia University	Travaux d'étanchéité de la réserve et achat d'équipements spécialisés	Montréal, QC	$35,938	Specialized Equipment, Renovation/Adaptive Re-use
Regroupement pour le développement des pratiques artistiques interculturelles	Équipements pour les arts et les communautés culturelles	Montréal, QC	$49,224	Specialized Equipment
Société pour la promotion d'événements culturels du Haut-Richelieu	Aménagement Phase II au Cabaret-Théâtre du Vieux Saint-Jean	Saint-Jean-sur-Richelieu	$106,675	Specialized Equipment
Ville de Rivière-du-Loup	Restauration de la toiture et de la fenestration	Rivière-du-Loup, QC	$100,000	Renovation/Adaptive Re-use
Atlantic Region				
Beaverbrook Art Gallery	Elevator Jack Replacement	Fredericton, NB	$11,434	Specialized Equipment
Centre culturel de Caraquet inc.	Centre culturel de Caraquet inc.	Caraquet, NB	$1,532,934	Specialized Equipment, Renovation/Adaptive Re-use
Eastport Peninsula Heritage Society	Beaches Heritage Centre – Air conditioning project	Eastport, NL	$5,237	Renovation/Adaptive Re-use
Mermaid Theatre of Nova Scotia	Imperial Theatre Project	Windsor, NS	$121,153	Specialized Equipment
Newfoundland Independent Filmmakers Co-operative	NIFCO Facilities Enhancement Proposal – Phase II	St. John's, NL	$292,000	New construction, specialized equipment, renovation / adaptive re-use

Annex E: Key Informants

Organization	Name of Interviewee
Alberta Foundation For the Arts, Arts Branch, Alberta Community Development	
ArtsBuild Ontario	
Atlantic Canada Opportunities Agency	Chuck Maillet, Acting Manager of Community Economic Development
Canada Council for the Arts	
Canada Economic Development for Quebec	Pierre Lebrun
Canadian Council of Archives	
Canadian Heritage	***PCH Senior Management*** Hubert Lussier, Former Director General of Arts Policy Michel Lemay, Director, Arts Development and Programs Arts Policy Liliane Mingardi, Manager, Centre of Expertise Advisory Services ***Program Management*** Randy Miller, (Former Manager CSC), Manager (Acting) Arts Presentation Canada Pierre Derome, Director, Heritage Programs Directorate Deborah Robichaud, Manager, Cultural Development and Heritage – Atlantic New Brunswick Office Luc Rathé, Regional Manager, Cultural Affairs and Heritage, Québec Region Claudette Novak, Manager, Cultural Development, Winnipeg Office Laurel March, Manager, Arts, Culture and Broadcasting, Vancouver Office Valerie Hopper, Senior Arts and Heritage Consultant, Ontario Region Ottawa Office ***Regional Program Officers*** Louis Brunet, Senior Adviser, CSC, Québec Region Tracy Hucul, Program Officer, Cultural Development, CSC Winnipeg Office Beverley O'Connell, Senior Arts Consultant, Toronto Office

Organization	Name of Interviewee
	Speros Vlassopoulos, Program Officer, Edmonton Office
Canadian Museums Association	
Infrastructure Canada	Michael Rutherford, Senior Advisor
Government of Manitoba, Manitoba Community Places Program, Department of Culture, Heritage and Tourism	
City of Montréal, Cultural Equipment, Public Art and Artistic Heritage	
Government of New Brunswick, Ministry of Wellness, Culture and Sports	
Government of Prince Edward Island, Culture, Heritage, Recreation and Sport Community and Cultural Affairs,	
Gouvernment du Québec, Ministère de la Culture, des communications et de la Condition féminine	
Réseau indépendant des diffuseurs d'événements artistiques unis (RIDEAU)	
Trillium Foundation (Ontario)	
Western Economic Diversification	Steven Lamoureux, Manager, Infrastructure and CED
The Winnipeg Foundation	

Annex F: Case Study Participants

	Project Value
Specialized Equipment	
Pacific Ballet British Columbia Society	$7,250
Vancouver Opera Association	$10,000
Prairie Theatre Exchange Inc.	$59,150
Société pour la promotion d'événements culturels du Haut-Richelieu	$106,675
Construction/ Renovation/ Adaptive Re-use	
Science North (Dynamic Earth)	$2,000,000
Todmorden Mills Heritage Museum and Arts Centre	$365,000
Fathers of Confederation Buildings Trust	$2,328,500
Les Amis du Village Historique Acadien Inc.	$438,770
Centre de création, de production et de diffusion des arts de la marionette	$243,500