

Bookshelf

Funding of the Arts in Canada to the Year 2000: The Report of the Task Force on Funding of the Arts

Published by the Government of Canada, Ottawa, 1986, pp.150 (English/French)

REVIEWED BY JOHN D. GREGORY

Member, the Ontario Bar

The arts never have enough money. Artists are almost invariably poor, deficits threaten many arts organizations and occasionally kill some, to show that the threats are serious. What can be done? The government points its finger at the private sector; the private sector points back at government. In 1985, Marcel Masse, then federal Minister of Communications, asked Edmond Bovey to sort it all out. A year later, he and his colleagues, Joan Chalmers and Michel Theroux, presented their report: *Funding of the Arts in Canada to the Year 2000*. They have done a creditable job. They point their fingers at everybody.

Members of the Task Force do not reinvent the wheel. They have reviewed the existing materials on the arts and, in particular, they rely on the conclusions of the Federal Cultural Policy Review Committee (the Applebaum-Hébert Report) of 1982, which they say are still valid. They refer as well to the current study (since published) on the status of the artist in Canada. They have considered the views of Eric Neilson's report on arts and culture in the context of rationalizing government expenditure.

As a result of all this reading and reviewing, the Bovey Committee did not find it necessary to defend the arts, either in general or as recipients of public support. Those looking for reasons why the arts should have *any* public funding will read brief but unenlightening passages about "cultural sovereignty", a passing nod to commercial arts (as a source of income for artists) and very slight recognition of the "cultural industries" like films and television production. Both the reasons for supporting the arts and the problems of the cultural industries have been sufficiently discussed elsewhere for the Committee not to dwell on them.

Within those self-imposed boundaries, the Committee's mandate was, not to find out how to cut the costs of federal support for the arts, but rather to recommend a means of more effective funding to foster growth of the arts. This, states the Committee, is "not only feasible, but essential." Effective funding combines two elements: increasing the amounts and sharing the burden.

Why increase the amounts? On this point the Committee borrowed from Applebaum and Hébert whose recommendations found an echo in the briefs

to Bovey. More is needed to provide better income for artists themselves; to provide arts organizations with a stable base for long-term planning; to increase the quality of the arts and public access to them; to find more new Canadian works; to expose Canadian arts abroad; and to develop better facilities for several of these ends.

Given the need for growth, how much should Canada aim for? The Committee tries out three "scenarios": annual growth of two per cent, 3.5 per cent and five per cent until the year 2000. It imposes these percentages on a fundamental assumption that lies behind all its projections: that Canada's economy will grow at a yearly rate of 3.5 per cent throughout the period. A two per cent rate would indicate a contraction in the arts, with "major negative effects". A 3.5 per cent rate represents a steady state, although a need for growth has been demonstrated. The Committee therefore rejects both and recommends that arts funding should expand by five per cent a year for the next 15 years. (While the *Report* focuses on the subsidized arts, the Committee is hopeful that the commercial arts can maintain a similar growth, perhaps with a bit of public stimulus.)

Having established the need and the amount, the *Report* proceeds to say where all the money will come from. First, it will come from earnings of the arts organizations. The Committee recognizes the importance of raising the income of the individual artist; to the extent that arts organizations provide this income, raising their revenues helps the artists too. Arts organizations earn 36 per cent of their annual incomes overall, says Bovey: 50 per cent in the performing arts, 62 per cent in trade publishing but only 16 per cent in galleries and museums. This level should be maintained which, of course, requires a large supplement in dollar amounts if funding as a whole is growing by five per cent a year.

Audiences for the performing arts should double by 2000, says Bovey. First, the rising education and income levels of the population are putting large numbers of people into a class that has traditionally supported the arts while at the same time diluting the "elitist" character of some of these art forms. Second, arts groups must improve marketing skills to stimulate and tap this increased market. The increase will come from attracting new people, not from making the existing audience attend more often. Third, ticket prices must increase at least to a level that passes on real increases in costs. Art galleries and museums that are now reluctant to ask for admission fees or even voluntary contributions should begin to do so (while maintaining reduced rates and periods of free admission to ensure some accessibility to all).

The Task Force is sympathetic to organizations that have incurred deficits, realizing that these do not always result simply from bad management. Nevertheless providing periodic bailouts for groups with deficits looks like penalizing others who have avoided them. Public support should encourage better management, long-term planning (backed by long-term contributions by funding bodies) and more competent boards of directors. After 1990, arts

organizations which persistently incur large deficits (more than 25 per cent of their annual budgets) without specific plans to eliminate them would have their public funding cut off.

Necessary revenue that cannot be earned must be solicited as donations. The *Report* scrutinizes private and public support for the arts. Into the first category fall individual, corporate and foundation donations; into the second, grants from federal, provincial and municipal governments.

Business (and labour) are to lead the private sector with a nine per cent annual growth in contributions from \$15,000,000 in 1985 to \$60,000,000 in 2000 (all numbers given in constant 1985 dollars). Bovey points out that very few medium or small businesses give anything to the arts; the real scope for expansion lies there. A community effort must be made. The *Report* praises an English matching-grant scheme which rewards new-found private donations more than repeat support. The Ontario Government has recently announced a similar program. Business must also lead in developing the management talent in the arts groups, both in full-time and in board positions. The "Young in Art" program of the Council for Business and the Arts in Canada earns particular praise.

At present, arts organizations receive only one tenth of one percent of all charitable donations. The American experience shows that more is possible. Individual donations must be stimulated. Individuals also provide volunteer assistance, which is to be encouraged and improved by training programs. The Committee repeats that the artist, by usually working for a very low income, is the primary individual supporter of the arts. As for foundations, only 10 per cent of Canadian foundations give to the arts, although some give generously. More needs to be done, perhaps through joint projects with other private funders or governments.

Government is now the principal supporter of the arts. It puts up 56 per cent of the funds. The provinces spend a bit more than the federal government, largely because of substantial donations to museums and art galleries. Municipalities have, by and large, not joined the senior governments in this generosity. Although Bovey wants all of this public support to increase, he anticipates less growth here than in the private sector. Federal and provincial grants would grow by four per cent per annum, while municipal contributions should rise by seven per cent a year. Governments' share in 2000 would have shrunk slightly to 52 per cent of the (higher) total. (The Committee recommends that the federal government and the provinces should be equal partners in arts funding, though recognizing that some provinces are not financially able to contribute so much at present.) Funding policies must be co-ordinated both among levels of government and within the interested ministries or departments at each level.

Three particular recommendations stand out among the methods of public granting: 1) arts councils should be prepared to commit funds to an organization

for at least three years, with grants given to coincide with the cash flow needs of the recipients; 2) no capital projects should be supported without an assured source of operating funds, not necessarily from the same source; and 3) projects on a local scale should attract local funding before the provincial or federal governments make any contribution.

Besides their direct contributions, governments are to provide a motor for all other increases: tax breaks. The *Report* alleges that none of the private sector targets will be met without increased tax stimulus. A long chapter spells out the necessary policies: tax credits rather than deductions from taxable income for donations; a "super credit" (more than 100 per cent) for corporate sponsorships, up to a limit; a deduction from income for up to \$2500 spent buying a work of art, not previously sold, from a Canadian artist; better deductions and income averaging for artists themselves. Artists should also benefit from relaxed unemployment insurance rules. All of this, says Bovey, would represent perhaps the equivalent of a one-per-cent increase in real spending per year for both of these levels of government, to add to the four per cent yearly rise in cash contributions.

Is all this going to happen? Should it happen? The Task Force aims at a large increase from all sources of support, together with more effective management of the arts themselves. Bovey says that the balance and the split among private and public funding sources has helped maintain the independence of arts organizations. However, if the prediction of general economic growth—a 15-year average of 3.5 per cent—turns out to be optimistic, then of course the figure for the arts would be harder to attain. The arts are usually the first to suffer. Yet the total of federal and provincial government direct spending on the arts in 2000, if the suggestions were implemented, would make up only one tenth of one per cent of Canada's gross domestic product in that year.

Bovey foresees the number of Canadians with post-secondary education—the prime market for the arts—doubling between 1977 and 2000. If government support of the arts can no longer be attacked as catering to a small elite, why will it be impossible to increase arts revenues substantially without additional tax incentives? Will the new audiences and the newly targeted smaller businesses be more resistant to giving than present donors? The Committee makes only a guess at the cost of the tax incentives which, in other areas, have had a habit of getting out of hand. Can we be sure that they will turn out to be a cheap and effective way of stimulating much larger private contributions?

All of this money, and all of this projected increase in arts activity is justified, says Bovey, in the interests of "cultural sovereignty". Many people, however, seem content to have our commercial culture dominated by the United States and they often object to the reallocation of income to support "Canadian culture". Bovey does not meet this objection directly. The *Report* sees the arts as research and development, as it were, for our cultural industries, the source of products of the Canadian imagination. Surveys have shown that Canadians will watch Canadian television and read Canadian books if they are available

so perhaps the skeptics can be converted by the products of the “research and development”. Public support of the arts would be aimed, in the current economic jargon, at establishing a “level playing field”, to overcome the economic advantages of our larger neighbour and to ensure access for Canadian artists to their own market.

Bovey’s Committee was asked to show how the arts could be satisfactorily funded. The *Report* includes a collection of miscellaneous proposals that did not become part of the recommendations but which may stimulate discussion. It is not a battle cry but a statement of the possible. However, we have here no action plan for creating the political will necessary to implement the recommendations. That will be the more difficult and more important task.

The Task Force is, in the final analysis, preaching to the converted. It is up to the converted, therefore, to hear the sermon and to make improved funding for the arts in Canada a reality.

The Bovey Report is available (without cost) from:

Department of Communications
Journal Tower
Publications DGIS
300 Slater Street, 19th Floor
Ottawa K1A 0C8
Phone: (613) 990-4843

Motivating Volunteers: How the Rewards of Unpaid Work Can Meet People’s Needs

Edited By L.F. Moore

Published by Vancouver Volunteer Centre, Vancouver, 1985, pp.264, \$10.00

From the Top Down: The Executive Role in Volunteer Program Success

By S.J. Ellis

Published by Energize Associates, Philadelphia, 1986, pp.185, \$16.95 (U.S.)

REVIEWED BY WILLIAM GLEBERZON

Director of Fund Development, Canadian Diabetes Association

Volunteerism is a growth industry. According to a recent study, “an estimated 100,000 voluntary organizations exist in Canada—one for each 250 Canadians. Among them are 53,000 registered charities.” The current value of the volunteer labour contributed by individual volunteers and channelled by the voluntary

sector is estimated at \$3 billion. The “value added by the sector exceeds \$6 billion.” To ensure the effective maintenance of this expansion, the sector has also become “labour intensive—at least one in sixty employed people work for voluntary organizations. Their wage bill exceeds two billion dollars.”¹

The response to this growth in staff is mixed, to say the least. Many volunteers long for the “good old days” when a voluntary organization was totally run by volunteers, with perhaps the assistance of a semi-retired person who functioned as a sort of administrative/executive/clerk for little if any pay. Others resent the assumption of the day-to-day operational business by those who make their living from this type of work. However, there are those who do realize that volunteerism has changed and that a good staff is a necessary component of that change.

One basic factor in volunteerism has not changed. People still want to help people. Undoubtedly, both sides in this process will benefit greatly if managers of volunteers become as professional in their work as possible. Because of the growth of volunteerism’s human and financial resources, these managers are becoming increasingly compelled to get as much training as they can.

To assist managers of volunteers and other staff of non-profit organizations, The Canadian Centre for Philanthropy, supported by a large grant from ManuLife, has joined with Ryerson Polytechnical Institute to develop a Certificate Programme for Non-Profit Management. The program will be national in scope and will be available in 1987. It could not be more timely.

However, members of the staff of non-profit organizations and, in particular, those who work closely with, or “manage”, volunteers, do not have to wait for the new Certificate Program to hone their skills. There are plenty of books and courses to which they can turn for sustenance. Two among the available books are: L.F. Moore (ed.), *Motivating Volunteers: How the Rewards of Unpaid Work Can Meet People’s Needs*, and S.J. Ellis, *From the Top Down: The Executive Role in Volunteer Program Success*. Although different in approach and perspective, these books complement each other.

Moore’s subtitle accurately reflects his book’s approach to its subject. The “how” reflects the “why” rather than the “how to” of motivating volunteers. Of course, this distinction is somewhat artificial in that the “how to” flows from the “why” whether or not the latter is articulated.

The book is aimed expressly at managers of volunteers and its purpose is stated in its preface:

At a time when volunteerism faces fierce competition from the strengthening attention to paid jobs due to economic and other pressures, gaining insight into the reason why people volunteer is essential if a program is to operate with minimal volunteer turnover and maximum volunteer satisfaction.

In light of current statistics demonstrating the growth of volunteerism, the first part of Moore's purpose is open to serious question. However, the latter objective merits close study. To that end, Moore has assembled various academic and research-based papers and studies. The result is the sort of book which, while interesting and enlightening, you would expect to encounter in an academic training program.

On the other hand, Ellis's book seems to have been designed as a "take-home" for one of the training workshops which Energize Associates offers. In fact, after you read it, you regret not having been present at the session it was meant to accompany.

According to the Introduction, "the target audience of this book is the top decision-maker. You might be the Executive Director of a non-profit agency or its Board President, you might be the Chief Executive Officer of a large institution, whether profit-making or not. Or you might be the Director of a government agency". Her goal is to nurture among these "Chief Executives . . . a renewed respect for volunteers and the people who lead them—a respect that translates into daily support and wider vision about the potential impact of volunteer efforts."

Thus, the market for this book would seem to be the person to whom the manager of volunteers reports. At least, one would hope that anyone who is appointed as manager of volunteers would not need the sort of basic appreciation of volunteers which this book proposes to cultivate. Indeed, any volunteer organization in which the top manager (whether staff or volunteer) lacks a sense of the importance of volunteers is an organization heading for deep trouble. However, for the manager of volunteers who might be working for such an unenlightened superior this book could be of great political benefit.

Ellis's book is written from an American perspective and therefore some of its material (in regard to taxation, insurance, statistics, and the like) is not applicable to Canada. On the other hand, Moore's book is the product of the Vancouver Volunteer Centre and its approach and tone transcend national boundaries.

Taken together, the books can provide the staff of non-profit organizations and, in particular, the manager of volunteers, with important support. The support from Moore's book would be intellectual, supplying a theoretical framework for the manager of volunteers' professional development. The support from Ellis's book would be political, cultivating support for the manager of volunteers from his or her superior.

Nevertheless, reading only these two books would leave the training of the manager of volunteers (and other staff and volunteers) incomplete. Both books have an aura of impersonality about them. Each lacks the leavening of the human element which makes volunteerism so fulfilling for both the volunteer and the manager of volunteers.

Still, each book represents at least a starting point in the necessary professional development of staff (and volunteers) which is essential for the most effective use of volunteerism in modern organizations. But, this theoretical knowledge should still, in my opinion, be supplemented by practical training such as the new Certificate Program for Non-Profit Management.

FOOTNOTE

1. Morrison, *A New Era for Volunteerism; An Overview*, p.7. Paper presented to the New Era for Volunteerism Conference of Metropolitan Toronto United Way, June, 1986.

Motivating Volunteers is available (prepaid) for \$10 plus \$2.50 for postage and handling from:

Vancouver Volunteer Centre
1625 West 8th Avenue
Vancouver V6J 1T9

For The Welfare of Mankind: The Commonwealth Fund And American Medicine

By A. McGehee Harvey, M.D. and Susan L. Abrams

Published by The John Hopkins University Press, Baltimore, 1986, pp.696, \$32.50 (U.S.)

REVIEWED BY C. ARTHUR BOND

Executive Director, The Physicians' Services Incorporated Foundation

In this day and age, when the amassing of immense wealth draws more than its fair share of critics, it is heartening to see documented in such detail the benefits which can flow back to society through the conscientious decision of one family to use its wealth for philanthropic endeavours.

In 1918, Anna R. Harkness, the widow of Stephen V. Harkness, established the Commonwealth Fund, a private foundation whose purpose was "to do something for the welfare of mankind". The incorporation of the Fund continued in an organized fashion the personal philanthropy of Mrs. Harkness and her late husband who had accumulated his wealth through investment in 1867 in what became the Standard Oil Company.

Condensing into readable form the 65-year history of The Commonwealth Fund and its activities, representing over \$269 million in grants and fellowships,

is no small task, but the authors have accomplished this feat. While the book is daunting in size, the chronological description of the Fund's activities under the direction of successive general directors or presidents permits the reader to determine the impact each president had on the development of the Fund. The appendices and notes, consisting of some 120 pages, provide a quick reference to the specific types of programs and projects supported by the Fund in any year and under each president.

Not only is this text a history of the Fund, it is a record of the evolution of health care, health education and research in the United States since the 1920s; the authors have painstakingly described the background of each facet of American medicine as it existed at the time the Fund was contemplating financing a particular health area. The book is replete with detailed examples of the pioneering work of the Fund in such fields as child health, public health, hospital building programs, health education and medical research.

One cannot but be impressed by the responsible stewardship of the directors, executive officers and staff of the Fund which is shown in descriptions of how the staff of the Fund would research the background on a subject, develop a program, implement it and, most importantly, evaluate it on its completion. For example, the impact of the Fund on medical education, particularly in the integration of medical education into the university during the presidency of Carlton Burke Chapman (1976–1980) is clearly presented in some 50 pages describing the planning and implementation of what was known as the Interface Programs at seven universities, which consumed over \$20 million of the foundation's funds.

In their endeavour to describe the programs and policies of the Fund, the authors have not neglected the human factor. Ample biographical detail has been provided on each of the presidents, ranging from the first, Max Farrand, to the current, Margaret Mahoney. The important contributions of senior staff and consultants to the Fund are also described.

If one has a criticism of this text, it is the absence of financial data relating to asset and revenue growth, to show the reader how a fund of this magnitude managed its investments to achieve the income which made support of the programs possible. Without sound financial management the Fund could not have increased its annual granting from under \$2 million to almost \$8 million. A few words about this side of the Fund's activities would have completed the picture.

While few foundations may be able to marshal the resources of the Commonwealth Fund, the book shows the benefits of focusing one's attention on a particular field in order to maximize the value of the donations made. "Scatterization" of funds, as it has been called, risks weakening the impact that a large concentration of money may have on the public good.

Other foundations might well follow the example of the Commonwealth Fund in disclosing their activities in this comprehensive way. The public supports foundation activities through the tax system, which produces some

moral, if not legal, obligation to account. Publication of such books need not be overly expensive, and it might even be good public relations for the supporters of the foundation or for its chosen cause.

All in all, *For The Welfare of Mankind* deserves a place in the libraries of those interested in the foundation field as well as in the libraries of students of the health-care system.

Basic Computer Knowledge for Non-profits—Everything You Need To Know Made Easy

Published by Volunteer, The National Center and the Taft Group, Washington, 1985, pp.278, \$67.50 (U.S.)

The Asner Directory of Software for Associations, Charities and Non-Profit Organizations

By Michael Asner

Published by Michael Asner Consulting, Unionville, Ontario, 1986, pp.236, \$45 (non-residents of Ontario) and \$48.15 (Ontario residents)

Computer Resource Guide for Non-Profits (Third Edition)

Published by the Public Management Institute, San Francisco, 1985. Vol.I pp.326, Vol.II pp.319, \$175 (U.S.)

REVIEWED BY JOHN R. TRAVIS

Marketing Manager, Herbert A. Watts Limited

These days everybody is having to become computer literate. Those who work in non-profit organizations are no exception. Many charities have already acquired their computers, and many others are lining up for the appropriate grants. Publishers are now coming to their aid as well.

If you are a fund raiser and have been charged with finding a computer system for your organization then *Basic Computer Knowledge for Non-profits—Everything You Need To Know Made Easy* should be the first document you read.

It won't tell you anything about the types of software on the market. Rather it provides you with a step-by-step guide to identifying your organization's computer needs.

Such a needs analysis is vital for the non-profit organization which wants to get the right computer system. Many have ignored this first step and jumped right into computerization without first figuring out just what it is they want

the computer to do for them. As a result their systems *don't* do what they want them to do.

In the past such a needs analysis was often prepared by outside consultants. The process appeared to be a complicated, time-consuming one. It is both of these things, but this guide helps to demystify the process itself. It is well laid out, easy-to-read and amply supported with work sheets and sample documents.

If you want to computerize but don't know where to start, start with this guide. You won't go wrong.

Once you have the hardware, then you need something to make it work. *The Asner Directory of Software for Associations, Charities and Non-Profit Organizations* is the most complete, easy-to-understand directory that this reviewer has seen to date.

Its standardized, single-page listings of over 200 software packages provides the fund raiser with a straightforward guide to five primary categories of software packages:

- Accounting
- Association & Membership Management
- Fund Raising & Donor Management
- Churches
- Education

Each listing contains a brief outline of the purposes the package serves and combines this with a description which enables the reader to understand readily just what specific functions the software was designed to fill.

Of particular importance is the "Environment" heading which clearly states just what operating system is needed to run the software.

You do not have to be a computer wizard to use this *Directory* but you do have to know something about basic computer technology in order to derive the greatest benefit from it. Let's face it, this applies to any directory.

Where available, the cost of the package has been included but, only once, is there a differentiation between costs in American and Canadian dollars.

It would also be helpful if the *Directory* made mention of whether or not the suppliers of software make available demonstration diskettes of their programs and, if so, the costs of the demo packages.

All-in-all the *Directory* is a breath of fresh air. It contains a minimum amount of computer jargon and presents its information in a straightforward, consistent manner. The real plus is that it also contains software developed and available in Canada. Well done, Mr. Asner.

The American market is particularly advanced in this field. The two-volume *Computer Resource Guide For Non-Profits* is now into its third edition. The Public Management Institute has exerted a tremendous amount of effort to

prepare this two-volume resource guide specifically for the American market. As a result, this guide is of questionable value to the Canadian fund raiser.

Certainly the information provided in *Volume I: Software Directory* is comprehensive, well laid out and readily understandable. Just how useful it is to the Canadian fund raiser who needs to locate Canadian sources of software, is open to question. While it does list one Canadian software source, this is certainly not the only one.

If you are planning to go shopping for software in the United States then the *PMI Resource Guide, Vol. I* should be reviewed. Its index listings under Hardware, Software and Types of Users are extremely useful.

Unless you are an American-based non-profit, *Volume II: Funding Source Directory* will be of little use. It tells the reader where to find money to buy computer resources. While the information it contains is also well laid out and easily understood, it really is of no help to the Canadian non-profit looking for sources of funding for its computer projects. There are no Canadian sources listed. Often the American sources require that the recipient of the funds also be American.

If the PMI or any other organization for that matter decided to do a similar resource guide for the Canadian market then this would be a "must have" document.

All three books deal with the real basics of what one wants to know about computers (or almost anything else): what good is it for me? where can I find it? and how can I pay for it? All the answers are given with the general reader in mind. One can only hope that the publications that will no doubt appear in this field in the future will be as well presented as these.

The *Asner Directory of Software for Associations, Charities and Non-Profit Organizations* is available (prepaid) from:

The Canadian Centre for Philanthropy
3080 Yonge Street, Suite 400
Toronto, Ontario M4N 3N1

The price is \$45 for non-residents of Ontario, \$48.15 for Ontario residents.