



WINNIPEG CHAMBER OF COMMERCE

SUBMISSION: Government of Manitoba Cultural Review

ABOUT THE WINNIPEG CHAMBER

Founded in 1873, The Chamber is Winnipeg's largest business organization, dedicated to fostering an environment in which business, and all Manitobans, can prosper. The Chamber's vision is for Winnipeg to be a competitive, technologically innovative city with a skilled labour force and modern infrastructure to support existing and emerging industries, and a city with a bright future

Through its membership, The Chamber feels it can identify and provide valuable insight into currently held perceptions and concerns for Manitoba's future, as well as potential solutions. We are therefore pleased to present this submission on behalf of its 2,000 member companies that employ approximately 90,000 workers in the City of Winnipeg.

CULTURE AND CREATIVITY: MORE THAN JUST THE BOTTOM LINE

Globally the importance of culture and the creative industries in fostering healthy municipalities is now well recognized. The recently adopted United Nations Sustainable Development Agenda for 2030 acknowledges the role of culture and creativity to solving sustainable development challenges. (The Sustainable Development Goals are the successor to the Millennium Development Goals the UN introduced in 2000.)

A United Nations Educational, Scientific and Cultural Organization report found that the cultural and creative content sectors contributed US\$200 billion to the world economy in 2013 through sales of e-books, music, video, and games. In addition another US\$22 billion in advertising revenues was generated from online media and free streaming websites. The report also noted that creative industries and the attached cultural tourism are becoming strategic assets for local economies.

The creative and design economy includes the following sectors and industries:

- Advertising and Marketing
- Architecture
- Visual Arts and Crafts
- Design; product, graphic and fashion
- Film, TV, Video, Radio and Photography
- Software and Interactive Digital Media
- Museums, Galleries and Heritage
- Music and Performing Arts
- Literature, Publishing and Printing

- Art Service Organizations
- Creative Food and Beverage

This economic sector can be broadly defined as those industries and jobs in which creative talent creates high-end value by adding differentiation to products and services where customers exercise distinction and choice. Its range extends from traditional cultural products including performance, crafts, or the visual arts and museums, to communications and high-end design and manufacturing. From literature to film, from fashion to furniture, from music to architecture, new mass markets are being defined by a new generation of customers and creative producers. Consumers today don't simply want to know what a product does, but their purchasing decisions depend on how it looks, feels, and performs – in short, how it is designed.

In addition, digital technology is having profound impacts on the creative sector. On a world-wide basis the bridging of new technologies and tech start-ups with the arts and cultural sector workforce is creating new hybrid industries and opportunity – the jobs of the future – including video game developers, interactive performance designers, and 3-D illustrators as some examples.

Recently urban theorists are viewing the creative and design sector as being key to the economic competitiveness of modern cities. There is growing empirical evidence and an understanding that a dynamic arts and cultural sector not only generates employment and local wealth directly, but it also attracts new people, new investment and spurs creativity and innovation across all sectors of the economy.

The creative and design sector generates transformative economic impacts that reach far beyond their raison d'être: the production and dissemination of creative ideas, goods and services. Investing in a strong cultural community is key to social and economic prosperity, and creates a desirable environment for business development and growth. The role of culture is recognized in the majority of the UN's Sustainable Development goals including those that focus on education, the environment and economic development. A strong creative sector strengthens all sectors.

CURRENT STATE OF THE CULTURE AND CREATIVE INDUSTRIES IN MANITOBA

When people think of the strengths of Manitoba's economy, they usually focus on manufacturing, financial services and agriculture. However according to Statistics Canada data from 2014, culture is responsible for almost 3.0% of the province's GDP, and directly employs almost 22,000 people. In dollar terms that is around \$1.7 billion, approximately the same size as the residential and non-residential building construction sectors in Manitoba.

More recently produced local data demonstrates that the sector has an even greater impact on the economy. Economic Development Winnipeg research from 2015 shows that there are almost 4,900 businesses operating in the creative industries in Winnipeg alone. They generate \$1.7 billion GDP in Winnipeg alone, and employ 26,700 people, with another 7,500 employed in the creative sectors across the province. We punch above our weight employment wise. Manitoba is responsible for 3.5% of employment in all sectors across Canada, yet 5.4% of Canada's creative industries workers call our province home.

The cultural industry has been experiencing strong growth, with GDP increasing by over 23% from 2010-2014 according to Statistics Canada, the second highest rate in the country behind only Saskatchewan. However much growth potential remains. As an example, the cultural sector in Ontario contributes over \$500 more on a per capita GDP basis than in Manitoba. If Manitoba were to increase the per capita GDP contribution of the cultural sector to the same level as seen in Ontario, it would result in an almost \$700 million boost to the provincial economy. That boost would be the equivalent of doubling the machine manufacturing sector in Manitoba.

Employment in the cultural industries in Manitoba grew by 1.11% from 2010-2014, around a half a percentage point below the national average. The jobs are usually filled by young high skilled workers. For example in 2011 the average age of those working in the interactive digital media sector in Manitoba was 32, and 92% of those people had more than a high-school diploma. These are the jobs of the future, and they will not be replaced by robots or automation.

While we enjoy arts and culture locally, it is also an export product. With the advent of sharing and streaming services, someone halfway around the world can enjoy music produced here in Winnipeg. From 2003-2010 Manitoba averaged almost \$77 million in cultural goods exports a year, almost double the amount that Saskatchewan and Alberta *combined* exported. This makes Manitoba the fourth largest cultural exporter amongst all Canadian provinces.

The Province of Manitoba also needs to recognize the incredible opportunity that is Manitoba's 150th birthday, which will happen in 2020. The entire country has been captivated by Canada's 150th birthday this year, and with proper planning Manitoba can capture that same national attention for our sesquicentennial.

Arts and culture is a major tourism driver, as thousands of people come every year to enjoy our many festivals and events, as well as our world class museums. Those industries have seen an increase this year partly due to Canada's 150th, and if preparations start now a similar effect can occur in 2020.

We are fortunate to be the home of world-leaders in the creative indigenous community, such as APTN. Established in 1999, APTN is the world's first independent aboriginal broadcaster and the model for which other countries are building their own. Since 2011 APTN has triggered over \$43,000,000 in total dollars for Manitoba based Indigenous TV and Digital Media productions. In 2015, APTN expanded its headquarters in Winnipeg by 14,000 square feet on Portage Avenue. The investment created a new state of the art television studio for its National News program and to house additional staff. For 2017, APTN is investing in a digital transformation of its operations to allow the digitization of all content and the digital infrastructure to export content around the world.

While Sport, Culture and Heritage is leading the review, it is important to recognize that several other provincial departments also invest in the creative communities. Growth, Enterprise and Trade as well as Education and Training both make investments into these sectors. The Winnipeg Chamber encourages the province to ensure that there is coordination between all departments when it comes to programming, as well as with the City of Winnipeg.

CREATING THE CONDITIONS FOR CULTURE AND CREATIVITY TO THRIVE

Arts and culture are an essential part of Manitoba's competitive economy, and positively impact jobs, businesses, our national and international profile, and quality of life. We are fortunate to be the home base for a remarkable number of internationally acclaimed artists, organizations, creative enterprises. As a community we hold a distinct competitive advantage with our unique concentration of world class creative talent, services and facilities. Those who work in the arts and cultural sector possess unique characteristics and attributes which contribute to urban and neighborhood revitalization.

The Winnipeg Chamber of Commerce is encouraged that the arts and new media sector is listed as one of the five key sectors for which a sector growth strategy will be developed as part of the province's 10 Point Economic Plan.

It is imperative that the impact of this sector on the provincial economy be recognized by all Manitobans. If current growth rates are just maintained, culture's economic impact will grow by over 425% in the next 25 years, and contribute over \$7 billion to the province's GDP. The Winnipeg Chamber of Commerce therefore recommends the following measures to grow the sector in Manitoba, broken down into three key categories: investments, policy and advisory, and indigenous.

Investments:

- Invest in the creation and marketing of innovative creative content. This can be done through investing in umbrella organizations or directly supporting those that create content.
- Strengthen the financial capacity and sustainability of arts and cultural organizations. Individual artists as well not only want to work on their art, but they also want to improve their business and management skills.
- Renovate and expand arts and cultural infrastructure, supported through a new, dedicated cultural capital fund to address the infrastructure deficit, and a new tri-level agreement modelled after the Core Area Development Initiative. In addition cultural infrastructure funding must be predictable and stable, and long-term.
- Support industry-led efforts to market and expand local creative exports to the world, such as international trade missions.
- Invest in effective labour market intelligence and market research specific to the creative and design economy.
- Make investments in creativity and design-related higher education, and expand the focus on Science, Technology, Engineering, Arts and Mathematics (STEAM) skills – career pathways, and work-based learning experiences. Employers want workers who can brainstorm, collaborate and contribute creative ideas. Investments in creativity and design-related curriculum that also fosters increased business acumen will help create the entrepreneurial workforce of the future.

Policy and Advisory:

- Establish a mechanism to create an ongoing dialogue between the arts and creative industries and the provincial government.
- Incorporate creativity and design into public procurement processes. Strategic procurement captures local expertise and can spur the growth of local industries and innovations.
- Design incentives for communities to promote the use of existing buildings and spaces for creative purposes.
- Designate the West Exchange District Creative Cluster as a tax increment finance zone to attract developer investments in residential and commercial property that support the creative industries. Recognized as a National Historic Site, the Exchange District is the creative hub of Manitoba. Future growth in the area supports a more dynamic downtown.
- Leverage YES!Winnipeg to target creative entrepreneurs and enterprise to move their operations to Winnipeg.
- Develop partnerships to bring together local arts and culture organizations and digital media companies in an effort to promote Manitoba based companies as vendors of choice. These could include creation labs, meet-ups, hack-a-thons, company tours, testimonials and examples of global award-winning products. Fostering closer collaborations between those communities encourages growth for local companies and keeps investment from flowing outside the province.

Indigenous

- Recognize Manitoba as a center of excellence in the Indigenous creative community and support our Indigenous arts and creative industries communities continued growth.
- Develop a specific growth strategy led by Aboriginal artists and creators, with active involvement from Manitoba First Nations and Metis communities.
- Develop culturally relevant Indigenous arts and culture curriculum in Grades 1-12 that not only builds a stronger understanding of culture, but also helps foster the skills and trades of traditional Indigenous arts.
- Support mentorship programs and provide greater access to cultural teachings and community building events and activities.
- Include in the new Cultural Policy an appropriate response to the Truth and Reconciliation Commission's Calls to Action.

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