

Vancouver Art Gallery Pre-Budget Submission

Submission to the: House of Commons Standing Committee on Finance

August 6, 2014

About the Vancouver Art Gallery

Founded in 1931, the Vancouver Art Gallery is a federally designated "A" category museum. It has been determined by the Government of Canada as having "outstanding significance and national importance" to Canada's heritage. The Vancouver Art Gallery is the largest public art museum in Western Canada — a vital cultural institution underpinning Vancouver and British Columbia's cultural and artistic communities. In the past two decades alone, we have welcomed nearly 4.5 million visitors, drawing significant patrons from across North America, Europe and Asia.

The Gallery's permanent collection is a major asset held for the benefit of the citizens of Vancouver and British Columbia, now numbering 11,338 works valued at more than \$300 million. The collection is home to many exceptional collections of internationally-renowned contemporary artists from Vancouver, BC historical icons (e.g. Emily Carr), an important grouping of First Nations works, as well as related works by other notable Canadian and international artists with a particular focus on Asian contemporary art.

Through our exhibitions and public programs, the Vancouver Art Gallery continues to significantly raise Vancouver and Canada's profile internationally. As a contributing, civic institutional citizen, the Gallery also delivers a diverse range of public educational programs to close to 200,000 children and adults annually, reaching a broad cross-section of the community. The Gallery is recognized across British Columbia and Canada for its ambitious exhibition touring program which, together with our publishing program, goes far to promote and celebrate Canadian culture.

For example, in response to the tremendous art making that is taking place in countries like China, India, Korea and Japan, and considering Vancouver's position as North America's gateway to Asia, it has become an artistic priority for the Gallery to significantly increase our representation of art from Asia with special exhibitions and projects. An example of this is the ground-breaking exhibition entitled *The Forbidden City: Inside the Court of China's Emperors*, a landmark exhibition showcasing 180 precious works rarely seen outside of China. This exhibition will be opening in October of this year, and we are proud to be one of only two museums outside China to be entrusted with this priceless Chinese cultural heritage.

The Vancouver Art Gallery is a fiscally sound organization and has consistently impressive levels of community and private sector support. A recent Heritage Canada survey indicated that the Gallery generates substantially more earned and private income relative to national averages in Canada. We're supported by our members, individual donors, corporate funders, foundations, the City of Vancouver, the Province of British Columbia through the British Columbia Arts Council, and the Canada Council for the Arts. With an annual operating budget ranging from \$14-17 million, we've been operating deficit-free for the great majority of the past 25 years.

Executive Summary

With an expanding membership, record breaking attendance, a rapidly growing permanent collection, and school and public programs that are unable to increase to meet the public's needs, the Vancouver Art Gallery is beyond capacity in all areas of operations. A long and thorough planning process initiated in 2003 has concluded that the Gallery requires an expanded facility of roughly double its current size and that expansion on the existing site is infeasible.

After more than a decade of research and planning for a new Gallery, we are moving forward with our vision to create an innovative and inspiring new Vancouver Art Gallery that will enrich lives and play a pivotal role in enhancing Vancouver and British Columbia's reputation as a vibrant, creative, and desirable place to live, work and visit.

We are working to build a new, purpose-built art museum that will be a showpiece not only for Vancouver, but for British Columbia and for Canada as a whole. The new Gallery will also serve as an economic stimulator by creating new jobs and promoting cultural tourism.

A 2010 economic impact study by PriceWaterhouseCoopers estimated that, in 2009 dollars, the construction of a new Vancouver Art Gallery could add a total of \$270 million to GDP, supporting a total of 4,600 person years of employment. Total government revenues from the project could total \$57 million with roughly 50% flowing to the provincial government, 42% allocated to the federal government and the remaining 8% going to municipal governments.

Once the new Vancouver Art Gallery has opened its doors, the same analysis estimated that, over the first five years, incremental operating spending from the new facility could add an estimated \$20 million to GDP and could support 490 person years of employment. Furthermore, it is estimated that incremental operating expenditures over the first five years of operation could contribute \$3 million in government revenue.

We are working with a broad range of partners on a major fundraising initiative to raise the capital for this \$300-350 million project. Given the support we have experienced from across Canada, we are confident we will be able to reach this goal. As part of this goal, we will be seeking federal support for identification of a source of significant cultural infrastructure dollars, so that worthwhile projects such as these do not have to compete with critical infrastructure projects that, naturally, form the priority for Building Canada Fund dollars.

Background

The Gallery's current facilities are no longer appropriate for our collection and for the programming we conduct. In addition to the many space and operational challenges we face, there are structural issues, seismic deficiencies and outdated systems, including inadequate climate control. While we currently occupy an early twentieth century heritage building (formerly the Provincial Courthouse) in a downtown location, Master Planning studies completed in 2005 confirmed that it is not possible to expand, nor to retrofit the current building appropriately, due in part to heritage issues.

Our proposed new facility will include:

- More than twice our current exhibition space;
- A major Education Centre with greatly expanded school, family, children's and community programming;
- Galleries to showcase the Gallery's collection, including dedicated galleries for art from British Columbia (including First Nations art) and Canadian historical art;
- An auditorium (approximately 300 seats) for lectures, films, classes, art performances and other community events; and,
- A new Institute for Asian Art.

Investments in Canada's creative and cultural sectors play a vital role in the lives of Canadians while contributing to both our quality of life and our economy. To move forward with this plan, the Gallery will be requesting funding from the federal government to supplement commitments already made by the City of Vancouver, and by the Province of British Columbia. We have not yet made a request to the Government of Canada; however, we are working to build awareness of this project as we complete our due diligence processes in preparing for a formal presentation.

At present, we have a land grant from the City of Vancouver for this project, representing a tremendous and generous contribution from a municipality where real estate is at a premium. The Province of British Columbia has also advanced an initial \$50 million to support our redevelopment project – a capital fund which is now in trust.

Momentum is building, and private benefactors have been generous. In fact, our private fundraising has consistently outpaced the norm for galleries of our size. Our private fundraising is strong, because the community, in Vancouver and across the country, is excited about this project. We are optimistic that the final puzzle pieces will come together, with a federal contribution, to complete the coalition of partners needed to make this a reality.

The Gallery commends the Government of Canada for its rigorous infrastructure commitment through the renewed Building Canada Plan. We see the Building Canada Plan as an obvious potential source of funding because it is a dedicated infrastructure fund, and

we have an infrastructure project. That said, we are not tied to any particular fund or envelope. We do not see this as necessarily a zero-sum game, and do not feel that cultural spaces should be competing with sewage facilities or other priority critical infrastructure projects. Such a structure would put legislators and decision-makers in an impossible position.

Our project would not be appropriate for a P3, given the specialized curatorial, environmental and operational requirements of a major art museum—it would not be possible to turn the management of the Gallery over to a private investing partner or real estate management company. At the same time, we would note that major construction projects such as these contribute significantly to medium-term employment in the community at a time when we are still stabilizing our national economy's fragile recovery from the global economic downturn, while investing in legacy infrastructure that will be a proud icon of not only the City of Vancouver, but of the entire country, for generations to come.

Vancouver Art Gallery's Request

The Vancouver Art Gallery is calling upon the Standing Committee on Finance to recommend that the Government of Canada make large capital project funds available for large cultural spaces projects.

As we do not feel it is necessarily appropriate for major cultural projects to compete with critical infrastructure works such as water and sewer, roads, transit and similar projects, we suggest that a separate and robust source of funds be established – or at least available – to support Canada's major artistic and cultural institutions.

Conclusion

This is not just about art – this is about people and economic development. Ensuring prosperous and secure communities, through support for infrastructure, includes building symbolic bridges between Canada's various cultural communities. Culture in all its forms is what binds the nation together, and it is what enables us to open our doors to the economic and social opportunities we in Vancouver have as Canada's gateway to Asia.

A purpose-built, much expanded new Vancouver Art Gallery would support the ongoing cultural and community work that we do: from hosting exhibitions that bring together Canada's cultural communities in celebration of their shared cultural heritage to our projects supporting local First Nations culture and arts.

Ultimately, a new Vancouver Art Gallery will help support efforts to provide Canadians with opportunities to increase their knowledge of our country's history, institutions, cultures and languages, fostering a strong sense of Canadian identity. It will also help build dynamic communities by providing Canadians opportunities to engage with and learn about Canada's vibrant cultural and creative communities. It will create jobs in the medium term through the construction phase, and will also support local and regional design companies and suppliers.

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The Vancouver Art Gallery would welcome an opportunity to appear before the Standing Committee during the committee's in-person deliberations.

For further information:

Kathleen S. Bartels Director Vancouver Art Gallery 750 Hornby Street, Vancouver, BC, V6Z 2H7

Telephone: 604.662.4700 Facsimile: 604.682.1086

Email: ksbartels@vanartgallery.bc.ca