

An aerial photograph of London City, featuring the prominent 120-story skyscraper, the Shard, on the left. The rest of the city is densely packed with buildings of various heights. The entire image is overlaid with a semi-transparent blue filter. The text is positioned in the upper right quadrant.

London Cultural Profile:

# Economic Impact of the City of London's Cultural Sector

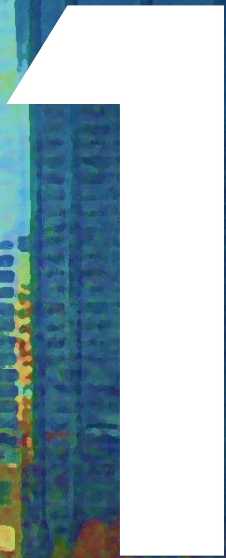
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JANUARY 2013

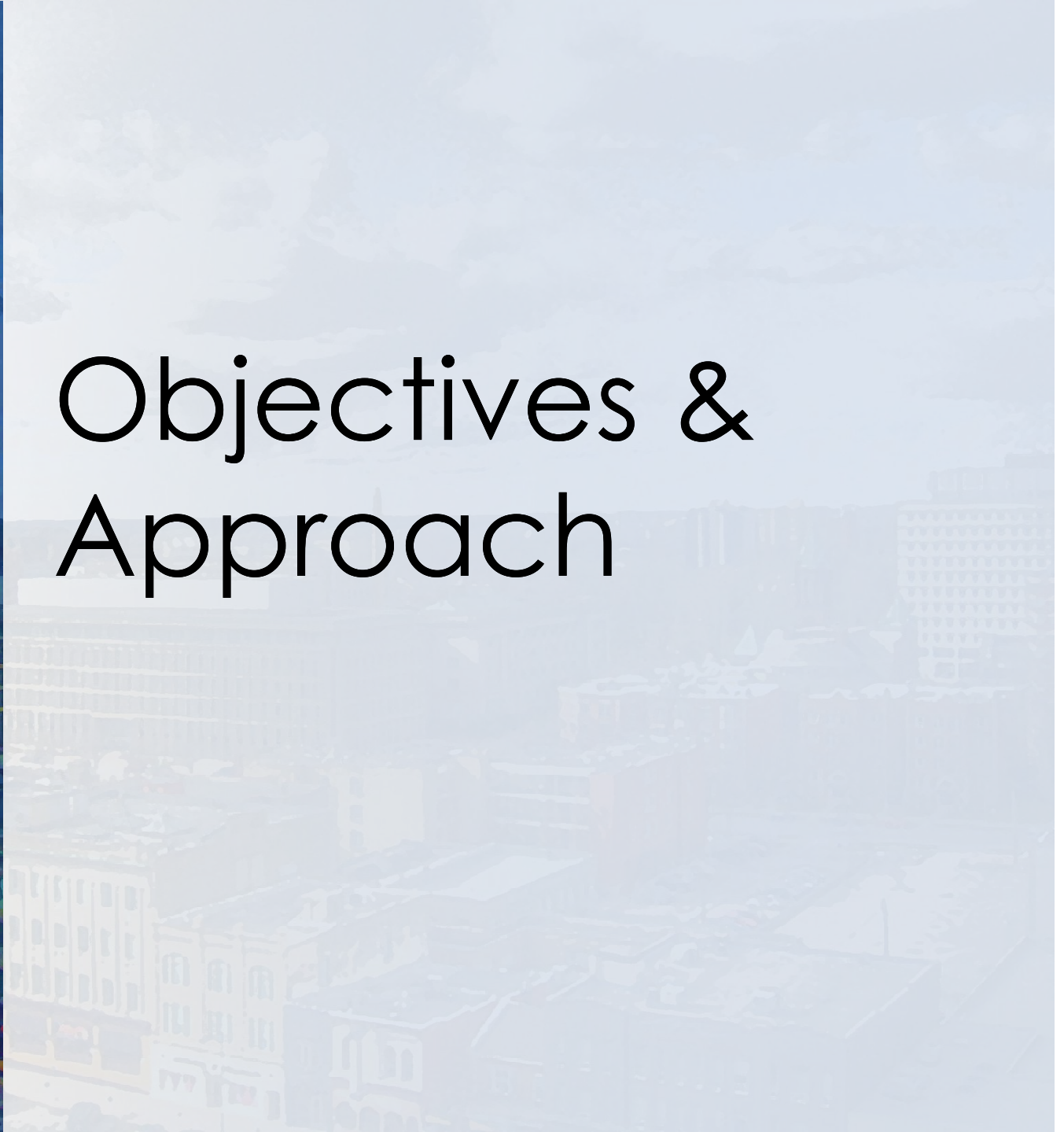


# Agenda

1. Introductions
2. Project Objectives & Approach
3. Methodology & Overview of Scope
4. Culture: Range and Scope of Analysis
5. Results
6. Interpretation



# Objectives & Approach





# Objectives & Approach

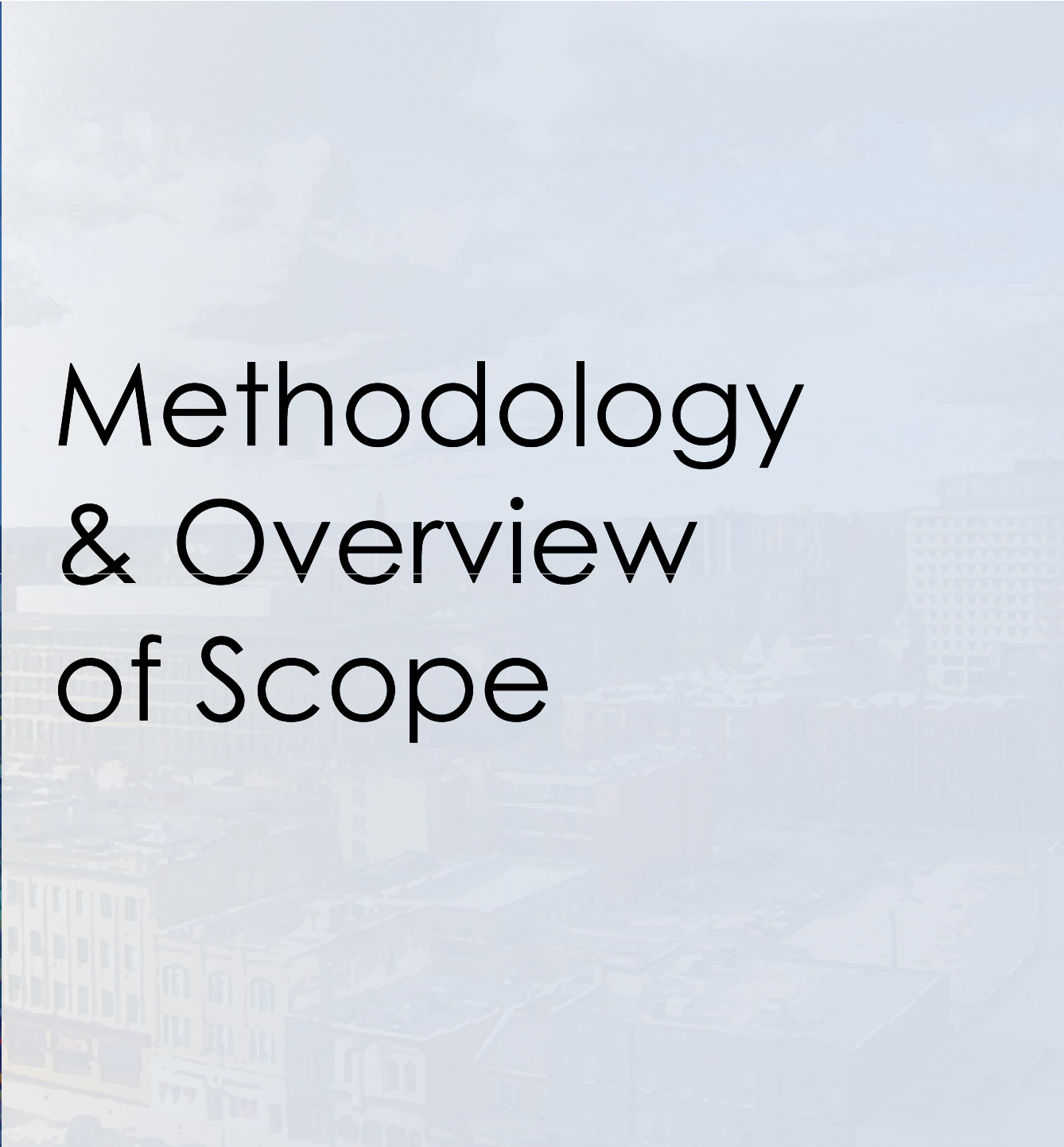
**Objective:** To conduct an economic contribution analysis of the cultural sector, for the primary purpose of generating a dollar value of the direct economic contribution of the defined cultural sector for the City of London;

## **Approach:**

- ❖ Engage City staff and other stakeholders in a 'drill down' of culture industry economic 'throughput';
- ❖ To develop an appropriate Economic Impact Model;
- ❖ Analysis focuses on operational activity. We are generally not addressing capital – should do as a forward exercise.



# 2



## Methodology & Overview of Scope



# Methodology & Overview of Scope

## **Overview of Scope of Analysis:**

This assessment of the direct/local impact of culture, addressed:

- ❖ Workforce, employment and income in the City's cultural sector;
- ❖ Revenues and expenditures generated by cultural businesses and organizations;
- ❖ Public spending and investment in cultural programs, services and facilities;
- ❖ Operational spending in cultural education; and
- ❖ Cultural tourism.



# Culture: Range & Scope of Analysis



# Culture: Range & Scope of Analysis



## **Statistics Canada 2006 Census Data:**

- ❖ Place of Work by National Occupational Classification (NOC-S);
- ❖ Place of Residence by NOC-S.



# Culture: Range & Scope of Analysis

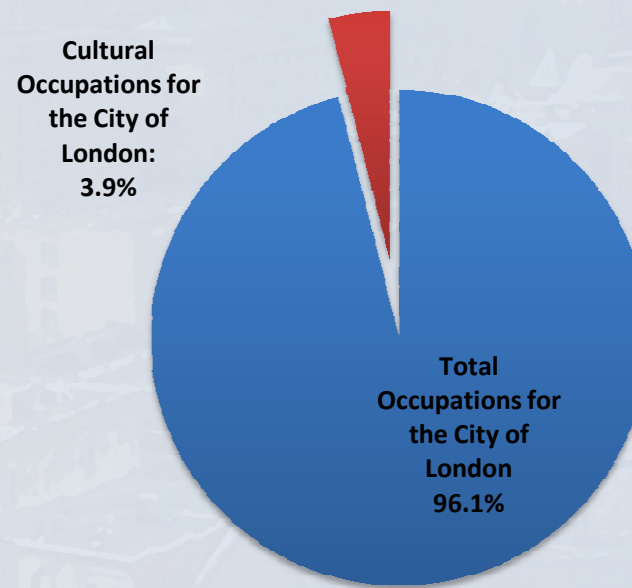
## Culture: Labour Force

**POR data** indicates city residents employed in cultural industries generated around **\$309,137,952 in income.**

Number of London Residents  
in Cultural Labour Force  
(POR 2006)



Labour Force in the City  
based on 2006 POR Data



Source:  
Statistics  
Canada 2006  
Census

# Culture: Range & Scope of Analysis

## Culture: Jobs (Direct Only)

POW data indicates persons employed in cultural industries generated around **\$328,250,524 in income** in 2006.

Number of People employed in the Cultural Sector (POW 2006)



Jobs in the City of London based on 2006 POW Data



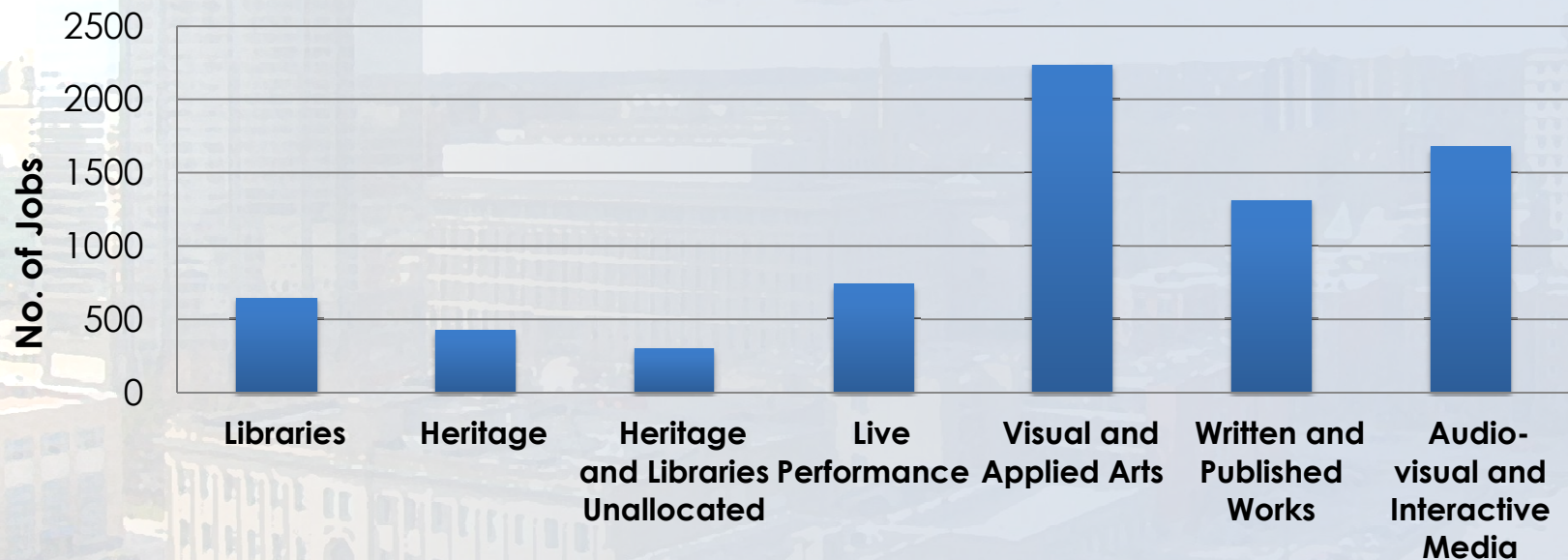
Source: Statistics Canada 2006 Census



# Culture: Range & Scope of Analysis

## Culture: Jobs (Direct Only)

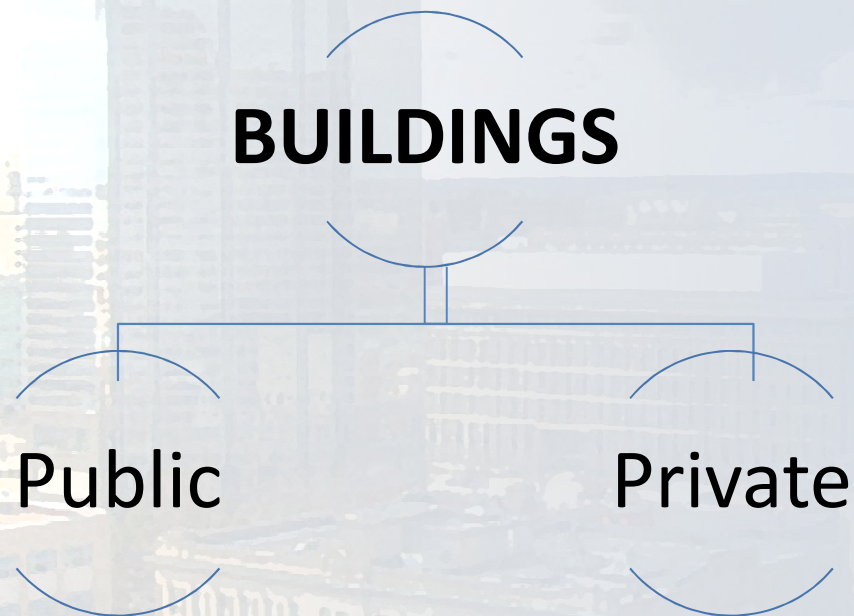
**Place of Work 2006: Total Jobs by Cultural Occupation (NOC-S) Category in the City of London**



- ❖ Comparison of the 2006 POR and POW data shows the number of cultural jobs in the City was at parity with its cultural labour force.

## Culture: Range & Scope of Analysis

### Culture: Key Buildings (including Performance Spaces) (non-exhaustive)



- ❖ **Private and public buildings generated around \$60 million** in 2011.

- ❖ Inclusion of Western Fair and the LCC increase this figure to over \$80 million;
- ❖ **5 of London's popular performance spaces** (out of 13) **generated** almost **\$25 million** in revenues in 2011;
- ❖ Figures reflect operating revenues only; and
- ❖ Figures reflect a subset of buildings in the City.



# Culture: Range & Scope of Analysis

## Culture: Private and Public

### **BUSINESS, GOVERNMENT AND EDUCATION**

Private Business in  
Cultural Industries

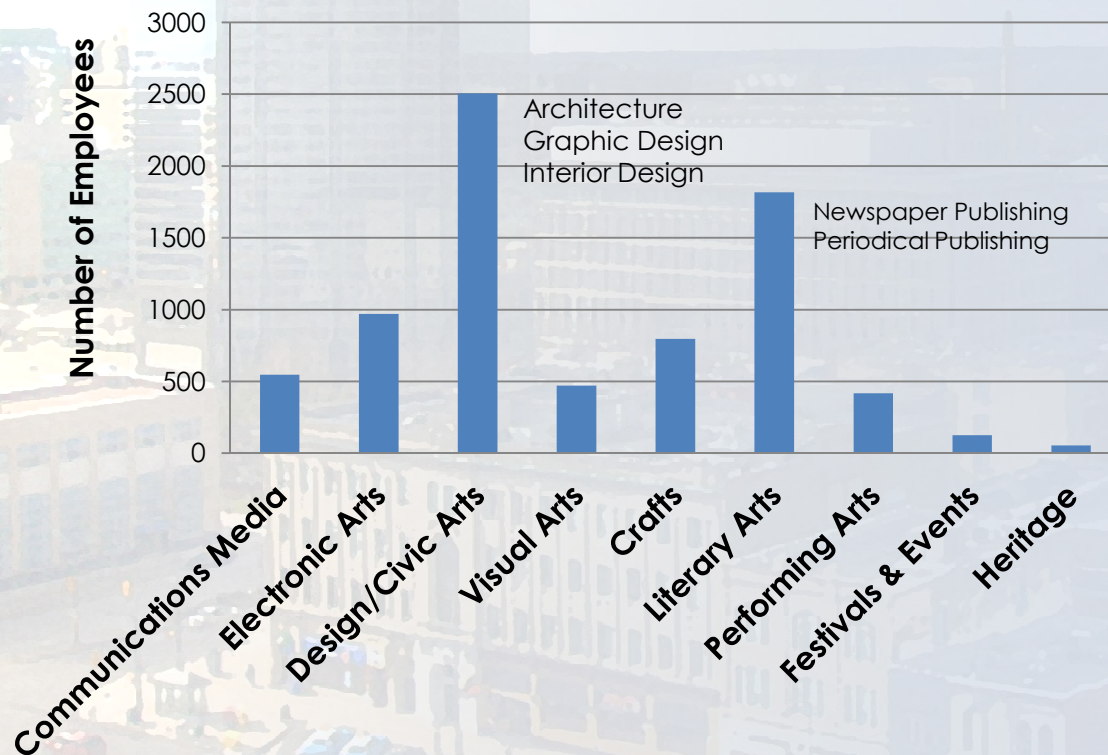
Gov't (Municipal)  
Providers of Cultural Services/Funding/  
Employment

Educational  
Institutions and  
Other Organizations

# Culture: Range & Scope of Analysis

## Culture: Establishments

Total Employment by Cultural Industry Category (CBP 2011)



Source: Statistics Canada 2006 Census

- ❖ CBP shows there were **over 1200 arts and culture businesses** in the City of London in 2011.
- ❖ Only **562** had determinable employment numbers;
- ❖ **Total employment was estimated at 7,703** in 2011;
- ❖ Estimated **total of \$329,705,349** in wages and salaries in 2011.





London Cultural Profile:

# Economic Impact of the City of London's Cultural Sector

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JANUARY 2013



# Culture: Range & Scope of Analysis

## Cultural Advisory and Funding

- ❖ In 2010, the **London Arts Council (LAC) disbursed \$200,000 CAIP II grants** to support 46 arts organizations/projects which collectively had **\$4 million in revenues**; and
- ❖ In 2010, the **London Heritage Council (LHC) disbursed \$75,000 in Community Heritage Investment Program (CHIP) grants** to 15 organizations/projects which collectively had **\$240,000 in revenues**.

### Volunteerism:

Estimated LAC and LHC supported organizations which had 3,500 volunteers working a total 108,000 volunteer hours in 2010;

Volunteers estimated to have contributed in-kind work valued at around \$1.2 million.



# Culture: Range & Scope of Analysis

## Culture: Post Secondary Education

- ❖ University of Western Ontario (UWO) and Fanshawe College offer an extensive range of arts and culture programs;
- ❖ **UWO and Fanshawe generated some \$60 million in revenue from arts programming in 2011;**
- ❖ **Over 6,000 students enrolled in art and cultural programming** (multi-media design, broadcast television etc.) across these institutions.

# Culture: Range & Scope of Analysis

## Culture: Cultural Tourism

### Events, Festivals and Tourism

#### Events/Festivals

- Annual Recurring (Operational Revenues/ Expenses)
- Market Draw (Participant Profile)

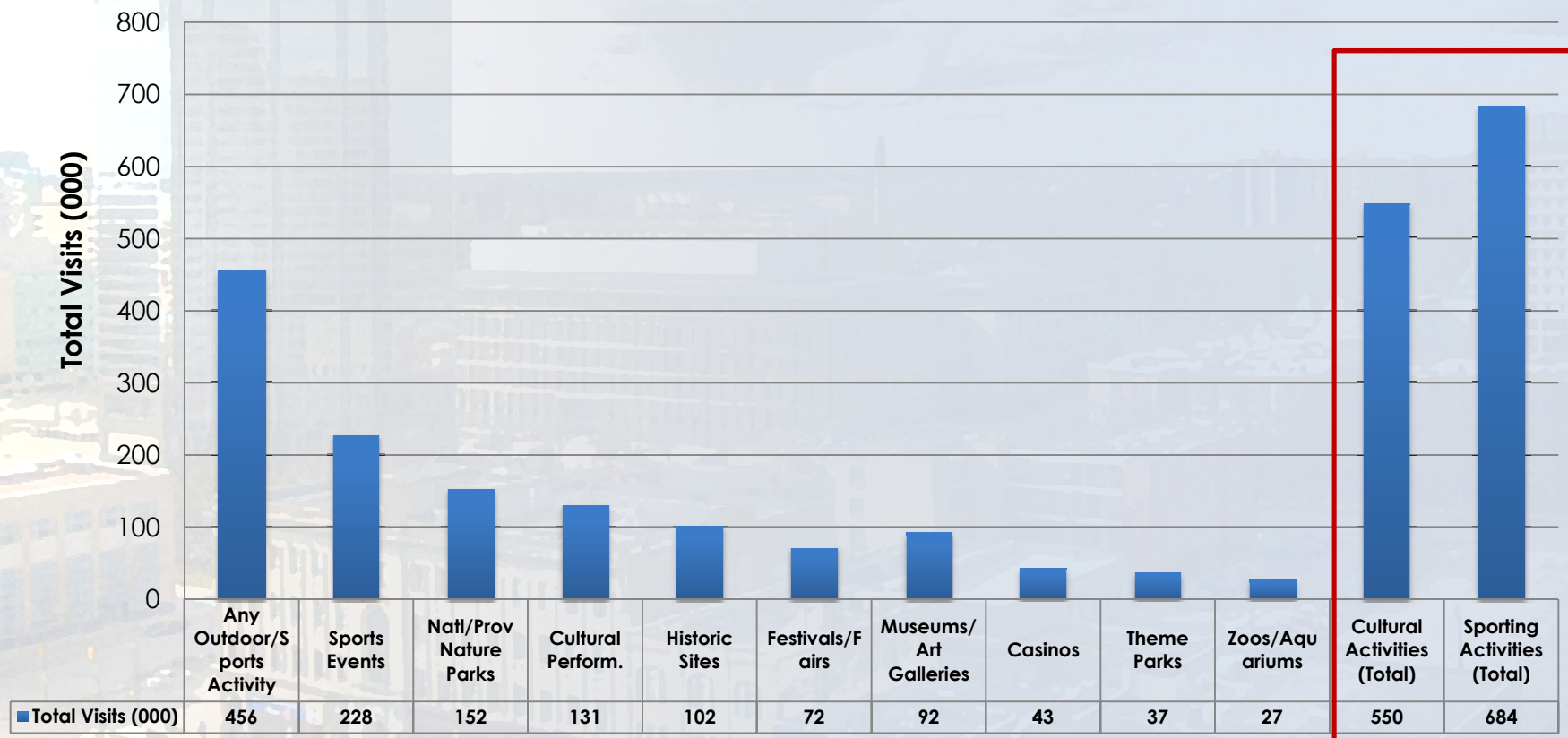
- ❖ **4,927,000 visitors** to the London CMA in 2009 (*latest available OMTCS Regional Tourism Profiles*);
- ❖ **550,000 visitors engaged in cultural activities** during their visit;
- ❖ Visitors generated **\$20M** in direct ticket sales for cultural activities;
- ❖ Marginal increase (0.8%) in visitor spending on culture and recreational activity in 2010 (*Tourism London & CTRI (2011) Economic Impact Analysis of Tourism in the City of London*).



# Culture: Range & Scope of Analysis

## Culture: Tourism

**Trip Activities of Visitors to the London CMA in 2009**



*Source: 2009 OMTCS Regional Tourism Profiles*



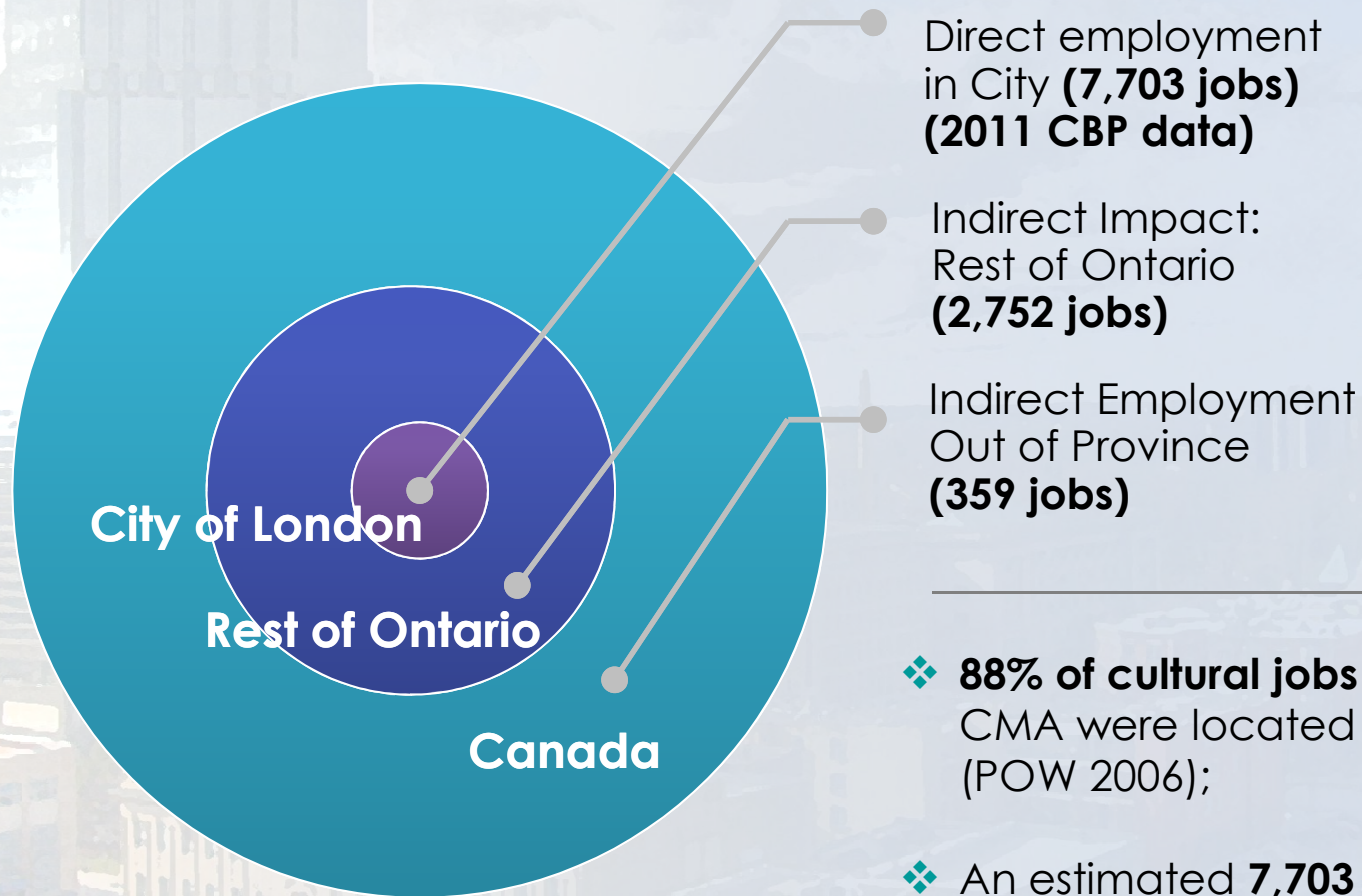
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# Results





# Employment Impacts: Jobs Generated



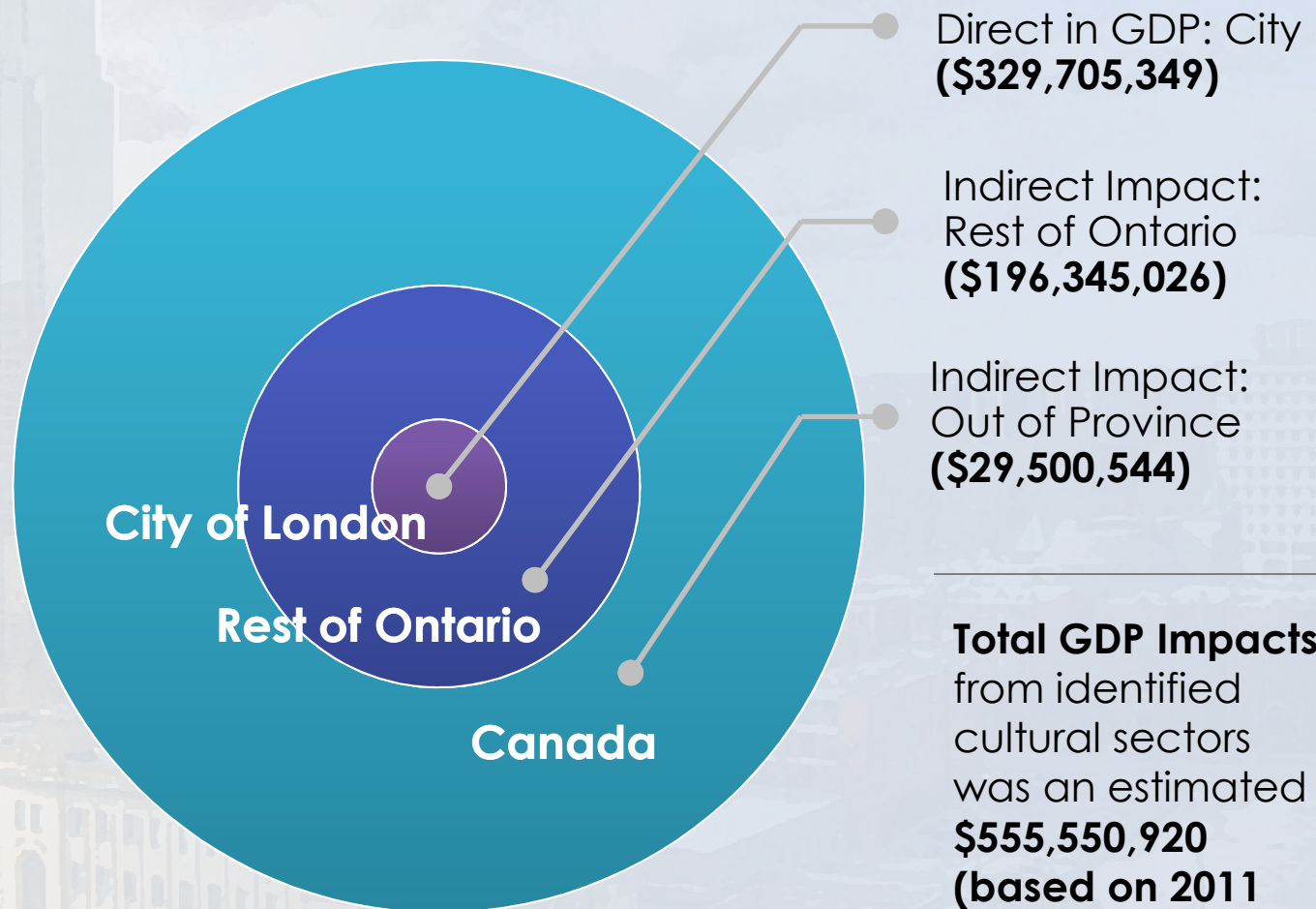
Using GDP multipliers from 2008 Input-Output tables (Statistics Canada), estimates of indirect additional income to the Province and Canada were calculated.

- ❖ **88% of cultural jobs** in the London CMA were located within the City (POW 2006);
- ❖ An estimated **7,703 cultural jobs** were in the City of London in **2011** (CBP data) – contributing to a **multiplier impact of just over 3,100 jobs outside of the City.**

# Employment Impacts: Gross Domestic Product (GDP)

Income generation can provide a measure of Gross Domestic Product (GDP).

Cultural establishments estimated to have contributed **\$329,705,349** in wages and salaries in 2011 (CBP data).

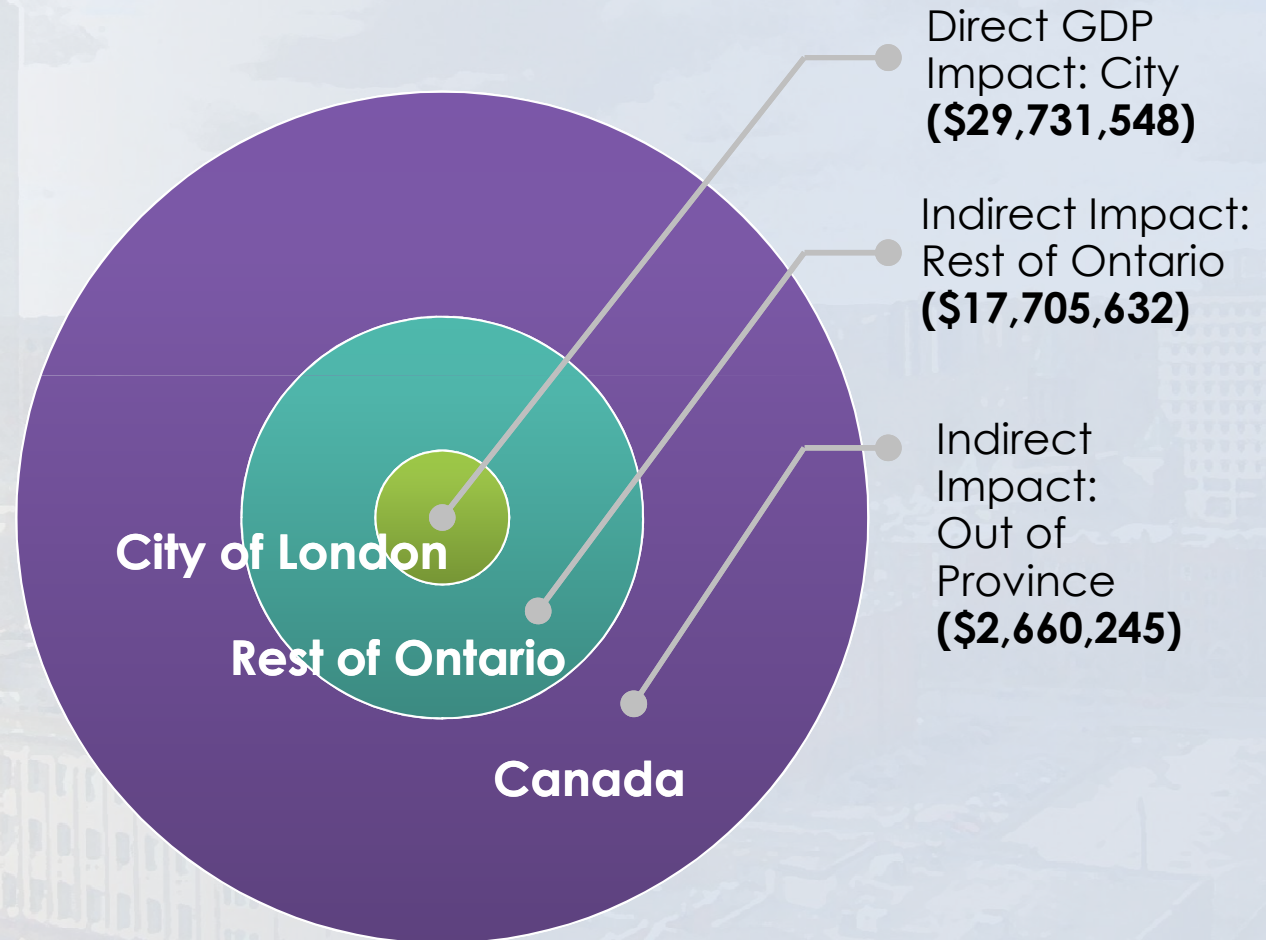




# Performance and Event Spaces: GDP Impact

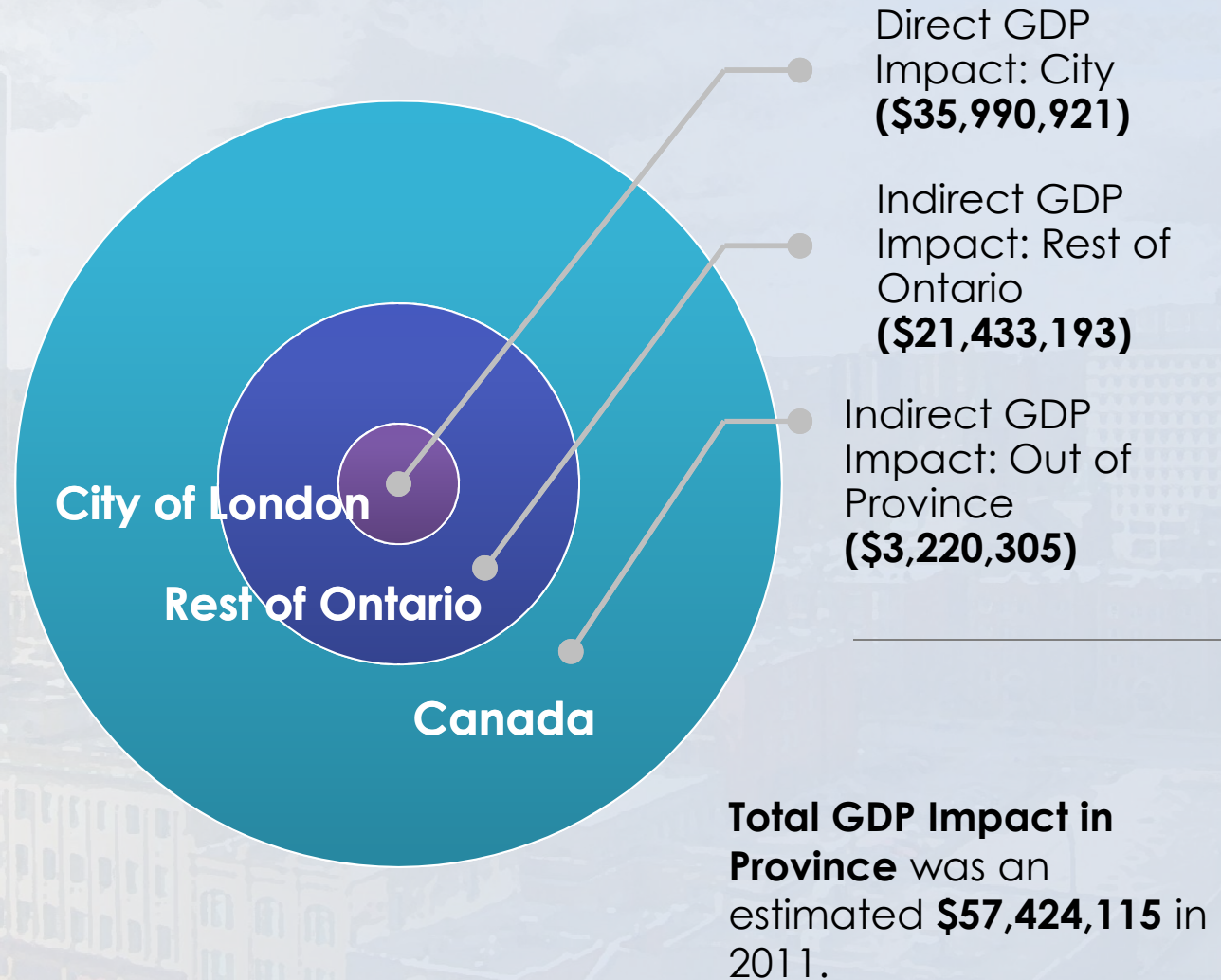
Contributions from cross-section of performance and event spaces and other select **venues generated \$57,825,926** in direct contribution to the City's economy in 2011.

This excludes the wider impact of this spending e.g. food and beverage, accommodations and transportation.



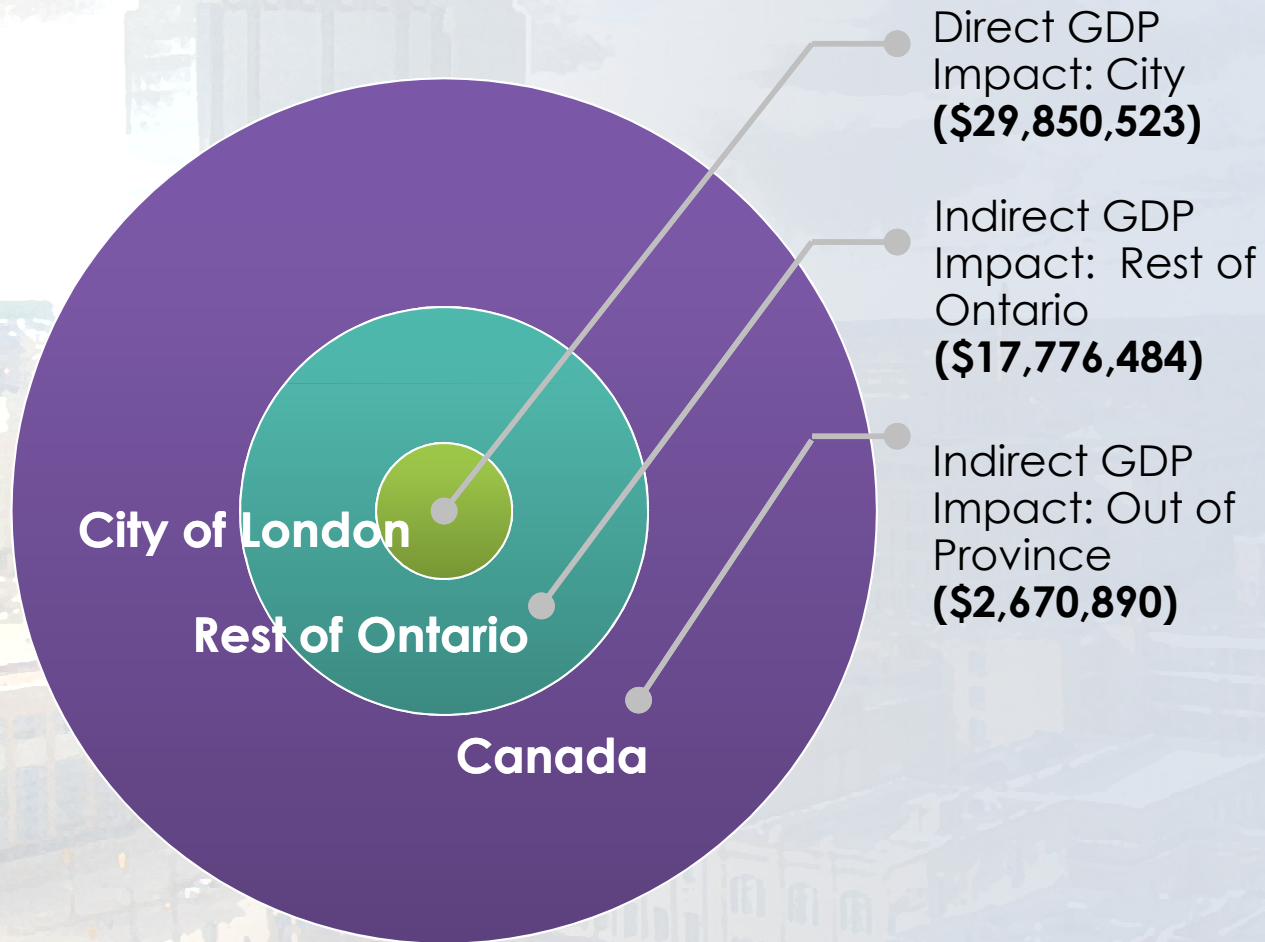
# Cultural Tourism: GDP Impact

- ❖ **Visitors generated \$20 million in ticket sales** for the London CMA in 2009.
- ❖ **Beyond direct spending on cultural activities**, the broader estimate of direct spending in the London economy (including transportation, accommodations etc.) is estimated to be **\$70+ million**.





# Post Secondary Contributions: GDP Impact

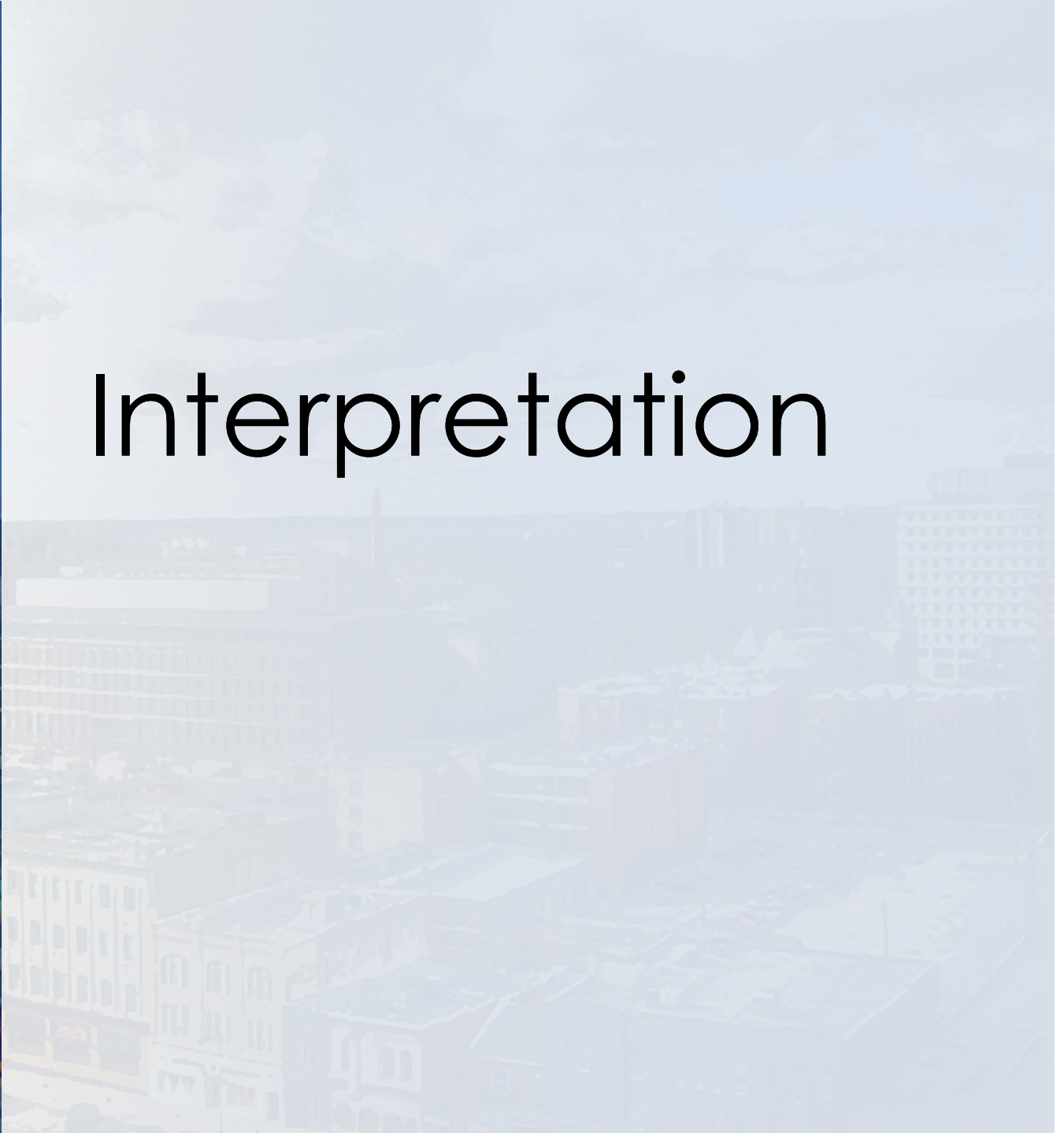


❖ **UWO and Fanshawe generated some \$60 million** in revenue from arts programming in 2011;

❖ Total GDP Impact in Province was an estimated **\$47,627,007** in 2011.



# Interpretation





# Interpretation of Results

## Direct Contribution of the Cultural Sector (Excluding Capital)

Business (Estimated  
Income) (2011)

Cultural Tourism

Selected Venues

Education

City (Operating  
Budget as of 2011)

### Direct Contributions

**\$330 million**

(London CMA: \$370-\$400+  
million)

**\$70 million+**

**\$60 million**

**\$58 million**

**\$22 million**

**Total: \$540 million (DIRECT)**

# Interpretation of Results

The implications of the estimate in comparative terms are as follows:

- ❖ **The direct contribution of the cultural sector in the City is \$1,475 Per Capita;**
- ❖ **The direct contribution of the cultural sector in the London CMA is potentially \$1,222 to \$1,285 Per Capita; and**
- ❖ **The City of London spent \$60 Per Capita on culture in 2011.** While this figure varies significantly between municipalities, the estimate is not inconsistent with a number of other jurisdictions.



# Interpretation of Results

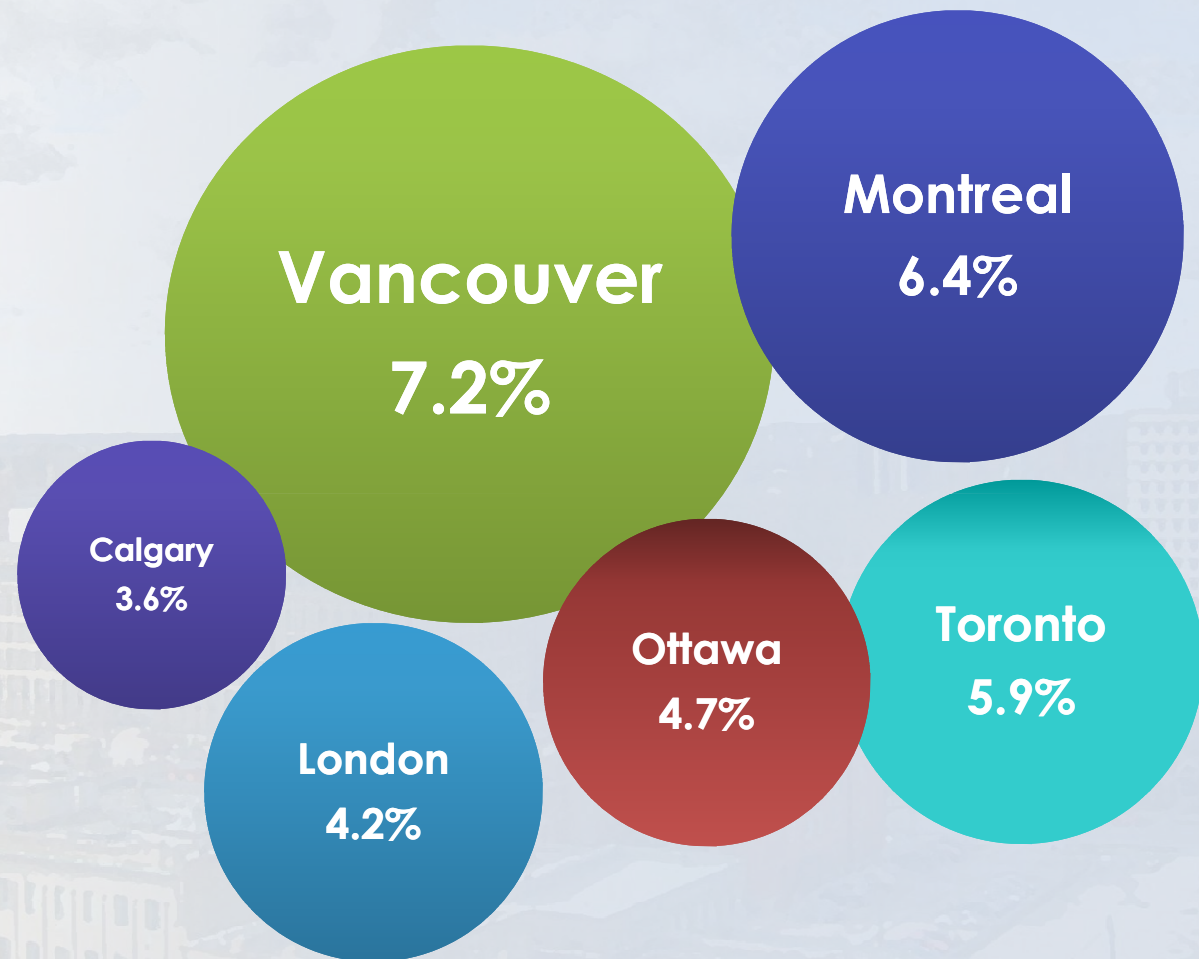
## Comparison of Economic Contributions for Cultural Sectors in the City of London (Present Study) and Select Areas of Ontario

City of London (2011)	London CMA (2011)	City of Toronto (2006)	Ottawa (2006)
<b>\$540 Million (Direct contribution)</b>	\$580 Million (Direct contribution)	\$9 Billion (GDP estimate)	\$1.98 Billion (GDP estimate)
<b>\$1,475 Per Capita</b>	\$1,222 Per Capita	\$3,595 per capita	\$1,751 per capita

**Sources:** Sierra Planning and Management (2012) (London Estimate); City of Toronto (2011) *From the Ground Up: Growing Toronto's Cultural Sector*; and City of Ottawa (2012) *A Renewed Action Plan for Arts, Heritage and Culture In Ottawa (2013-2018)*.

# Interpretation of Results

- ❖ By comparison, London had a higher concentration of cultural jobs (4.2% POW) than the Canadian average (3.3%) in 2006; and
- ❖ The City ranked reasonably well against some of Canada's large cities e.g. Calgary at 3.6%.



**Sources:** Sierra Planning and Management (2012) (London Estimate); City of Toronto (2011) From the Ground Up: Growing Toronto's Cultural Sector; and City of Ottawa (2012) A Renewed Action Plan for Arts, Heritage and Culture In Ottawa (2013-2018).



# Interpretation of Results

- ❖ The estimate is a general statement of contribution based on available information;
- ❖ The estimated income of the defined businesses is only part of the direct economic contribution of cultural activities to the City; and
- ❖ This analysis focuses on operational activity and does not assess the impact of capital investment/costs.