



Exhibiting Resilience: Empowering Ontario's community museums for strategic recovery

October 2020 – Ontario Museum Association

[White Paper formerly titled: Museum Survival and Sustainability During and Beyond the COVID-19 Pandemic]

50 RUE BALDWIN STREET | TORONTO ONTARIO | M5T 1L4 | CANADA
TEL./TÉL.: 416-348-8672 | TF/S.F.: 1-866-OMA-8672 | FAX/TÉLÉC.: 416-348-0438
EMAIL/COURRIEL: OMA@MUSEUMSONTARIO.CA | MUSEUMSONTARIO.CA OR/OU MUSÉESONTARIO.CA

Executive Summary

The Ontario Museum Association (OMA) offers recommendations to the Ontario government to support Ontario's museums in survival, recovery, and long-term sustainability in the period of regrowth instigated by the COVID-19 pandemic.

The OMA presents these recommendations in the context of the Ontario Government's "*A Framework for Reopening our Province*", as well as the *COVID-19 Economic Recovery Act*, to:

- Restart jobs and tourism for Ontario's economic recovery
- Strengthen communities
- Create opportunities for people as they recover their lives and livelihoods by protecting consumers, modernizing services, improving the education system and removing the social and economic barriers that stand in the way of success.

Value of Museums for Ontario: Before the Pandemic

Ontario's museums are essential contributors to Ontario's economic and social fabric for employment, engagement, education, economic, and tourism success — in addition to our key role in protecting and promoting Ontario's heritage. Ontario's museums are major contributors to the province's economy and educational landscape. They strengthen their communities and help create distinct and vibrant places to live, work, visit, and invest. Ontario's museums are vital contributors to the hyperlocal social and economic fabric: supporting downtown mainstreet.

Museum contributions to Ontario include:

- Estimated \$1.6 billion in total economic value annually
- Estimated \$600 million in value of formal school visits per year
- Employing 11,000 people in the province
- Fostering social cohesion and engagement; supporting equity & accessibility—telling the stories that need to be told
- Strong partnerships with industry, education, libraries, arts, culture, and tourism

Strategic Issues

Museums in Ontario are hindered by systemic issues that curtail the growth and sustainability of the sector and reduce our ability to execute *Ontario's Museums 2025* strategic plan. The most pressing of these issues is the critical, ongoing underfunding of museums. Provincial contributions to community museums have not kept up with inflation or the growth and changing nature of the museum sector. A renewed museum funding model would consider the legislative environment, with improved, consistent support and eligibility criteria aligned among levels of government (municipal, provincial, and federal) and between ministries.

Museums are also impacted by:

- A closed program for operating funding that prevents leading and achieving museums from accessing support
- Reliance on short-term project funding that contributes to mission drift
- Outdated standards of assessment that do not reflect the current best practices of museum work or an evolving business model
- Inconsistent application of property tax exemptions

Impact of COVID-19

The COVID-19 pandemic has had a negative impact on the busy summer season and affected the essential methods of revenue generation that museums rely on for their core operations and community outreach. The revenues lost in the province are estimated at more than \$120million¹.

Only 53% of museums have been able to re-open before early September; and struggle with decreased occupancy to support physical distancing, reduced confidence of visitors, and increased costs in order to keep their spaces clean and safe. 20% of museums, and in particular, 40% of seasonal museums, are unable to reopen in 2020. Only 18% of museums say they have “High confidence” that they will have the financial resources to operate in 2021².

Recommended Priority Solutions

The Ontario Museum Association recommends two priority solutions to help mitigate the revenue losses and sustained impacts of the COVID-19 pandemic:

1. **An Ontario Museum Relief Fund, valued at \$8.5million, in response to the impacts of COVID-19**
2. **A Digital Response Fund, valued at \$10million over three years**

These measures are essential first steps towards stabilizing the sector and setting it on a path to success.

Recommended Long-Term Solutions

As a first step towards the improved sustainability of Ontario’s museum sector, the Ontario Museum Association will work with the Government of Ontario on the following areas of action:

3. **That the Government of Ontario renew the Ontario museum funding model, including an increase of sustainable, annual operating support for community museums to \$15 million per year**

Conclusions

This period of rebuilding and reconnection as the province moves into recovery provides an opportunity to empower museums to play a central role in the implementation of government strategies.

Now is the time to modernize the support systems for Ontario’s museums, so they continue to be essential community assets for economic, educational, cultural, and social vitality. Museums demonstrate consistent economic and social return on investment, enhancing their impact and value for our communities.

These investments will strengthen museum contributions as part of a facilitated transition to ‘the new normal’—enabling museums to fully participate in recovery and pivot to emerging business models.

The Ontario Museum Association stands ready to work with the Government of Ontario as a partner in the development and implementation of the above recommendations towards recovery and a renewed funding model for Ontario museums.

¹ Based on data from the Government of Canada Survey of Heritage Institutions: 2017. Department of Canadian Heritage, 2018.

² 2nd COVID-19 Impact Survey Key Findings, Ontario Museum Association, 2020

Exhibiting Resilience: Empowering Ontario's community museums for strategic recovery

Table of Contents

Executive Summary	2
Introduction.....	5
State of the Field	7
Value of Museums for Ontario: Before the Pandemic.....	7
Economic Development	7
Education	8
Employment	9
Equity, Accessibility, and Community Wellbeing.....	9
Strategic Issues	10
Impact of COVID-19.....	11
Recommended Priority Solutions	14
Recommendation 1. That the Government of Ontario establish an Ontario Museum Relief Fund	14
Recommendation 2. That the Government of Ontario establish a Digital Response Fund.....	15
Recommended Long-Term Solutions	16
Recommendation 3. That the Government of Ontario Renew the Ontario Museum Funding Model	17
Conclusions.....	18

Introduction

The Ontario Museum Association (OMA) speaks for more than 700 Ontario museums, galleries, and historic sites, 11,000 museum professionals, and 37,000 museum volunteers who hold the heritage and scientific collections of the province in trust for the people of Ontario. Since 1972, the OMA has been the leading professional association for museums and museum workers in the province of Ontario.

The OMA represents the wide variety of museums across Ontario, from the very largest provincial and national-level institutions to the very smallest local community heritage sites. These smaller museums—with annual budgets less than \$165,000—represent half of our membership. Our members are found in every community across Ontario.

The OMA has led and represented the Ontario museum community since 1972. The OMA has helped museums to successfully transition through previous periods of change, including the early days of the digital landscape. The OMA's position provides unparalleled access to sector-specific expertise, programs, services, training, and resources. The OMA works across and outside the museum sector with other organizations and governments at all levels for the benefit of Ontarians.

Ontario's museums developed a sector-wide Strategic Vision and Action Plan called *Museums2025*. Informed by surveys of 184 museums; input and feedback from museum stakeholders, volunteers, and professionals; and 450 participants in 8 facilitated discussions, *Museums2025* presents a vision and action plan focusing on four key pillars of success:

Vibrant & Vital Museums

Museums are relevant to contemporary society in Ontario. They engage their communities, stakeholders, and the public in developing and delivering their work. Museums provide welcoming spaces for rich, layered experiences and opportunities for lifelong learning.

Relevant & Meaningful Collections

Museums care for and develop collections for the public benefit. Museums enhance public access to, and interpretation of, collections to enable people to make meaning of their place in society

Effective & Collaborative Workforce

Museums can demonstrate the impact of their work on Ontario's economy and its social and cultural vitality. They communicate their value to their communities and to Ontarians. Museum workers are recognized as highly skilled and dedicated professionals.

Strong & Successful Sector

Ontario's museums contribute to growing our local, provincial and national economies. They collaborate and partner within the museum and cultural sector, and with other sectors. Museums operate with robust and relevant funding models based on the support of government, other not-for-profits, and private sector partners. They manage their operations, buildings, and collections in a sustainable and effective manner.

The OMA itself is guided by *Towards 2025: The Ontario Museum Association's Strategic Plan 2016-2021*, which includes the OMA's Mission, Vision, and Values:

Our Mission

The Ontario Museum Association strengthens capacity among institutions and individuals active in Ontario's museum sector, facilitates excellence and best practices, and improves the communication and collaboration of its membership. The Association advocates for the important role of Ontario's museums to society, working with all stakeholders, related sectors and industries, and other professional organizations.

Vision

The Ontario Museum Association is the leading professional organization advancing a strong, collaborative, and inclusive museum sector that is vital to community life and the well-being of Ontarians.

Values

- ***Diversity, Inclusivity & Access***
- ***Adaptability & Efficiency***
- ***Innovation & Improvement***
- ***Community & Collaboration***
- ***Service Excellence***

The OMA's board of directors, known as the OMA Council, bring decades' worth of experience to the strategic direction of the OMA and its work for its members.

This document brings forward solutions and recognized practices from extensive consultations, committee work, and references to other jurisdictions.

The unprecedented time of the COVID-19 pandemic has presented unique challenges, has exacerbated existing systemic issues, and provides an opportunity to build towards sector-identified transformational change. The sector's guiding document, *Ontario's Museums 2025: Strategic Vision & Action Plan*, presents four key outcomes for this change to achieve: Vibrant & Vital Museums, Relevant & Meaningful Collections, a Strong & Successful Sector, and an Effective & Collaborative Workforce. Informed by a comprehensive two-year process that included broad consultation and engagement with the museum sector and stakeholders, *Ontario's Museums 2025* presents a strong and unifying vision for renewal and excellence built on innovative ways of working and greater public relevancy for Ontario's museums.

The OMA looks to focus efforts towards the development of a more effective museum sector as part of the province's recovery from the pandemic. The OMA continues to work with government and stakeholders to create an environment where museums are able to thrive with their mandates to serve their communities and create heritage experiences for Ontarians and tourists. We have an opportunity to create lasting positive change during this period of recovery and regrowth.



Image 1: Photograph by Corina MacDonald, Region of Waterloo Museums, Waterloo Wellington Children's Groundwater Festival.

Ontario museums are a key part of the province's recovery.

State of the Field

Value of Museums for Ontario: Before the Pandemic

The more than 700 museums, galleries, and heritage sites in Ontario are key cultural, heritage, and tourism assets for the province, especially in smaller, rural, and Northern communities^{3,4}. Ontario's museums have been achieving an extended period of growth across the sector, with in-person visitation growing by 13% over five years to nearly 20 million annual visitors⁵, 45% of which are tourists⁶. Even more rapid growth has been achieved online, with museum websites seeing 40% growth in visitorship over two years to 113 million online visits a year—nearly 4 per second⁷!

Museums are located in every community—urban, rural, Northern, Indigenous, east and west—and hold their collections in trust for the people of Ontario, as recognized in the Ontario Heritage Act.

Museums have important impacts at both the local and provincial level:

Economic Development

Ontario's museum sector contributes to the province's almost \$27 billion culture GDP and \$34 billion tourism GDP, and museums contribute an estimated \$1.6 billion in total economic benefits annually to Ontario⁸. Museums have a return-on-investment of \$3.70 for every dollar spent on operations⁹.



Image 2: Niagara Falls Community Gallery, Photo: Young Glass Photography

88% of Ontarians agree that arts and cultural activities, like museums, are important to local economic well-being¹⁰.

³ Innovative Best Practices to Foster Sustainable Tourism in Ontario's Rural Communities. University of Guelph Tourism Collaborative, February 2015.

⁴ The Visitor Economy and Rural Cultural Amenities. Rural Ontario Institute. C. Fullerton, part of the Rural Ontario Foresight Papers, 2017.

⁵ Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

⁶ Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

⁷ Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

⁸ Value Study of GLAMs in Canada, Oxford Economics, 2019

⁹ Value Study of GLAMs in Canada, Oxford Economics, 2019

¹⁰ Arts and Heritage Access and Availability Survey 2016-2017, Environics Research Group, March 2017.

Museums help municipalities attract skilled workers¹¹ and are a key asset in downtown revitalization. 83% of Ontario mid-size cities found that cultural and recreational amenities were effective in their work to renew their downtown¹². In their role as tourism generators, museums in Ontario welcome more than 7.5 million visits by tourists annually¹³, representing sought-after demographics of cultural tourists who spend twice as much per visit¹⁴.

For smaller places, museums represent essential tourism infrastructure and are key assets for developing Ontario's rural tourism^{15,16}, community pride, and rural culture¹⁷.

Education

Ontario's museums are a vital part of the province's educational landscape, **with more than 2 million children on school visits to museums every year**, growing 5% over two years¹⁸, and many more visiting informally at other times¹⁹. 77% of Ontario museums offer programs linked to provincial curriculum requirements, and museum visits are shown to build higher achievement and skills in reading, math, science, and critical thinking, especially for rural students and those who may not have the same access to cultural experiences^{20,21}. The educational value of a museum visit for students has been quantified at \$320²², bringing the total value in the province to more than \$600 million per year.



Image 3: City of Hamilton, Hamilton Museum of Steam and Technology

¹¹ Policy Statement on Social-Economic Development. Federation of Canadian Municipalities, March 2016.

¹² Downtown Revitalization Strategies in Ontario's Mid-Sized Cities: A Web-Survey and Case Study, by C. Lauder, (Masters' Thesis) University of Waterloo, April 17, 2010.

¹³ Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

¹⁴ Ontario Arts and Culture Tourism Profile, by Research Resolutions & Consulting Ltd. for Ontario Arts Council, November 2012

¹⁵ Innovative Best Practices to Foster Sustainable Tourism in Ontario's Rural Communities. University of Guelph Tourism Collaborative, February 2015.

¹⁶ The Visitor Economy and Rural Cultural Amenities. Rural Ontario Institute. C. Fullerton, part of the Rural Ontario Foresight Papers, 2017.

¹⁷ Rural Tourism-An Overview. Government of Alberta, Agriculture and Rural Development, October 2010.

¹⁸ Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

¹⁹ Value Study of GLAMs in Canada, Oxford Economics, 2019

²⁰ D. W. Swan, 2014. The Effect of Informal Learning Environments on Academic Achievement During Elementary School. Paper presented at the 2014 annual meeting of the American Educational Research Association.

²¹ J. P. Greene, B. Kisida, D. H. Bowen, 2014. The Educational Value of Field Trips. Education Next, Winter 2014, pages 78-86.

²² Value Study of GLAMs in Canada, Oxford Economics, 2019

Employment

Museums in Ontario directly employ 11,000 people²³. 90% of museums offer training and professional development programs in transferable skills for staff and volunteers²⁴.

Within the knowledge economy, museums offer positions and skills development at all levels of experience²⁵. Museums offer experiential learning and support local employment, preventing rural outmigration and providing entry into sectors such as tourism and the public service.

Equity, Accessibility, and Community Wellbeing

Ontario's museums contribute to the wellbeing of their communities. 9 out of 10 Ontarians agree that exposure to arts and culture is important to individual well-being²⁶ and brings people from diverse backgrounds together as a community²⁷. In their communities, Ontario museums strengthen connections between organizations and take part in local cultural planning²⁸. Museums work with residents of their local areas to produce culturally relevant programming and exhibits—representing and showcasing diverse communities.

As community hubs and vital infrastructure, especially in smaller places, museums provide access to the benefits of culture, heritage, and local vitality.

Museum volunteering and specialized programs also help combat social isolation among older adults²⁹. 45,000 Ontario seniors take part in specialized museum programs each year³⁰.



Image 4: Museum on Wheels, The Morris and Sally Justein Heritage Museum. Courtesy of Baycrest.

²³ Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

²⁴ Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

²⁵ Government of Canada Survey of Heritage Institutions: 2017. Department of Canadian Heritage, 2018.

²⁶ Arts and Heritage Access and Availability Survey 2016-2017, Environics Research Group, March 2017.

²⁷ Impressions of the Impact of the Arts on Quality of Life and Well-Being in Ontario: Ontario Arts Council Survey Findings, by Nanos Research for the Ontario Arts Council, March 2017.

²⁸ Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

²⁹ Social participation and the health and well-being of Canadian seniors. H. Gilmour, Research article, Statistics Canada Health Reports, Vol. 23, No. 4, December 2012.

³⁰ Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

Strategic Issues

The contributions of museums listed above, though numerous, are hindered by systemic issues that curtail growth and sustainability of the sector. The most pressing long-term concern for museums is the critical, ongoing underfunding of museums as a vital community and provincial resource, and has been identified as such for more than a decade^{31, 32}. The only provincial-level operating funding for museums originated in 1953, later becoming the Community Museum Operating Grant (CMOG) program. The program has not kept pace with inflation of museum operating costs and the growth of the sector.

The program currently provides grants to 166 museums in Ontario, less than 25% of Ontario's museums. Funding for community museums has decreased over the last decade as museums change, grow, or leave the program. The closed program prevents new, emerging, and achieving community museums from accessing the same level of funding as their peers, despite their adherence to the *Standards for Community Museums in Ontario*.

Stagnant amounts of operating funding for the current recipients over the same period prevent museums from keeping up with or filling their expanded roles in their communities.

Provincial funding for museums has been frozen for over a decade. Despite no net increase in provincial funding over this period, community museums have effectively managed their resources, evolved to better meet the needs of their communities and made innovative advancements with emerging technologies.

Museums across Ontario share best practices and work with their communities to make programs, collections, and exhibits more accessible and responsive to their local needs.

Museums are struggling to keep up in a growing number of Ontario communities. This is a particular concern for independent, non-profit museums and those in smaller, rural, and Northern communities. In these places, museums are essential to tourism, culture, and community vitality.

For museums in Ontario to be able to sustain their significant contributions to the vitality of the province, a renewed funding model and overall increase in public investment is essential.



Image 5: Pow Wow, Courtesy of the Museum of Ontario Archaeology

For the minority of museums that are able to access provincial operating funding, their yearly assessment for eligibility is based on the *Standards for Community Museums in Ontario*³³. These standards, while grounded in historical precedent and acknowledging many core areas of museum function, are outdated and do not reflect the realities and best practices of contemporary museum and community engagement work. Museums who do not currently receive funding also use these standards as markers of their success and legitimacy as museum operations, and the standards need to reflect recognized modern standards and an evolving business model.

³¹ CMOG Snapshot 2000-2004: Research into the sustainability of Ontario's community museums. Ontario Museum Association, 2008.

³² Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

³³ "Standards for community museums in Ontario", Queen's Printer for Ontario, February 28, 2017.

Further to limited operating funding and its availability, other sources of funding for Ontario's community museums are restricted to short-term project funding. Here, community museums, especially smaller organizations, compete with large institutions for a limited funding envelope³⁴. Adjusting core aspects of the museum's mandate to satisfy requirements of project grants contributes to mission drift, employee burnout, and added stress on operations. Without adequate, stable operating funding, the core functions of museums suffer³⁵.

Museums also contend with inconsistent property tax exemptions and have seen drastic, unanticipated increases in their property tax assessments, which has penalized museums for the refurbishment and building of community spaces. This environment of uncertainty, worsened by the pandemic, impedes capital projects and all facets of museum work. Other types of institutions including "philanthropic organizations", "scientific or literary institutions", and "small theatres"³⁶ are all exempt from property tax. Recent actions by the government of Ontario have added branches of the Royal Canadian Legion to the list of exempt institutions by virtue of their value to their communities³⁷. **All museums need a consistent property tax exemption, as educational, non-profit organizations, and community assets.**

The current exclusion of museums from provincial endowment-matching programs also impedes museums' ability to fundraise from the private sector. Matching these funds—as for other organizations—will encourage donations.

Impact of COVID-19

The onset of the COVID-19 pandemic exacerbated existing systemic issues within the heritage and museums sector. Chronic underfunding left museums without the ability and dependable infrastructure to quickly adjust and maintain their full potential for community engagement.

As a matter of public health, museums across Ontario closed to the public in March 2020, drastically reducing their ability to generate the revenue they rely on to serve their communities.

The months of closure—still ongoing for many—have worsened existing financial stability issues in the museum sector. The pandemic struck from March Break through the busy summer season, which accounts for nearly 40% of visitor spending in Ontario. For seasonal museums, the summer months are their only opportunity to generate revenue.

From Ontario Museum Association survey data, 74% of museums have less than three months' worth of reserve funds³⁸, and pandemic closure has placed additional pressure on already-strained budgets. For municipalities, the increased costs due to the pandemic will place additional pressure on their budgets and may leave museum budgets vulnerable to drastic cuts.

³⁴ "Moving Forward—Toward a Stronger Canadian Museum Sector". Report of the Standing Committee on Canadian Heritage, 42nd Parliament, 1st Session. September 2018.

³⁵ Moving Forward – Towards a Stronger Canadian Museum Sector, Report of the Standing Committee on Canadian Heritage, September 2018, 42nd Parliament, 1st Session

³⁶ Assessment Act, R.S.O. 1990, c. A.31, Section 3.

³⁷ "Lightening the Burden for Ontario's Legion Halls", Office of the Premier of Ontario, November 5, 2018.

³⁸ Museum Impact Survey, Ontario Museum Association, 2019 (unpublished data)

Key areas of revenue affected include:

- Admissions
- Memberships
- Museum programs
- Retail shops and restaurants
- Ability to host large fundraisers
- March Break and summer camps

For all museums and historic sites across Ontario, these categories of earned revenue losses represent more than \$120 million since pandemic closures began³⁹. This loss of revenue is especially concerning for independent, not-for-profit, non-municipal museums that generate 65% of their annual revenue from activities like fundraising, school tours, and admissions⁴⁰—areas all severely limited by the pandemic⁴¹.

From a sample of 150 Ontario museums describing the effects of the pandemic on their workforce, museums reported that between March and July of 2020, more than 1,100 positions—greater than 10% of the sector’s total employment—had been affected by layoffs, contract cancellations, or redeployment⁴².

As museums have been closed to the public and staff have been laid off or redeployed, some collections have been left in the hands of security staff instead of trained collections managers; some borrowed collections had to be left with no security, and some collections were placed under threat in sub-standard atmospheric conditions. Collections improperly maintained can result in additional financial costs for damages, exhibit cancellation fees, and insurance claims. This also places at risk the public trust and stewardship role of museums and negatively impacts their accountability to donors and funders.

Only 53% of museums were able to modify their operations to re-open to the public before early September, based on their organization’s circumstances. Museums, compared to other public venues including art galleries, are often housed in smaller heritage properties that do not offer space for physical distancing and cannot be sterilized through the use of chemicals. Other museums may also remain closed due to the usually highly tactile and interactive nature of their displays and programs⁴³.

Only another 25% of museums anticipate re-opening later in 2020.

Of greatest concern, 21% of museums will not reopen in 2020⁴⁴. Especially for seasonal museums, the loss of an entire year of revenue will devastate any financial reserves and shatter their chances of returning to regular operations. From an Ontario Museum Association survey on the Impacts of COVID-19, only 18% of museums responded that they had “High confidence” that they will have sufficient financial resources to operate in 2021; 31% did not know or had “Low” or “No confidence”⁴⁵.

However, re-opening to the public does not mean a return to full revenue-generating potential. In order to be safely open to the public, museums have compensated by modifying their usual operations with reduced visitor capacity, fewer public programs, and limited hours⁴⁶.

³⁹ Based on data from the Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

⁴⁰ Museum Impact Survey, Ontario Museum Association, 2019 (unpublished data)

⁴¹ 2nd COVID-19 Impact Survey Key Findings, Ontario Museum Association, 2020

⁴² Ibid. Unpublished data.

⁴³ Ibid.

⁴⁴ Ibid.

⁴⁵ Ibid.

⁴⁶ Ibid.

To safely welcome the public into their facilities, museums have also taken on increased and unanticipated costs, especially for items like Personal Protective Equipment (PPE); barriers, signage, and crowd control measures; and increased cleaning⁴⁷. Decreased revenues and increased expenditures are the cost of safely re-opening; these costs are prohibitive for some museums.

Museums are further contending with reduced confidence of previous visitors for returning to their institutions. Only 30% of museum visitors stated that they would return to museums as soon as they were re-opened to the public; 42% were unsure when they would return after re-opening⁴⁸. School visits, a key form of outreach and source of revenue for many museums, are unlikely to return to pre-pandemic levels over the next two years. This is a particular concern for museums who have previously experienced a year of cancelled school visits due to labour action in the education system.

Older adults, who may be considered a vulnerable population, also make up a large portion of museum volunteers; without those volunteers, museums are unable to offer public programs or fundraising that contribute to their earned revenue. Retail operations may also be run by volunteers⁴⁹ causing further damage to this revenue source.

The massive revenue losses museums are experiencing threaten their very existence.

Museums are facing a precarious situation, and international surveys have shown that many may be unable to survive the pandemic⁵⁰. From surveys by UNESCO and the International Council of Museums (ICOM), 1 out of 8 museums globally will not survive the pandemic⁵¹. North American museums may be facing even greater challenges, with the American Alliance of Museums (AAM) estimating that 1 out of 3 museums are at risk of closure as a result of the pandemic and a lack of available funding support⁵². **This risks restricted access and massive damage to Ontario's and Canada's cultural and scientific heritage as well as the potential loss of collections built over centuries.**

For Ontario museums, the most pressing factors impacting their ability to operate in 2020 are revenue losses and budget pressures caused by the pandemic. The resulting layoffs, recruitment challenges, and staff redeployment further hinders their ability to maintain their operations⁵³.

In Ontario, this pandemic exacerbated the critical, ongoing underfunding of museums as a vital community resource. The early distribution of operating funds to 166 eligible museums out of the 700 in Ontario is appreciated—but affects fewer than 24% of Ontario museums.



Image 6: Markham Museum

⁴⁷ 2nd COVID-19 Impact Survey Key Findings, Ontario Museum Association, 2020

⁴⁸ Arts Response Tracking Study | May Report. Conducted by Nanos for Business / Arts, May 2020

⁴⁹ Museum Impact Survey, Ontario Museum Association, 2019. Unpublished data.

⁵⁰ "It's a constant battle to keep Canada's museums afloat. COVID-19 has made it worse", Toronto Star, August 19, 2020.

⁵¹ "COVID-19: UNESCO and ICOM concerned about the situation faced by the world's museums", UNESCO and ICOM Press Release, May 18, 2020

⁵² "United States May Lose One-third of All Museums, New Survey Shows", American Alliance of Museums Press Release, July 22, 2020.

⁵³ 2nd COVID-19 Impact Survey Key Findings, Ontario Museum Association, 2020

At the federal level, emergency support funding may reach up to 10% of museum operating budgets⁵⁴. We understand that this inclusive program assisted more than 300 Ontario museums with a streamlined online application process and swift disbursement of \$10.5 million in funding. However, this level of emergency funding is insufficient to compensate for the revenue losses and increased costs museums are incurring.

To date, there has been no provincial museum-specific emergency support funding.

Recommended Priority Solutions

This document builds on the OMA's previous submissions to the Standing Committee on Finance and Economic Affairs and the Minister's Festivals, Events, and Local Community Attractions Panel; and considers sector consultations and Surveys. In this context, the OMA outlines the following recommendations to the Government of Ontario for support to the museum sector:

Recommendation 1.

That the Government of Ontario establish an Ontario Museum Relief Fund

To support the survival and ability of museums to contribute to the province's recovery, the Ontario Museum Association recommends that the province support museums with 10% of museum annual operating expenses—matching the level of contributions made under the *COVID-19 Emergency Support Fund for Heritage Organizations – Museums Assistance Program*⁵⁵ at \$8.5 million. This would help mitigate the revenue losses for museums.

This museum relief fund will help to address the immediate and significant impacts of revenue losses from admissions, public programs and fundraising events.

We need relief funding to support museums as they care for their people, their resources, their collections, their sites, and their communities. Museums are facing both drastically reduced revenues and increased costs to operate safely. Museums are already seeing pressures from their governing bodies and municipalities—museum budgets are vulnerable due to the widespread and unanticipated costs of the pandemic.

Museums are valued by the people of Ontario and across Canada, for every dollar invested in museums, society gets back \$3.70⁵⁶ in economic ROI. The social return on investment (education, social cohesion, etc.) is much higher⁵⁷. This funding will protect and preserve valuable heritage, cultural, and community assets so that they may survive until they are able to welcome Ontarians and tourists fully again.

At \$8.5 million, the Ontario Museum Relief Fund will be an investment in the longevity of the province's community museums. Museums in every community can be supported through the pandemic to be able to welcome their local visitors, some of whom may be exploring close to home for the first time.

⁵⁴ "COVID-19 Emergency Support Fund for Heritage Organizations – Museums Assistance Program", Government of Canada, September 2020.

⁵⁵ "Application Guidelines – COVID-19 Emergency Support Fund for Heritage Organizations – Museums Assistance Program", Government of Canada, 2020.

⁵⁶ Value Study of GLAMs in Canada, Oxford Economics, 2019

⁵⁷ So Much More: The Economic Impact of the Toronto Public Library on the City of Toronto. Martin Prosperity Institute, 2013.

This relief funding must be open for all museums and recognize the diversity of museums in the province.

A streamlined, straightforward application process is essential to ensure funding reaches museums in a timely and effective way and responds to immediate budget pressures.

The Ontario Museum Relief Fund is crucial for museums to survive to 2021—to rehire workers, welcome visitors, and help the province in its recovery.

Recommendation 2.

That the Government of Ontario establish a Digital Response Fund

A \$10 million investment over three years in digital transformation for Ontario museums is essential to sustained, equitable access to the research, stories, and benefits that museums have to offer to Ontarians. Changing tourist and education practices will make digitalized museums more important and valuable for Ontario. This funding will ensure that every Ontario museum has the opportunity to participate in producing digital content in a strategic, sustainable way that meets the needs of their communities and helps build their visitor base.

COVID-19 increased the divide between museums able to expand into the digital world and those without the infrastructure, technology, and skills to do so⁵⁸. Museums with staff working remotely have expended great efforts with minimal resources to engage the public during confinement and support the province's education system during school closures. While museums were closed to the public, museum workers across the sector developed engaging, educational, and entertaining content for the public of Ontario. Where possible, museums accelerated their digital transformation and created social media activities, online exhibits, virtual panel discussions, downloadable activities, and community memory repositories. Museums and culture were a fundamental part of Ontario's response to the pandemic.

This funding will enable museums' digital strategies by building digital skills, increasing resources, and expanding digital infrastructure.



Image 7: Peel Art Gallery, Museum & Archives (PAMA)

⁵⁸ "Going digital not easy for cultural institutions", The Globe and Mail, April 18, 2020

Pre-pandemic, museums were achieving 113 million online visits a year⁵⁹, nearly 4 per second. This demand has increased almost 40% over two years⁶⁰. With the Fall 2020 return to school and its challenges of virtual schooling and hybrid learning of all types, museums could adapt their existing curriculum-based programs for online delivery as an important turn-key solution and educational resource. Museum expertise and online learning experiences have untapped potential for Ontario's education system and beyond.

This digital response fund will allow Ontario museums to produce high-quality, engaging, and accessible online content for the public. Museums are trusted sources of information; expanded digital initiatives will make their knowledge more accessible.

In particular, digital exhibitions, programs, and other initiatives connected to the province's curriculum are vital resources for K to 12 students, their parents and caregivers, post-secondary students, and life-long learners.

With 75% of tourists planning their trips online⁶¹, these investments in digital access and engagement are also essential to build hyperlocal tourism—'staycations'. Funding new technologies is necessary for a safe, contactless flow of visitors through payment systems, guest interaction activities, and group/crowd management. In addition, re-skilling, enhanced learning opportunities, and investment in sector-specific and digital capacity training are essential.

Ontario's museums must be strategically funded to quickly pivot to greater digital engagement in support of their hyperlocal engagement, education, tourism support, and economic development mandates.

Funding museums to produce digital content and experiences further strengthens the province's recovery efforts.



Image 8: Peel Art Gallery, Museum & Archives (PAMA)

Recommended Long-Term Solutions

The OMA seeks to work with government and stakeholders to create an environment where museums are able to thrive in their mandates in service of their communities. Part of this work is the development of a funding model that supports museum success and relevancy for the public within the Ministry policy framework. The renewal of the funding model for museums is an ongoing priority for the OMA.

⁵⁹ Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

⁶⁰ Government of Canada Survey of Heritage Institutions: 2019. Department of Canadian Heritage, 2020.

⁶¹ Trip Barometer 2016: Traveller Trends and Motivations Global Findings. TripAdvisor Insights, 2016.

Recommendation 3.

That the Government of Ontario Renew the Ontario Museum Funding Model

Ontario needs a modern and effective museum funding model to ensure the significant contribution of museums to the province and all communities by fostering success through strong support mechanisms.

The OMA recommends an initial increase in sustainable operating funding for community museums to a total of \$15million annually, reaching beyond urban centres to more than 300 communities across Ontario. This increase, towards an average of 15% of their operating budget, will open the Community Museum Operating Grant program to more of Ontario's achieving and eligible community museums and increase the number of Ontarians that museums can serve.

This investment recognizes that the 50% of operating funding provided to provincial museums and agencies is key to their success. The new model would establish a base level of funding for core functions, stabilizing the sector.

Beyond the funding increase, the museum funding model in Ontario needs to be reimagined for efficiency and effectiveness for the benefit of Ontarians and our local communities everywhere.

In discussions with all stakeholders, including the Ministry of Heritage, Sport, Tourism and Culture Industries and tourism, culture, and education partners, a number of components were identified to support the essential work of museums in their communities. The components of a sound funding model include ensuring adequate funding considers the needs of various types of museums, and is responsive to the diversity of populations in communities and particular regional needs.

Museum operating funding, informed by current data, collected and analyzed for benchmarking, needs to be equitable, stable, and consistent over multiple years, with inflationary adjustments.

A renewed model would consider a diversified mix of funding that is responsive to the changing nature of Ontario and museum operations. This would include operating funding for core museum functions and responsibilities (conservation; care of collections; exhibits; digital and virtual program and service delivery; employment; succession planning); as well capital funding for infrastructure and standards-compliant storage.

To complement all above investments, additional flexible funding is needed to address community outreach, digital transformation, audience development, reconciliation, innovation, and overall capacity.

A renewed museum funding model would consider the legislative environment, with improved, consistent support and eligibility criteria among levels of government (municipal, provincial, federal) and between ministries.

Museum funding from the province needs to be aligned with municipalities. Municipalities provide, on average, 84% of government-level funding for museums in the province⁶². Increases in provincial operating support should be complemented with stable funding from municipalities, resulting in net growth of museum support. The many challenges faced at the municipal level for funding and tax revenue risks additional stressors on local museums.

⁶² Ontario's Museums 2014 Profile. Ontario Museum Association, 2016.

A renewed museum funding model would: reflect current best practices; have transparent, evidence-based decisions and assessments; have a streamlined application process and reporting; be based on sector-identified Standards and performance measures; and result in improved accountability for all stakeholders. This model would also support evolving business models, including museums' digital transformations.

The government of Ontario can also support museums through a consistently-applied exemption from property tax, predicated on museums' strong and essential value to their communities as social, tourism, and educational institutions for the public benefit.

A provincial approach to museum events, special exhibits, marketing, collections, and services can realize greater museum effectiveness and fiscal efficiency.

Incentivizing donations to museum endowments through matching support programs would further increase museums' ability to generate revenue to support their important community work.

In summary, long-term strategic solutions include systemic, improved sustainability of Ontario's museum sector, through:

1. A renewed Ontario museum funding model, including an increase of sustainable, annual operating support for community museums to \$15 million per year.
2. Clear exemption from property taxes for local museums and heritage sites
3. Including museums in provincial matching funding for private-sector donations (e.g. endowments)

Conclusions

This period of rebuilding and reconnection as the province moves into recovery provides an opportunity to empower museums to play a central role in the implementation of government strategies.

Now is the time to modernize the support systems for Ontario's museums, so they continue to be essential community assets for economic, educational, cultural, and social vitality. Museums demonstrate consistent economic and social return on investment, enhancing their impact and value for our communities.

These investments will strengthen museum contributions as part of a facilitated transition to 'the new normal'—enabling museums to fully participate in recovery and pivot to emerging business models.

A dedicated Ontario Museum Relief fund to address significant revenue losses and unanticipated costs of re-opening is essential for museums to survive the pandemic crisis and re-open safely. The Government of Ontario's investment will ensure that museums are able to re-open for hyperlocal tourism and experiences as part of the gradual process to rebuild visitor confidence.

Investments in the digital transformation of museums will increase museums' role as key players in the digital economy. Museums can leverage digital opportunities to deliver on changing visitor expectations, meet the evolving needs of the education system, increase accessibility to museum collections, and amplify diverse histories. Museums, as trusted institutions, can harness digital strategies to enrich and enhance their recognized role in society by offering engaging experiences for learning, enjoyment, and connecting with our province's rich history and culture.

Digital has an especially important role in driving hyperlocal tourism and visitation, reaching new audiences as Ontarians seek more online experiences during the time of recovery and into the future. Online presence is also essential for trip planning for visitors from Ontario and, eventually, further afield.

And finally, a renewed, modern funding model tied to a comprehensive and sustainable provincial strategy plan for museum success will foster excellence and innovation by supporting museum core functions and encouraging projects that engage communities and make our province a leader in museum and heritage work.

The Ontario Museum Association stands ready to work with the Government of Ontario as a partner in the development and implementation of the above recommendations towards recovery and a renewed funding model for Ontario museums.