

Arts Cuts and the HST

VR speaks to NDP MLA Spencer Herbert

We'd originally requested interviews with Gordon Campbell and Kevin Krueger to discuss the proposed arts-funding cuts and the HST "as constituents and from the perspective of a small non-profit cultural publisher" but weren't afforded even the simple courtesy of a rejection. However, we'd cc'd the opposition cultural critic Spencer Herbert, and he had the courtesy to weigh in. Herewith some excerpts of our chat:

VR: What do you make of the timing of all these actions (HST, arts funding cuts, gaming money freeze, etc.)? It looks like a calculated resistance test conducted in the middle of summer to ensure the opposition is caught out on holiday.

Spencer Herbert: I think they were hoping people wouldn't notice, and with people focused on the big hurrah around the Olympics, they wouldn't pay attention to the fact the government is axing arts and culture. To a large extent it's worked. During the election campaign very few people were talking about arts and culture at all, even though I was trying my best to get that into the election discussion because of what they were planning versus what *we* were hoping to do which was *expand* investment in arts and culture.

VR: They seem to have launched several little surprise attacks in the summer when people are distracted and would likely find it harder to muster the time and resources to fight. It's like a calculated way to gauge response before going ahead.

SH: Actually, they first introduced the proposed cuts in February in their budget in some back pages that we came across. We tried to raise the alarm, but people said "Oh no! That would never happen!" And of course now... it is. They were definitely putting it forward as a trial balloon to see who would shout loudest. It's for political purposes not so much related to the actual value of arts and culture. They may have taken a page from Steven Harper's playbook in terms of what he tried to do to arts and culture. There was a huge outcry elsewhere and in Quebec over what Harper did, but the community here in BC was fairly muted, so I think they were hoping that arts and culture doesn't matter to British Columbians. But they're wrong.

VR: I'm going to say they're right. It *does* reflect the will of the people. You only need to look at the voter turnout and the rejection of reform in the last election. Do you think anyone in this government really cares in the least for culture, other than in its most populist expressions?

SH: Well it certainly doesn't look like it right now. The few people who did understand arts and culture and the creative economy are no longer in the

government. I'm thinking of Olga Illich [previous Liberal Minister of Culture] who seemed to "get it." But I don't see anybody there now who "gets it" in the slightest.

VR: In the course of trying to convince everybody that nobody was up in arms over the cuts, Kevin Krueger found time to quote the *Bible* (Matthew 6:34 "sufficient unto the day is the evil thereof"). Asked to clarify its meaning in the context of protests to arts funding cuts, he later stated that he meant we should be grateful for what has been received until now, a shocking and condescending attitude that fails to recognize the fact that BC has never been generous to the arts compared to other provinces, it has few arts philanthropists, and no effort has been made to create a climate for new arts philanthropists to emerge to the degree that a reduction in government funding wouldn't be seen as potentially catastrophic. What does it say that he'd feel comfortable quoting a less-than-familiar passage from the *Bible*?

SH: When I saw that Krueger had quoted from the *Bible*, I went, "Why is he bringing religion into politics?" Nobody's really talked about that. His claim that everyone must bite the bullet in tough times suggests he doesn't understand the economics of arts and culture and a creative economy. Where every other jurisdiction is moving on this, we seem to be moving in the opposite direction. We're the only jurisdiction in Canada that is cutting investment while others are either maintaining, or in some cases considerably expanding, investment in the arts, because they know it creates jobs and pays back more than it costs.

VR: We would never have started or survived without private money and ongoing private subsidy in several forms. Yet there are very few arts philanthropists in BC. It's not a culture that encourages it. Sure, sick children and sports get money, and that's great, it's a safe bet. But the arts are still often viewed as a frill by what I believe is a profoundly anti-intellectual society. How does the NDP plan to encourage people to give privately?

SH: I think we've got to be doing more to encourage private giving. But right now my focus is on what the government is doing *now* because they seem to be taking us back to the 1980s. It's true that there's not a culture of private giving here, and it is different from the US in terms of what we expect our government to do. I'm getting letters from all over BC saying, "I actually expect my government to invest in the arts as a social good." They're coming from the tiniest towns to the bigger cities. Private investment is good, but for a small town it's not going to run the arts council. When I was an arts administrator it was a considerable challenge to interest private donors. Especially right now when private donation is evaporating due to the economic situation. It's the same for corporate sponsorships.

VR: In our experience, dealing with an engaged private donor was a dream of efficiency compared to dealing with several levels of arts bureaucracies with conflicting agendas, requirements and rules. With the government bodies, you can actually find yourself *penalized* for finding inventive ways to bring in money. But before we digress, who in the cultural sector might benefit from the HST?

SH: In doing an informal survey so far I haven't had one person tell me that they're excited about it. A few of the producers in the film industry have said it helps deal with some long-standing tax issues, but then I've heard from people (also working in film) who are saying it's just going to increase the costs for everything else we do because it's so labour-intensive and we rely so much on service industries. They may not see a benefit at all, so the jury's definitely still out on this. The tourism industry is very upset about it and the arts and cultural groups have pointed out to me that in Ontario they've had to pay, essentially, GST on theatre and event tickets for some time, whereas we haven't done that in BC. So it is an additional cost we hadn't had to pay before, and with cuts coming and the general economic situation, it's just another thing which companies are going to have to deal with—if they can survive.

VR: This speaks to a deeper structural problem. Over the years, PST exemptions for cultural industries have been worked up through lobbying and analysis and nuanced discussion. An example: Should cultural publications at a severe disadvantage in the marketplace be given a leg up by avoiding having to pay PST on printing costs? Obviously we can argue for the answer being “yes.”

SH: I think what it does do is take past advocacy work stretching back many, many years on a whole range of things. Previous exemptions were created so as to foster cultural community, environmental policy, etc., etc. whether it was exemptions on bike purchases or what have you. All that's been thrown away. It becomes a “one size fits all” policy, which, in many cases, does *not* fit, which is why we had exemptions in the first place.

VR: Lets assume the HST passes. No successive government ever revisits those things. Would the NDP work at reinstating exemptions?

SH: I still don't think the HST is a done deal. I think there's excitement around the idea of provincial initiatives that we can force a referendum because we didn't have the right to vote, so maybe we'll get that chance. I'm not going to say that it will pass. I think we've got a real opportunity to stop it, based on what people coming into my office are saying. In a little over a week we've had over 600 people in to sign a petition, and that's without promoting it or anything. There's *that* level of outrage.

VR: But we've seen this before, going back, in our time, to the general strike of

1983. There've been people in the streets, but in the end it always goes out with a whimper. Assuming the worst, and it goes through, will you revisit it?

SH: I haven't seen the legislation, so that's the challenge in answering that question. There's been no legislation and no documentation from the feds around exactly what they will allow, or how long the timeline is. Are we locked in for five years? Two? How would an exemption process work? From what I've been told they have to agree in writing with the federal government what those exemptions are by September 30, I believe, and that locks us in, but again I don't know for how long. At a recent arts round-table I attended there were many groups asking if they could get exemptions.

VR: But there's no time to do that, and certainly not fairly.

SH: That's right.

VR: Is there an accounting savings-efficiency case to be made for the HST?

SH: I haven't heard that. People keep pretty good books. It's just worked into what they do already. Nobody's jumping for joy. There's certainly nothing in it to offset the effects of, say, higher ticket pricing.

VR: Is there any possible way the Liberals could not have planned this prior to the election?

SH: Uh...no, there's no possible way!