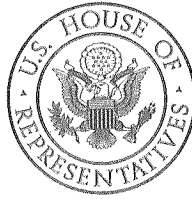


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Testimony of Congresswoman Louise M. Slaughter
The Economic and Employment Impact of the Arts and Music Industry
House Committee on Education and Labor
March 26, 2009

Good morning. I would like to thank you, Chairman Miller and Ranking Member McKeon for the opportunity to testify before the Committee today on an issue that is near and dear to my heart—the promotion of art, music and creative industries as essential features of our local, regional, and national economies. Mr. Chairman, it is a pleasure to work with you in supporting our creative industries and our creative workforce, and I very much appreciate all of your efforts.

As the nation continues to shift from an industrial manufacturing economy to one based on ideas and information, cities and states increasingly recognize that the arts and culture are important economic assets. They create a hub of economic activity that helps an area become an appealing place to live, visit and conduct business. These industries also create jobs, attract investments, generate tax revenues, and stimulate local economies through tourism and urban renewal. That is why both the National Governor's Association and the U.S. Conference of Mayors agree that investing in arts and culture-related industries provide important economic benefits to local and regional economies. It is also no surprise that America's overall nonprofit arts and culture industry generates \$166.2 billion economic activity every year. The national impact of this activity is significant, supporting 5.7 million jobs and generating \$29.6 billion in government revenue.

Unfortunately, our creative industries have not been immune to the ongoing economic crisis; in fact, they have been particularly hard hit as corporate donations decrease, consumer spending on arts and culture activities dwindle, organizations struggle to maintain their budgets, and arts and humanities funding decline as states struggle to manage their fiscal challenges. Indeed, a seven million dollar, or twenty percent budget decrease, in funding for The New York State Council on the Arts resulted in 573 arts organizations throughout New York State receiving no funding. Thirty-four of these organizations are in my congressional district. Moreover, the Memorial Art Gallery and the Eastman School of Music at the University of Rochester have seen philanthropic donations and their endowments decrease by over twenty percent. And public broadcasters in my district and across the country are struggling to maintain exceptional access to the arts in the wake of budget cuts.

Individuals working in the creative industries are suffering, too. A report released this month by the National Endowment for the Arts found that “unemployment rates for artists have risen more rapidly than for U.S. workers as a whole.” A total of 129,000 artists were unemployed in the fourth quarter of 2008, an increase of fifty thousand people, or sixty-three percent, from one year earlier. This report also found that the job market for artists is unlikely to improve until long after the U.S. economy starts to recover. Creative workers who are not losing their jobs are nevertheless still suffering. For example, the Strong National Museum of Play in Rochester, NY has reduced their share of health insurance they can provide their employees. And the Rochester Philharmonic Orchestra has been forced to reduce hours for part time workers and eliminate some benefits for all of their staff.

Clearly, now more than ever we need to continue robust support for our nation’s creative industries and workforce. Supporting the millions of people employed in the creative industries as well as the organizations, businesses and artistic institutions which contribute to local and regional economies is simply an imperative this Congress cannot cast aside.

In addition to helping our workforce, artistic organizations and cities survive this economic downturn, we should use this time as an opportunity to push for greater investment in arts education to prepare our children for the creative, dynamic, and innovative economy they will enter. Employers today in America and abroad are looking for imaginative and vibrant young men and women to fill their rosters. Learning through the arts reinforces crucial academic skills in reading, language arts, and math. But just as important, learning through the arts gives young people the skills they need to analyze and synthesize information, and to solve complex problems. Educating children early and continuously in the arts will prepare them for the work in today’s innovative and creative postindustrial society.

Again, I thank you for the opportunity to testify before you today, and for holding this hearing at such a critical moment. I look forward to working with you, Mr. Chairman and Mr. McKeon, as well as the rest of the Committee, to help support our creative workforce and industries.