

Cour des comptes



THE MINISTRY OF CULTURE'S SUPPORT FOR THE PERFORMING ARTS

Public thematic report

Summary

May 2022

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The Ministry of Culture's central role in the performing arts ecosystem

State support for the performing arts (this being understood as referring to the performance of an intellectual work, in the presence of an audience and at least one paid and physically present artist) has been one of the founding aspects of the cultural policy since the creation of the Ministry. This policy, which has been in place for 60 years now, aims to promote artistic creativity, to encourage extensive access to all disciplines of the performing arts throughout the country, and to finally broaden and develop audiences. The Ministry of Culture's work is thus characterised by a wide variety of intervention methods, unrivalled abroad, reflecting a rich and varied cultural sector, representing 2.3% of GDP in 2019¹.

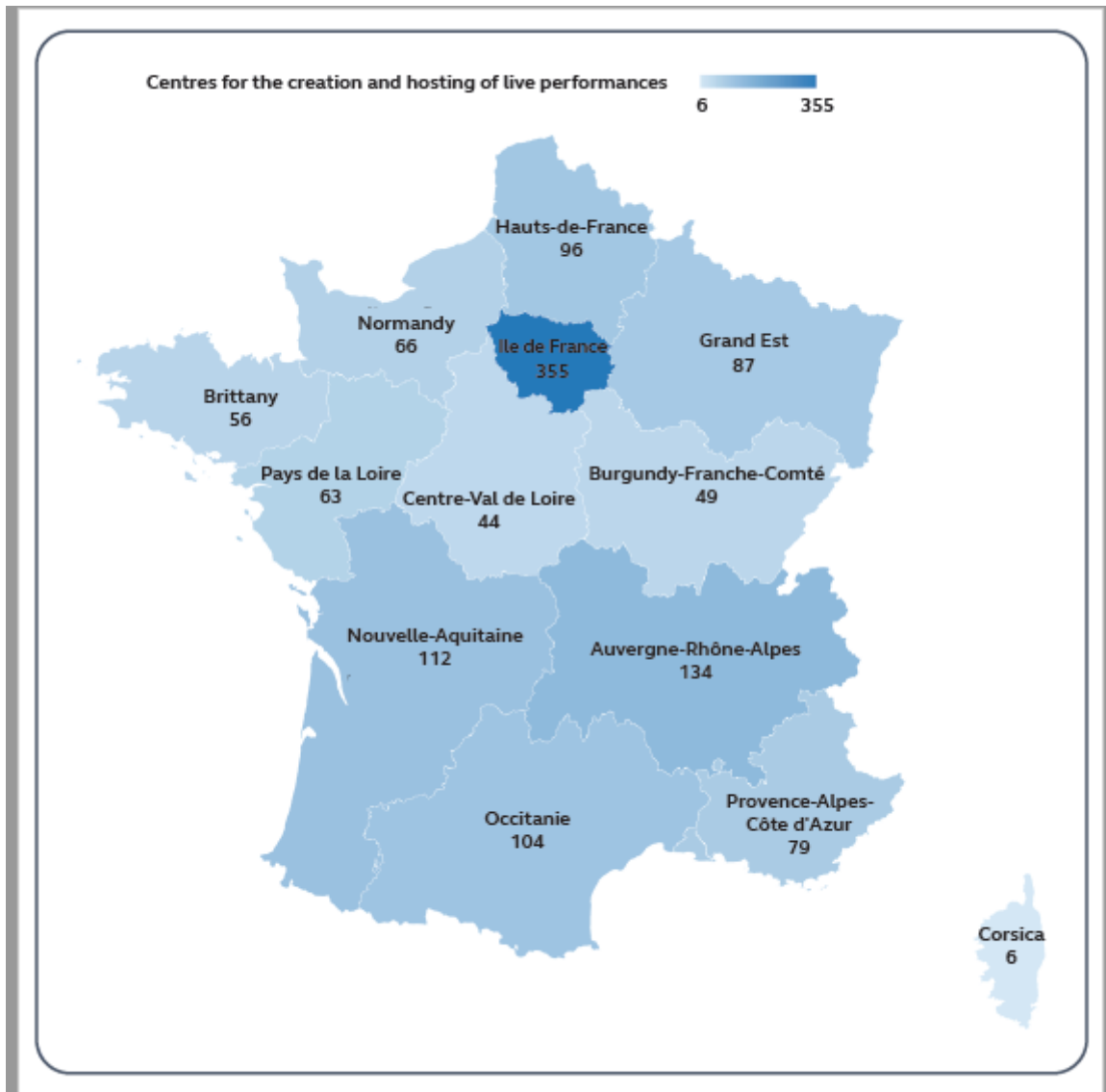
The Ministry's policy relies on major national operators as well as on a set of accredited venues and networks whose disciplines and their number of beneficiaries have gradually expanded. In 2019, ten labels spanning the theatre, dance, music, circus and street arts covered more than three hundred establishments and organisations spread throughout the country². To this should be added the many grants for more than a thousand companies, nearly two hundred residencies and one hundred and fifty festivals. Through its many and varied means of support and its capacity for regulation and consultation, the Ministry of Culture remains a key player in this teeming ecosystem.

The survey covers these various intervention methods and chiefly focuses on stakeholders spread throughout the country. Without excluding them from the picture, it therefore does not directly cover the large national public establishments. Because of their size, their geographical location (mostly in Paris) and their financing methods, they may be considered as the network heads of the performing arts policy and are regularly examined during the Court's audits.

¹ Excluding the impact on tourism or trade.

² A new label was created at the end of 2021 for the art of puppetry.

Distribution by region of the main cultural facilities in 2020

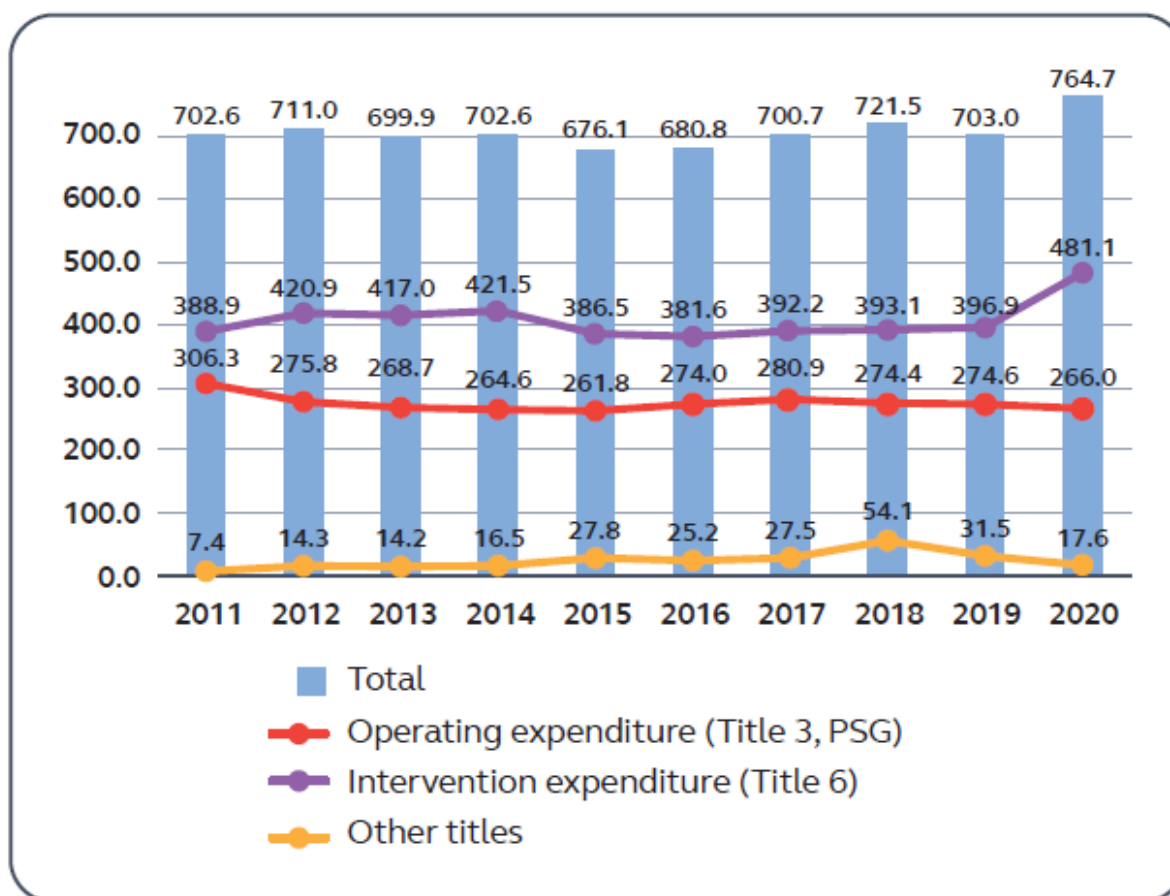


Sources: DEPS; Court of Auditors.

The State, a minority funder of a sector not entirely within its grasp

The performing arts benefit from significant public funding from both the State and, increasingly, from local or regional authorities.

Creativity credits - performing arts credits by type of expenditure* (CP, €m)



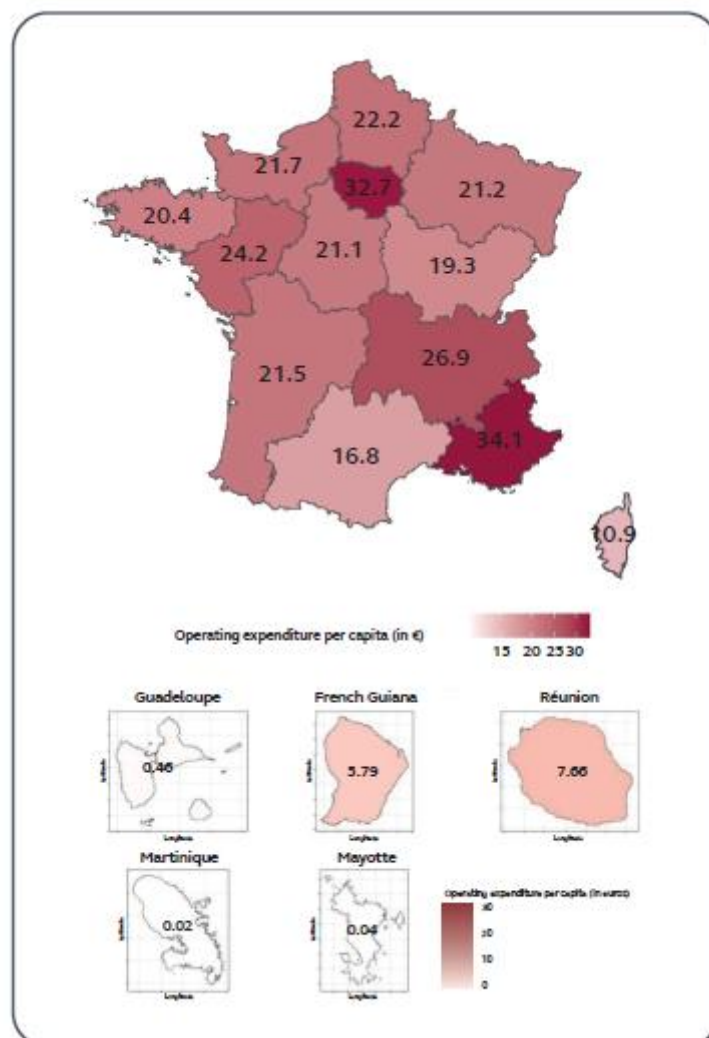
* programme 131-1

Source: Court of Auditors based on budgetary documents

Particularly affected by the pandemic, the sector has benefited from considerable public support (emergency and recovery credits) which were the subject of a previous study by the Court³. Notwithstanding this cyclical increase in funding, this report analyses the structural changes in the policy implemented by the Ministry of Culture up to 2020. Indeed, the financial support from the Ministry of Culture remained relatively stable between 2011 and the pandemic (€703m in 2019). *On the other hand*, the survey has made it possible to assess the funding from local authorities, particularly from the municipalities, and to establish that this increased since 2015, to represent at least €2.47bn in 2019.

³ Court of Auditors, *Le soutien du ministère de la culture au spectacle vivant pendant la crise sanitaire (The Ministry of Culture's support for the performing arts during the pandemic)*, flash audit, 29 September 2021.

Average operating expenditure of municipalities and EPCIs (inter-municipal authority for cooperation between local authorities) per inhabitant in € (2014-2020)



Source: Court of Auditors based on DGFIP and Insee data (for population data).

Furthermore, the “intermittent”⁴ employment scheme, although extra-budgetary, is a vital part of the ecosystem, with the allowances paid to intermittent workers in the performing arts alone having been estimated by this survey at a minimum of €450m in 2017⁵.

⁴ People in the entertainment industry who vary between periods of employment and unemployment

⁵ However, intermittency (temporary employment) is not specifically studied in this report because this is a social system managed by the social partners which also concerns the audiovisual sector, the examination of which would have gone far beyond the scope of this survey.

Until 2020, the performing arts sector (both public and private) experienced dynamic growth, resulting in a strong increase in the number of companies and employees and a very extensive range of performances. The number of employees in the sector increased by 46% between 2000 and 2017 to over 217,000 employees. This sustained growth, including in the public field, appears difficult to regulate since its main factors essentially lie outside the Ministry of Culture's reach, whether this concerns the local authorities' wish to offer a diversified range of services and to invest in new facilities, or the intermittent system, the regulation of which is the responsibility of the social partners, under the aegis of the government.

A policy that is excessively focused on the supply side, requiring a re-balancing of missions between the central and decentralised levels of the Ministry

In recent years, the policy of support for the performing arts has been characterised by an abundant supply. The Ministry of Culture has gradually improved the management of this policy and in particular the management of the venues and artistic teams it finances. The law of 7 July 2016 on the freedom of creativity, architecture and heritage (known as the LCAP law) consolidated the tools for managing quality labels and contracting with partner local authorities. The rules for the appointment of the managers of these establishments and organisations have also been improved.

Thanks to these means of intervention, while local authorities now provide nearly three quarters of funding for the performing arts, the State continues to be a driving force, particularly in terms of artistic creation. Relations with local authorities appear, on the whole, to be constructive and well structured, with a renewed approach to the governance of the centres based on regularly evaluated mission briefs and schedules of conditions.

However, the central administration does not have the tools to collect and use the data needed to influence public action. As the Court already pointed out in a previous report in 2010⁶, the data on the establishments' activity, resources and results can be fragile and rarely, if ever, used by the Ministry for cross-cutting approaches. The current deployment of the SIBIL tool, which will provide ticketing data for all venues proposing live performances, should help bring about a significant improvement in the overall knowledge of the sector and its strategic management.

Similarly, the crucial role of the DRACs (Regional Offices of Cultural Affairs) in the implementation of the performing arts policy at a regional level should also be better promoted by the central level of the Ministry, within the framework of renewed network management and better prioritised strategic guidelines.

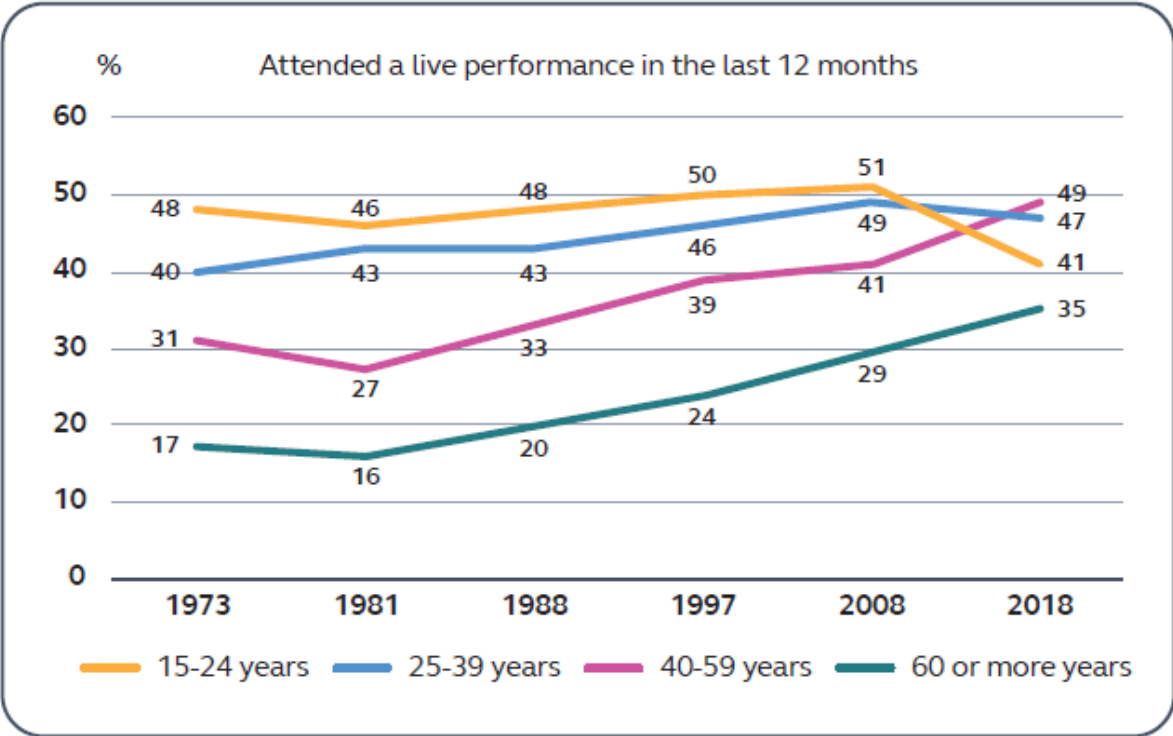
⁶ Court of Auditors, *Les dépenses d'intervention du ministère de la culture et de la communication au titre de l'action "soutien à la création, à la production et à la diffusion du spectacle vivant" (Intervention expenditure by the Ministry of Culture and Communication on "Support for the creation, production and dissemination of the performing arts")*, Communication to the National Assembly, September 2009.

Furthermore, the creation in 2020 of the National Music Centre (the successor to the National Centre for Song, Variety and Jazz) gave the State a key player for the entire music sector, including live performances, recorded music and publishers, all genres combined. Given the intervention perimeter of this new operator and the role assigned to it by the Ministry during the pandemic, the relationship between its missions and those of the central government and decentralised administrative authorities requires a more precise definition and specification.

Insufficient results with regard to the objectives of democratisation and dissemination

The objective of cultural democratization and audience enlargement has been a central aspect of performing arts policies for over 60 years. Despite sustained efforts and increased funding, the results are mixed. In particular, the policy of achieving inclusiveness in and through culture implies that links need to be strengthened with other public policies, especially national education.

Performing arts attendance by age, 1973-2018



Source: DEPS, *The cultural practices of the French population*, 2019

Another weakness of the policy developed over the last 50 years concerns the low level of dissemination of shows, the difficulty of producing series or increasing the number of performances. For example, the Court was able to establish that in 2019 the average number of performances for a show was 3.7 for a national drama centre and 2.3 for a national theatre. This observation had already been made in the report on Bernard Latarjet's mission, *Pour un débat national sur l'avenir du spectacle vivant (For a national debate on the future of the performing arts)*, in 2004. Some of what is being created and financed is insufficiently disseminated. Although there are many contributing factors, this situation is mainly due to public support systems that have historically focused on the renewal of creative work. However, nothing has really been done to redefine the balance between creation and distribution.

By highlighting the fragilities and inconsistencies of the current system, the pandemic has further underlined the need for economic, budgetary and artistic rebalancing.

This requires that thought be given to the modes of production, programming and broadcasting, as well as to changes in regulatory frameworks and practices. Aware of this problem, the Ministry has prepared an overview of the conditions for the production of shows, in conjunction with the DRACs and all the partners concerned (the State, local authorities, accredited and non-accredited venues, companies, etc.). Only a holistic approach can bring about the desired changes.

Recommendations

1. Define the main guidelines of the State's policy in support of the performing arts (*Ministry of Culture*).
2. Set more ambitious dissemination objectives by involving all stakeholders (the State, local authorities, professional organisations in the sector) (*Ministry of Culture*).
3. Combine the objective of improving the dissemination of shows with that of audience renewal and democratisation (*Ministry of Culture*).
4. Provide the Directorate General for Artistic Creation (DGCA) with the tools and organisation needed to enable it to have reliable and complete data as soon as possible in order to steer the performing arts support policy (*Ministry of Culture*).
5. Involve the DRACs more closely in the drafting of performing arts policy guidelines (*Ministry of Culture*).

Appendix

International comparisons: Germany, Italy and the UK

1. Germany

Cultural federalism, which is a core aspect of the constitution, reserves a large role for the *Länder*, local authorities and municipalities. Strictly speaking, there is no German Ministry of Culture: it is a “Federal Government Commissioner for Culture and the Media” (“BKM”), a position created in 1998 and occupied by Monika Grütters since 2013. Its budget has increased significantly over the past decade: from just over €1bn in 2007, it reached €1.67bn in 2018. As in France, public funding for culture is provided overwhelmingly by local authorities, 45% by the *Länder* and 45% by municipalities and local authorities, with the Federal State accounting for only 10% of the total.

The performing arts are strongly influenced by the structuring of the German theatre sector in the 18th century. *Stadttheater* with permanent troupes were established in all large and medium-sized towns and cities. This development accompanied the gradual takeover of power by the bourgeoisie from the old aristocratic regime. Schiller, Lessing and later Goethe supported the idea of a common cultural space and the promotion of a repertoire that accompanied the bourgeois revolution underway at the time. This theatrical landscape, which was unique of its kind in Europe at the time, played a key role in German unification during the 19th century.

Germany has more than 140 public theatres (*Staatstheater*, *Stadttheater* and *Landesbühnen*), most of which are the result of this history stretching back more than two centuries, as well as 128 orchestras and 199 private theatres. The larger towns and cities each have several of these repertory theatres, each of which brings together all of the performing arts disciplines (they often also have permanent orchestras and ballets). There are often several hundred employees, – with more than 1,500 in the Frankfurt Theatre. These theatres produce their own shows, with large budgets, workshops, actors, playwrights and in-house directors. Most, however, reach out by welcoming outside actors and inviting directors to work with their company. However, most of these directors are from the German-speaking world.

The German theatrical sector is organised around two focal points: a/ the *Staatstheater*, *Stadttheater* and *Landesbühnen*, i.e. all public and private theatres directly under the responsibility of the German *Länder* (regions) or the *Bund* (Federal State); b/ the “*Freie Szene*”: all “independent” establishments which, although partly financed by the *Länder* or the *Bund*, benefit from a certain autonomy, notably concerning the appointment of the director. They are centres for the production and distribution of work by independent artists who bear the production risks themselves (as is the general case in France).

This strong public support for the performing arts is linked to the economic weight of this sector, which includes more than 55,000 jobs, 82% of which are in the State theatre and therefore in the salaried sector (i.e. 44,800 people), to which must be added more than 10,000 self-employed people (a status that covers a wide variety of jobs: solo artists, artists/staff within a company, etc.). The professionals are represented by two federations, one for the *Stadts* - and *Staatstheater*, which represents more than 400 establishments, and the other for the *Freie Szene*.

In the field of the performing arts, it is worth noting the predominant position of Berlin (a *City-Land*) which, despite cultural federalism, is home to the largest number of performance venues (27 theatres, operas and troupes and more than 300 independent companies) and independent artists (nearly 3,000 estimated).

The core of the cultural policy still lies with the *Länder* and cities, which provide structural funding for ensemble theatres, independent venues and a rich festival landscape. They also finance the creation of independent shows through calls for projects. However, in addition to the *Stadttheater*, which figure highly in the budgets, the independent scene remains underfunded overall. As a result, the system of production involving the participation of the venues (co-production) is not very well developed. This system, which is the norm in France, favours dissemination, at least in the first circle of co-producers. In Germany, many shows that are mainly financed by the budgets of the *Länder* and cities play a few performances in one venue and their run often stops there, due to the lack of a favourable structure and of dissemination skills. In order to remedy this situation, the NPN (*Nationales Performance Netz*) aims to support the dissemination of performances in different regions of the wider federal state and can cover up to 50% of the costs associated with this dissemination.

The strength of the German model lies in its historical roots and hindsight, which has made it possible to establish ensemble theatres in most German medium-sized towns and given them a central place in the local cultural landscape. The central position of the theatres can also be seen as a weakness of the system, which, other than for a few leading exceptions, has little influence at national and international level. The system is self-sufficient and therefore not very inclined towards cooperation and exchange.

2. Italy

Italy created a Ministry of Culture in 1974 under the Aldo Moro government with a strong heritage component from the very outset (“Ministry for Cultural Assets and the Environment”).

The main instrument of state support for the cultural and entertainment sector is the Single Fund for Entertainment (SFE), which since 1985 has provided financial support to bodies, institutions, associations, organisations and companies operating in the music, dance, theatre, circus, sports and travelling entertainment sectors (historical re-enactments and, since 2018, carnivals), in the form of three-year subsidies (following the Decree of 5 March 2015). In 2019 the SFE budget was €366m and in 2020 the allocation was increased by €33m.

This allocation is divided between the different sectors: more than 52% for operatic and symphony foundations, more than 21% for theatre activities, 18% for music activities, 3.5% for dance, 2.5% for multidisciplinary and special projects, 1.5% for circus and touring performances, and 0.2% to support of artists under 35 years of age (residencies and mobility).

Additionally, the areas affected by the 2016 and 2017 earthquakes have also benefited since 2017 from special support (€2 million per year until 2021) dedicated to the performing arts and cultural activities.

To provide support for Italian music and opera festivals that are particularly renowned on the international scene, the Government has directly allocated a number of substantial grants to several Italian bodies in recent years (especially for music and opera festivals).

The regions and municipalities play an important role in the cultural and performing arts fields, marked by landmark initiatives (such as the establishment of a circuit of municipal theatres inaugurated by G. Strehler and P. Grassi in Milan). However, there is a lack of data and studies to document this involvement.

3. The United Kingdom

The UK performing arts sector is very dynamic from an economic viewpoint, with theatre and music accounting for £7.92bn (or 0.4% of the overall economy in 2019) and £5.8bn respectively. As a growing sector and one which generates positive externalities for the UK economy as a whole, according to Arts Council *England*, the national performing arts sector is nonetheless feeling the full force of the COVID crisis. Among the structural features of the UK performing arts sector, the concentration of production (64%) and employment (40% in 2019) in London is clear.

There are approximately 1,100 theatres in the UK. These are financed on a mixed model combining public funds, own resources and sponsorship. Thus, unlike in France, where a clear separation between private and public or the funding of labels by the state and local authorities are the norm, the world of the commercial theatre in London is not isolated from that of the institutions. Additionally, the system is more transparent and the quantitative aspect allows for more precise management.

Moreover, the value chain and the professional ecosystem is even broader than in France and the majority of positions are occupied by self-employed workers. Indeed, 71% of British stage workers have *freelance* status, the opposite of the French intermittency system. No other sector in the UK outsources so much. In the UK, for example, there are powerful professional organisations which organise their field (*Uk Music, Uk Theatre and One Dance UK*) and the influential union *Equity*, which has 47,000 members. These organisations were very active in the midst of the COVID crisis to support a beleaguered sector.

Indeed, British public intervention and support for the performing arts has historically been very moderate: the DCMS, created in 1997 and currently headed by Oliver Dowden, which is the equivalent of the French Ministry of Culture, has adopted the *arm's length principle* since 1945, which limits its intervention. The main body for the performing arts is *Arts Council England*, established in 1994 and headed by Nicholas Serota. It receives its funding from the DCMS and the *National Lottery*, which is required to donate a quarter of its income to "good causes", including culture. ACE supports and promotes culture across the UK, supporting 828 organisations over the period 2018-2022. Additionally, ACE contributes to modernising the cultural discourse and facilitates a rapprochement with other continental European nations: for example, the promotion of diversity through the *Let's create* programmes or the *Creative case for Diversity*. Local authorities play a more marginal role, due to increasing budgetary constraints. Patronage and sponsorship are therefore structurally more important, encouraged by the State through tax credits such as *Gift Aid, Theatre Tax relief* and *Orchestra Tax relief*.

This reticence on the part of the State to get actively involved and the choice of a mixed system showed its weaknesses during the COVID crisis: although the increased flexibility certainly promotes economic dynamism in the sector, this *freelance* system causes a great deal of instability for the workers, even though the appetite for British performing arts is strong.