

The overview of the Arts, Culture  
and Heritage Sector in South Africa

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**PRESENTATION  
TO THE  
PORTFOLIO  
COMMITTEE ON  
ARTS AND  
CULTURE**

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# Preface

- Last week it was announced that China has become the world's biggest economy in the film industry, taking over from USA.
- In Gauteng, it is estimated that the creative industries contribute **R33.3 billion to the Gauteng economy and creates employment for over 182,000 people.**
- According to the DTI CIs contribute up to 22 % to the Growth Domestic Product of South Africa.
- In 2010 the Western Cape Department of Cultural Affairs and Sport conducted a study which analysed and quantify the economic contribution and impact of heritage in the Western Cape.

## Preface (cont...)

- In 2008/9 the direct income of the heritage sites studied amounted to R500 million and 100 000 people were directly and indirectly employed.
- It also found that the Arts, Culture and Heritage sector in the Western Cape provides for about R2 billion to the provincial GDP
- The study also found that economies of smaller towns like Swellendam are intrinsically linked to a town museum.

# Introduction

- This presentation provides an analysis of the Arts, Culture and Heritage sector in South Africa.
- In this presentation I argue that significant strides have been achieved in the Arts, Culture and Heritage sector in South Africa.
- The sector has undergone massive scale transformation in governance and historical narrative.
- Between 1994 and 2009 the sector focused mainly on social redress.
- From 2009, through the 'Mzansi Golden Economy strategy' the sector expanded its mandate to harness the economic potential of the ACH in South Africa.
- I further argue that despite significant gains the sector is struggling to shift from the geopolitical landscape laid by the apartheid era.

# Constitutional and Legislative Mandates

- The Arts, Culture and Heritage sector derives its mandates from various sections of the Constitution of the Republic of South Africa, Act 108 of 1996
  - These include: s6, s16(1)c, s30, s31, schedule 4A, schedule 5A
- The national government and provinces are given certain constitutional competencies to perform certain functions at the spheres.
- In some cases there are concurrent functions that both spheres of government have constitutional competency (schedule 4A).
- The Department of Arts and Culture (DAC) is a custodian of Arts, Culture and Heritage matters that are a competency of the national government as defined in the Constitution.
- The DAC has a legion of legislations that regulates various services it provides.

# Overview of the Services of the Department of Arts and Culture

- The DAC provides and regulates the provision of the following services:
  - Institutional support for public entities;
  - Coordinating social cohesions and dialogues;
  - Continental and International relations for promotions and development of South African ACH;
  - Use of official languages as defined in s6 and s30 of the Constitution;
  - Arts development;
  - Archives;
  - Libraries;
  - Heraldry;
  - Archives; and
  - Heritage.

# Entities of the DAC

<b>Name</b>	<b>Sector</b>	<b>Province</b>	<b>Funding</b>
Arts Cape	Theatre	WC	88,948
SA State Theatre	Theatre	GP	49, 456
KZN Playhouse	Theatre	KZN	68, 788
PACOFS	Theatre	FS	48, 931
Market Theatre	Theatre	GP	48, 817
Windybrow Theatre	Theatre	GP	29, 181

## Entities of the DAC (cont...)

<b>Name</b>	<b>Sector</b>	<b>Province</b>	<b>Funding</b>
NAC	Grant making for the arts	GP	87, 527
NFVF	Grant funding for the film/video	GP	87, 442
SAHRA	Heritage Management/Conservation	WC	41, 037
NHC	Heritage policy	GP	50, 063
National Library of SA	Management of documentary heritage	GP & WC	66, 063
SA Library for the Blind	Information service to the blind	EC	14, 579



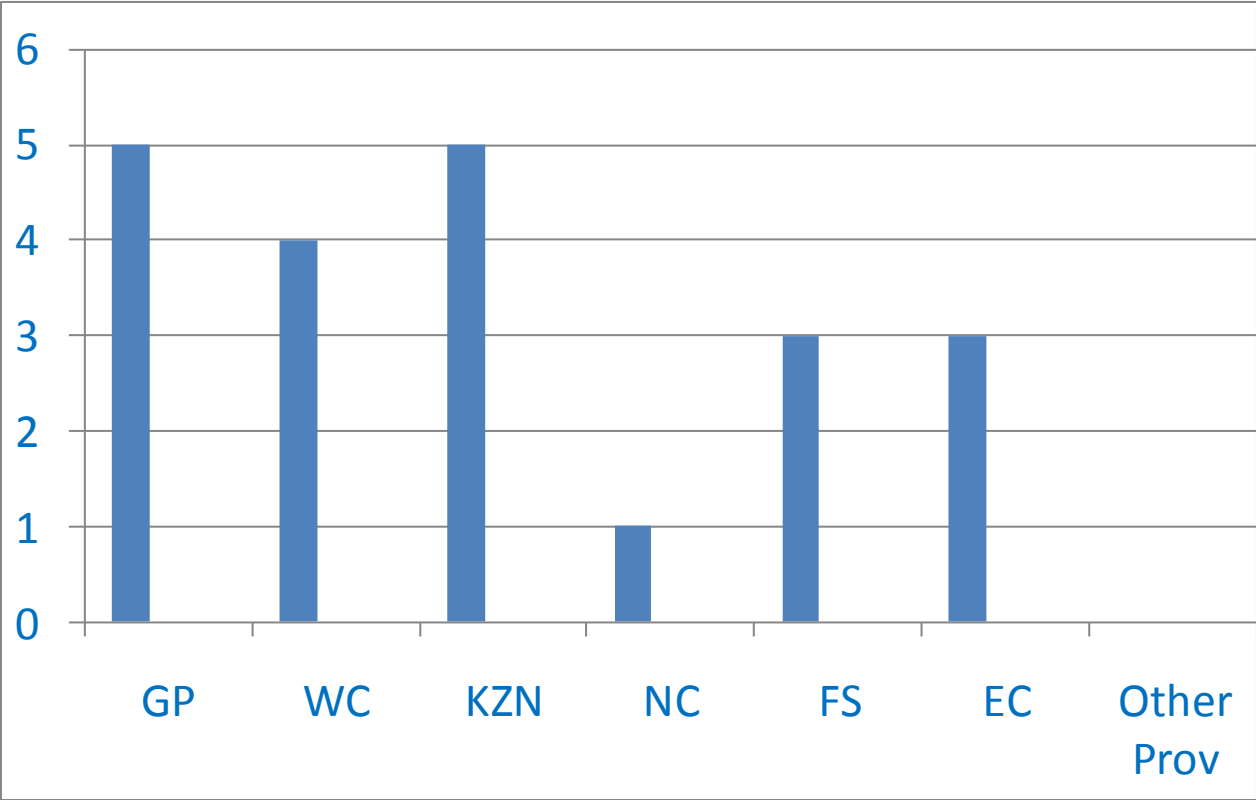
## Entities of the DAC (cont...)

<b>Name</b>	<b>Sector</b>	<b>Province</b>	<b>Funding</b>
Ditsong Museums of SA	Museum	GP	66, 417
Iziko Museums of SA	Museum	WC	70, 057
War Museums of the Boer Republic	Museum	FS	18, 247
KwaZulu-Natal Museum	Museum	KZN	15, 625
Nelson Mandela Museum	Museum	EC	23, 431
Luthuli Museum	Museum	KZN	7, 030

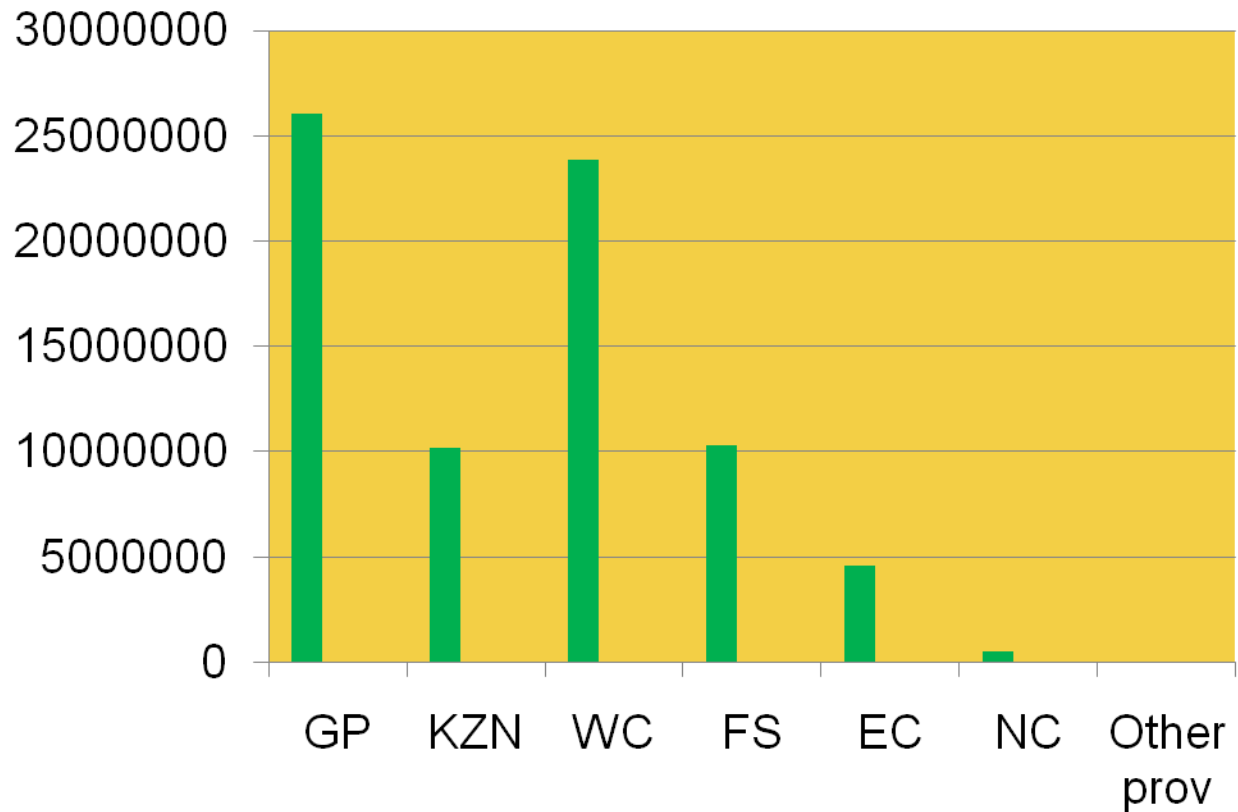
## Entities of the DAC (cont...)

<b>Name</b>	<b>Sector</b>	<b>Province</b>	<b>Funding</b>
National Museum	Museum	FS	35, 717
Die Afrikaanse Taalmuseum	Museum	WC	4, 581
Robben Island	Museum	WC	75, 281
The National English Literacy Museum	Museum	EC	7, 622
Msunduzi Museum	Museum	KZN	10, 529
Freedom Park	Museum	GP	66, 601
William Humphreys Art Gallery	Museum	NC	5, 271

# Entities' spatial context



# Financial overview of entities vs geopolitics



# Governance of entities

- The 1996 White Paper established an '*arms length relationship*' as a scenario to manage entities.
- Through each legislation entities are managed by a board/council which is appointed by the Minister after a particular level of public participation.
- These boards/councils are appointed for a term varying from 3 years to 5 years depending on the legislative framework.
- Boards/Councils are responsible for the Accounting Authority while the Executive Authority lies with the Minister.
- Chairperson of boards/councils are elected by members themselves or in the case of the Cultural Institutions Act, appointed by the Minister from serving members.

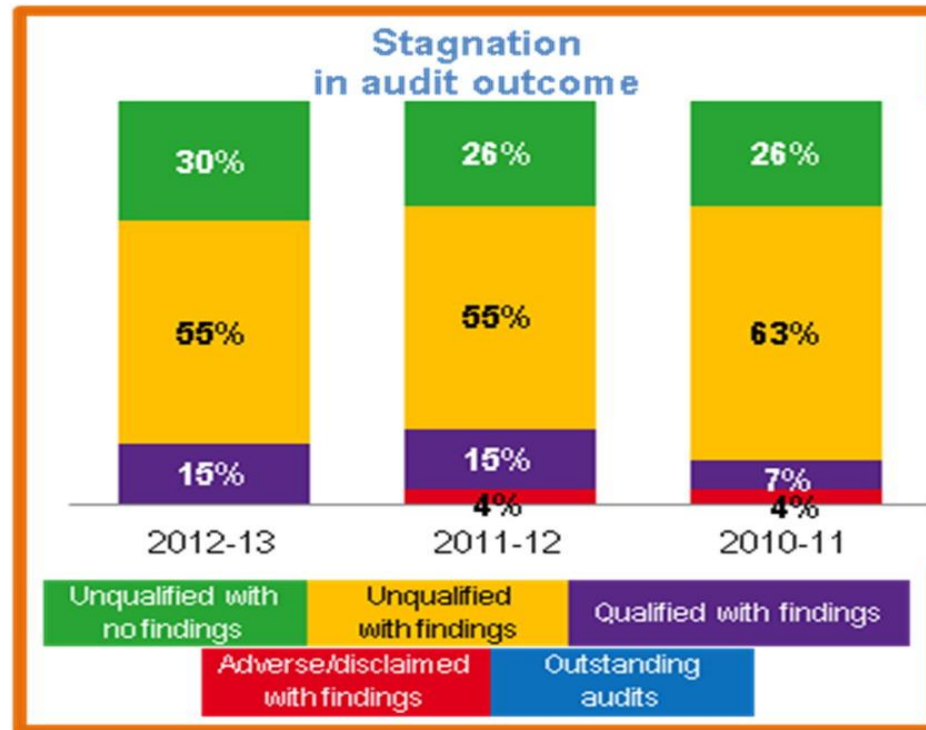
# Arts, Culture and Heritage Legislation/Policy

- The sector works within a strict framework of various legislations/policies.
- While various disciplines have specially designed policies that governs them there is no legislation that is tailor made to manage theatres. Instead they are managed through the Cultural Institutions Act which was designed for museums.
- This creates confusion as museums and theatres operate differently.
- The DAC is in a process of reviewing legislations. These include the review of the 1996 White Paper to ensure that it addresses the needs of the current circumstances.

# Financial Controls within the Sector

- The Department had received an unqualified audit opinion for the past five years.
- Even though the Department has not received a clean audit, the previous Committee observed that there is improvement in the manner in which financial and predetermined objectives are managed.
- The Committee has observed that compared to the following year none of the entities received an adverse report during the 2012/13 financial year while 30% of the entities received a clean audit, compared to 26% for the previous financial years.

# Financial Controls within the Sector (cont...)





## Financial Controls within the Sector (cont...)

- During the 2012/13 financial year the Auditor-General commended decisive leadership interventions of the Department and entities' councils.
- As a result Artscape, the National Film and Video Foundation, the National Museum, The War Museum of the Boer republics improved from financially unqualified with other findings to **clean audit** while the Performing Arts Centre of the Free State improved from a qualified opinion to a financially unqualified opinion with other matters and the South African Heritage Resources Agency improved from a disclaimer to qualified audit opinion.
- The previous Portfolio Committee commended the Councils and Accounting Officers of Freedom Park, the KwaZulu-Natal Museum, the Luthuli Museum, and the KwaZulu-Natal Playhouse for consistently obtaining clean audits for the past three years.

# Key Issues

- More funding has been available through DAC entities such as the NFVF (film industry), NAC (for all genres of the Arts), and NHC (heritage organisations);
- Additional funding through DTI entities such as NLDTF and IDC;
- Focused Arts/Culture industry development support from the DTI;
- Sector funding by provincial governments and few municipalities;
- Conditional Grant for libraries has seen an exponential growth in past 3 years with over 50 new libraries built and 183 refurbished.
- Conditional Grant has also been used to purchase library infrastructure (books, audio games, etc);
- Limpopo, Eastern Cape and North West provinces have however struggling to spend their conditional grant allocation. DAC's intervened to assist in a number of instances;
- Since 1997 the DAC has delivered a number of Legacy Projects. These include the Freedom Park, Constitution Hill, Robben Island, Nelson Mandela Museum, Ncome Museum, Bhambatha statue, Matola Museum, Luthuli Museum, etc. These have transform heritage narrative in SA and contributed towards economic redress.

## Key Issues (cont..)

- In order to streamline performance of the ACH sector the following is required:
  - The need to customise performance indicators to ensure that entities address key government priorities;
  - Development of a scientific funding formula that promote redress and rewards excellence;
  - Finalisation of a legislative review;
  - Enhance the competency of the policy unit;
  - Strengthening the intergovernmental framework with other spheres of government;
  - Harness the potential of shared services within the sector in order to save cost. The need to expand the flagship concept to other provinces and genres of the sector in order to minimise compliance costs;
  - Swift intervention to entities to prevent institutional paralysis; and
  - Ensure that MGE projects mature to make meaningful contribution to the sector.

# Conclusion

- Among the world's leading economies (USA, UK, China and Australia) creative industries are major employers and role players in the export sector!
- As the world's economies are being transformed to become knowledge-based economies, creative industries are a panacea.
- As the country has set a target of 19 million visitors by 2019 the ACH sector should develop products that would attract more tourists to SA.
- The ACH should play a major role to foster social dialogue among South Africans and inculcate shared values as enshrined in s1 of the Constitution of RSA.