# Research Report

# An Assessment of the Visual Arts in South Africa

a research project conducted by

The Human Sciences Research Council
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for the

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Art Source

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# ACRONYMS

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| AMERU | African Micro Economic Research Unit, Wits University |
| ACT | Arts and Culture Trust |
| AVA | Association for Visual Arts |
| BASA | Business Art South Africa |
| DAC | Department of Arts and Culture |
| DALRO | Dramatic, Artistic and Literary Rights Organisation |
| DIRCO | Department of International Relations and Cooperation |
| DoBE | Department of Basic Education |
| DoE | Department of Education |
| DoHA | Department of Home Affairs |
| DoHE | Department of Higher Education |
| DoL | Department of Labour |
| DoT | Department of Tourism |
| dti | Department of Trade and Industry |
| GAI | Global Art Information |
| GCMP | Gauteng Creative Mapping Project |
| GSARC | Gauteng Department of Sports, Arts, Recreation and Culture |
| HSRC | Human Sciences Research Council |
| IKS | Indigenous Knowledge Systems |
| KZNSA | Kwazulu Natal Society for the Arts |
| NAC | National Arts Council |
| NLDTF | National Lottery Distribution Trust Fund |
| NRF | National Research Foundation |
| SAAID | South African Art Information Directory |
| SANAVA | South African National Association for the Visual Arts |
| SETA | Sector Education and Training Authority |
| VANSA | Visual Arts Network of South Africa |
| UNCTAD | United Nations Conference on Trade and Development |
| WIPO | World Intellectual Property Rights Organisation |

# EXECUTIVE SUMMARY

"For South Africa to fulfill its potential, the country needs to imagine itself as an "Afropolitan" nation, the avant-garde of a version of the African modern that is already in evidence in most contemporary African artistic and cultural forms. The country also needs to distance itself from an understanding of culture as pastness, a simple matter of customs and traditions, monuments and museums. We have to realise that culture is not yet another form of "service delivery". It is the way human beings imagine and engage their own futures. Without this dimension of futurity and imagination, we can hardly write a name we can call ours or articulate a voice we can recognise as our own." – Achille Mbembe[1], Contemporary African Art: Negotiating the Terms of Recognition

This document captures the comprehensive findings and recommendations from a major study of the visual arts sector commissioned by the Department of Arts and Culture (DAC) and undertaken by the Human Sciences Research Council (HSRC), working with a variety of partners. The project involved the conducting of an in-depth survey of over 350 artists, businesses and organisations working in the visual arts sector, together with a series of individual studies on museums and collections, education and training in the visual arts, funding, the policy and legislative environment for the visual arts and the position of the visual arts at a provincial level. The research project also involved the development of a database of over 6000 visual arts practitioners and 1200 business entities across South Africa.

The primary purpose of the project has been to present as accurate as possible a picture of the current position of the visual arts in South Africa, and to identify opportunities for growing the artistic, social and economic contribution of the visual arts in the society and economy. Section 8 of the report details 23 specific recommendations on measures aimed at supporting the growth, transformation and development of the sector, framed by six overarching objectives:

- Stimulating domestic and international demand for the South African visual arts
- Widening access to the experience of and participation in the visual arts
- Strengthening the organisational infrastructure that supports the visual arts
- Enhancing the social and economic position of artists
- Attracting more investment and resources into the sector
- Promoting greater coherence and cohesion in the sector and in sector-government relations

The report gives equal weight to the importance of each of these dimensions of the visual arts – while we have found that the visual arts plays a significant role in addressing the mandate of government in the social and economic realm, this contribution is predicated on there being an environment in which the exercise of the imagination and creative independence is nurtured and promoted. Aside from the important real and potential contributions that the visual arts make in, for example, education, public health and urban development, the core contribution of the sector revolves around the generation of compelling representations and propositions related to our understanding of who we are in a complex and rapidly changing world. The capacity of the work of artists to challenge our familiar and established patterns of perception and attitude, and to invoke both wonder and critical reflection, is fundamental to understanding the importance of the visual arts in a society composed of multiple identities, realities and ways of being in the world.

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[1] Mbembe, A. African Art: Negotiating the Terms of Recognition. accessed at: http://www.chimurenga.co.za/page-127.html

## Industry Overview

The sector encompasses a diversity of activities, ranging from the production, presentation and critical reception of highly experimental, critically engaged creative work that may deploy a very wide variety of media and techniques (the so-called 'contemporary' visual arts), through to more conventional work that uses traditional 'fine arts' media and subject matter (the so-called 'commercial' visual arts), with a wide spectrum of activity occurring between these two poles.

Partly fuelled by the unique history and contemporary realities of the South African society and economy, contemporary art in and from South Africa has achieved a significant profile globally, with a substantial number of artists being exposed on major international platforms for presentation and critical reception. In the post apartheid period, the South African visual arts have come to assume a significant position in the critical discourse on the contemporary arts, and their role and meaning in a postcolonial context. The sector has been invigorated by the emergence of a new generation of young artists, curators and entrepreneurs, who are increasingly connected into continental networks and critical forums.

The country has the most robust and structurally sophisticated visual arts economy on the continent, with an annual turnover of nearly R2 billion and a contribution of over R1 billion in added value to the national economy (R791 million of this in direct Gross Value-Added). The sector provides work and income for approximately 17 700 people in different capacities, 5 500 of these being full-time or part-time artists. The sector is composed almost entirely of small and micro-enterprises, and is largely commercially driven. While smaller than other parts of the creative industries such as book publishing and music, the economic dimensions of the sector are not insignificant, and warrant specific consideration from agencies and ministries concerned with economic development issues at a local, provincial and national level.

The sector has a highly educated workforce, with 72% of artists and 48% of employees and contract workers in businesses and organisations having qualified with a tertiary degree or diploma. There is evidence of a changing demographic within the industry, which has traditionally been largely white and middle class in profile. Based on the survey results, just over 57% of the entire workforce is black and just over 50% comprised of women. It also has a comparatively young workforce, with approximately 53,4% of people working in the sector (including artists) falling into the under-35 age group. However, while **women**, youth and black people account for a substantial proportion of employment in the sector, the senior management and ownership of businesses and organisations continues to be largely vested in white people.

The visual arts industry is overwhelming urban in character, largely concentrated in the three major metros of Johannesburg, Cape Town and Durban. Artists and businesses operating outside of these centres report substantial difficulty in developing sustainable careers and businesses, owing to their isolation from buyers, markets, skills and information. Though small in number, there are a variety of exemplary projects across the country that demonstrate the impact of the visual arts in education, urban and rural development, public health and job creation.

The report notes a lack of effective coordination in governmental engagement with the sector. Significantly, from the survey of business and organisations in the sector conducted as part of this study, the most frequently cited major obstacle to business and organisational development (from a list of 35 possible issues) is the 'lack of industry promotion from government'. While there have been some significant initiatives and investments made within some of the metropolitan municipalities and provinces, local, provincial and national government interactions with the sector have largely occurred in isolation from one another. The coordinating and policymaking role of the national department has on the one hand historically been confined to the resourcing and arms-length oversight over a set of institutions inherited from the colonial and apartheid period, and ad-hoc investments in individual projects and initiatives on the other. The need for a more systematic engagement with the industry as a whole and the harnessing of the complementary roles of other national ministries and local and provincial government departments and agencies represents a key focus of the recommendations attached to this report.

The industry perception of disassociation from government also however needs to be balanced against the somewhat informal and unregulated character of the industry itself. Alongside the need for more coherent engagement with the sector on the part of government, there is a complementary need for industry organisations and artist associations to present a more coherent face to government, and consideration needs to be given to how these organisations can be most effectively resourced to do so without compromising their autonomy and independence.

The report proposes a set of key principles, or cross-cutting considerations, informing and shaping recommendations related to the development of the sector. Five key overarching principles are proposed:

- Regard for the core values which drive activity in the sector in the formulation of any governmental engagement or intervention within the sector: innovation, experimentalism, independence, flexibility and tolerance.
- An approach to governmental engagement which achieves a balance and integration between a concern for the intrinsic value and meaning of the visual arts and the more instrumental applications of the visual arts in education, health, urban development and so on.
- Recognition of the importance of building connection and synergy between the urban centres of the industry and the less-resourced and more rural regions of the country.
- A commitment to achieving greater equity in the sector with regard both to wider access to the enjoyment and benefits that flow from access to the visual arts for a more diverse cross-section of the population, as well as to achieving the greater empowerment of black and women artists, entrepreneurs and initiatives in the sector.
- Industry development needs to occur *with* not *for* the sector. The approach to implementing recommendations should emphasise consultation, transparency of process and accountability.

## Demand for the Visual Arts

*Audiences for the Visual Arts*

A key finding of the report suggests that public consumption of the visual arts – whether as audiences or consumers – is much smaller than most international comparators in the developed world, and that there is a significant untapped domestic market for the visual arts. While a 2009 research report commissioned by Business Arts South Africa suggests that 3.18 million adult South Africans (slightly less than 10% of the adult population) are 'extremely interested' in the visual arts and between 34% and 45% of adult South Africans go to art exhibitions, analysis of primary data on attendance at public and private art museums and collections estimates that only 1,2 million South Africans of ALL ages (2% of the total population of the country) visit these institutions annually, with the likelihood of some duplications in these visitor numbers.

By comparison, a 2002 report on the visual arts in Australia indicated attendance of galleries at 6.5 million in 2001/2, with 22% of the adult population (3.2 million) visiting art galleries and 3 million attending art museums. While the study did not extend to an analysis of the population of people who actually buy visual artworks (for which there is no existing data), international studies show that this is a small proportion of those who consume the visual arts in the context of art museums and galleries.

Any strategy for the development of the visual arts in South Africa will need to have as a fundamental objective the widening of access to the experience of and participation in the visual arts. Aside from the public benefits that are associated with exposure to the visual arts, the growth and development of a domestic market will be dependent on the growth and development of a larger audience base and the integration of the visual arts into public life. This consideration has been integrated into the specific recommendations related to the market for the visual arts (Section 3), the organisational landscape for the visual arts (Section 4) and education and training in the visual arts (Section 6).

*The Market for the Visual Arts*
The study notes the complex articulation of roles among dealers, gallerists, auction houses, public and private museums and collections and individual artists in the sale of artwork. It has also highlighted the variety of kinds of work and associated markets that exist within the visual arts, from critically engaged 'contemporary' work that acquires value through a complex process of subscription involving institutions, dealers, art critics and collectors through to 'commercial' art with an essentially decorative function and whose value is determined through a less elaborate and more conventional supply/demand dynamic. The report also notes the general lack of regulation in the industry, with no widely accepted protocols or guidelines governing the business relationships between artists and galleries, as well as between artists and agencies of government which may seek to commission work or services from artists. A key recommendation emanating from this report concerns the development of such protocols and guidelines.

The present research project has gone some way towards quantifying the value of the market for the visual arts in South Africa, estimated to be in excess of R1 billion per annum. Turnover for sale of artworks the visual arts is valued at just over R1 billion per annum, excluding the value of auction sales – 83% of this revenue is generated from sales through galleries, and 17% from sales from artist studios and the direct commissioning of work from artists. A growing auction market for the visual arts which contributes an additional (roughly estimated) R250-500 million in gross turnover to the overall economic impact of the sector through the activities of auction houses, in the secondary market. This is less than 5% of the value of the UK auction market, suggesting that South Africa has a small but nevertheless significant developing secondary market for the visual arts relative to international comparators.

Both the domestic and international consumption base for South African visual arts is small by international standards, relative to both advanced economies and the rapidly expanding economies of India and China. As the Chinese and Indian examples make clear, growth in the art market is very directly linked to growth in the wider economy. The development of large new strata of wealth in these countries, now spread across the globe, has fuelled both domestic and international demand for Chinese and Indian art. While South African contemporary art has a significant profile internationally, UNCTAD trade data suggests that South Africa has a very small share not only of the global market for the visual arts, but also of the developing world portion of this market. At present, very few galleries are able to promote artists that they work with or represent internationally, owing to the substantial costs associated with attendance at art fairs and other trade events. The report recommends that efforts be made to make the export promotion incentives and schemes of the Department of Trade and Industry and related agencies more accessible to entrepreneurs in the visual arts sector, and proposes greater coordination between the DAC and departments concerned with the international promotion of South Africa and tourism promotion.

The Joburg Art Fair represents a significant privately driven intervention (with some support from the Gauteng provincial government) aimed at growing the market for the contemporary visual arts. The Art Fair has both demonstrated that the visual arts can attract very substantial audiences (with positive year-on-year audience growth between 2008 and 2010), but has also demonstrated the vulnerability of the sector to periods of economic downturn, with gallery sales in the immediate context of the Fair showing negative growth during the course of the last three years. Greater public sector investment in smart initiatives aimed at encouraging new buyers into a complex marketplace have been given priority in the recommendations attached to this report, with a view to also facilitating more targeted investment in a growing specialist art publishing sector in the country.

Public sector demand for the visual arts has principally focused around the commissioning of public art - in the inner city of Johannesburg alone, this investment is estimated as being in the region of R15 million during the course of the last five years, creating substantial work opportunities for over 200 artists during this period. The need to promote the commissioning of both temporary and permanent public art more widely – particularly on the part of local government – is indicated as a key recommendation. Similarly, the report notes the significance of the Joburg Art Bank as an important initiative both with regard to broadening demand for the work of younger and emergent artists, and for cultivating new buyers for the visual arts. Stymied by underinvestment, the report proposes that the national Department and the City of Johannesburg, together with other stakeholders, examine the feasibility of developing this as a major national scheme.

## The Organisational Landscape for the Visual Arts

The report includes extended consideration of the position of a range of public and independent institutions, organisations and initiatives concerned with the wider presentation of the visual arts, the development and exposure of new talent, and the realisation of the benefits of the visual arts in the areas of education, health and broader social development. Four broad categories of infrastructure have been considered:

- Art museums and collections
- Community arts centres and arts development organisations
- Non-commercial project spaces and artist-run initiatives
- Artist associations and industry organisations

*Art Museums and Collections*

South Africa has a substantial and relatively well-maintained infrastructure of public art museums and institutions, containing a store of visual artworks whose value is estimated, conservatively, at R2.2 billion. However, by comparison to countries with comparable levels of public infrastructure for the visual arts (such as, for example, Australia), our national and municipal public art museums and collections are dramatically underfunded. The traditional role that public art museums play in promoting the consumption of the visual arts and in both influencing (and growing) the market for the visual arts through the direct acquisition of visual artworks is severely constrained in the South African context on account of low levels of recurrent funding for these institutions. The capacity for significant new acquisitions is negligible by even the most modest international standards – a pattern established under the apartheid government that has been largely sustained to the present day.

This study estimates that the national department of Arts and Culture invested in the region of R20 million rand in four national art museums and collections in 2008/9 – less than 5% of its total allocation of R432 million to national heritage institutions. Local government in the major metros and secondary cities collectively invested in the region of R50 million in 12 municipal museums in 2008/9. To place these figures in perspective, in the same year, the Australian government contributed A$41.7million to the overall A$61 million operating budget of the Australian National Gallery in Canberra in the same year – the equivalent of approximately R280 million spent on just one institution. This pattern of underinvestment is not specifically a phenomenon of the post apartheid period – it is however a pattern which has been sustained during this period.

The difficulties of public art museums and collections represent a complex public policy issue. This is partly due to the fact that they represent – in their location, built form and contents - the institutional legacy of an apartheid economy that invested significantly in a costly public arts infrastructure designed for the consumption of a minority of the population. New investment in heritage infrastructure has, unsurprisingly, been largely concentrated around new heritage projects (such as the Robben Island Museum and the Freedom Park) that engage with a political history and future orientation that is felt to have a broader resonance and audience than the historical and contemporary and visual arts can lay claim to. While these projects do have, in varying degrees, a visual arts dimension, neither the responsible departments and agencies across government nor the sector itself have managed to make a compelling case as to why the 'inherited' art museums and collections should also warrant new public or private investment. Further exacerbating this situation, the process of empowering a new generation of institutional leadership and management able to effectively direct and champion the interests of these institutions has been slow and uneven.

While substantial efforts have been made to transform the collections and programming of these institutions, and to mount innovative outreach and schools programmes, they have struggled to attract – from either government or the corporate/philanthropic sector – anything remotely approaching the levels of support that similar institutions in developed economies are predicated on. In spite of these disadvantages, institutions have managed to maintain a high rate of exhibitions and associated programming, providing space for the exposure of cutting edge talent within the country

The capacity of these institutions for generating revenue is also limited - on the one hand by their mandate as public institutions concerned with promoting access to the arts for all South Africans (only one charges a nominal entrance fee), and on the other by low levels of public benefaction and the consumption associated with significant attendance levels (catering, merchandise and so on). In contrast to the United States, where corporate and individual philanthropy (assisted by generous tax incentives) has built and sustained the largest public infrastructure for the visual arts in the world, significant and sustained philanthropic support for South African museums and collections has been the exception rather than the rule, with corporates more likely to invest in their own bespoke, in-house galleries and collections. Particularly in the case of municipal institutions, the regulatory framework for public finance at a local government level establishes a variety of bureaucratic constraints around the attracting of external resources to these institutions, which the recommendations contained in this report also seek to address.

A parallel review of the policy and legislative framework for heritage institutions commissioned by the Department has recommended the development of a comprehensive funding policy for heritage institutions, which this report supports. This report further recommends that two key targets for complementary resources for these institutions that should be incorporated into the development of this funding policy are the corporate sector (for both acquisitions and capital infrastructure development) and the National Lottery Distribution Trust Fund (for capital infrastructure development and outreach programming).

*Community Arts Centres and Arts Development Organisations*
This report also explores the difficulties that attach to the position of an emergent national infrastructure of community arts centres and the role that this should be playing, both in supporting the provision of arts education in schools as well as in enabling wider access to the experience of and participation in the arts, particularly for communities located away from the traditional urban clusters of arts infrastructure. While the late 1990s saw significant investment in the physical infrastructure of these entities from government, these institutions – both those which are independently run and those run by local or provincial government - have struggled to attract significant and sustained investment from government, and are beset by a variety of ongoing constraints and challenges at the level of leadership, management, funding and programming. The focus on investment in capital infrastructure at the expense of investment in programming and the human infrastructure necessary to animate these centres has led to many of the centres built in the 1990s becoming proverbial 'white elephants'.

Alongside government-owned centres, a number of old and newer non-governmental arts development organisations have developed a variety of innovative programmes concerned with the visual arts in job creation, skills development, education, public health and advocacy. In spite of their direct linkage to the social and economic development mandates of government, these organisations struggle to survive in an unstable and insecure funding environment, with limited access to reliable and recurrent sources of core organisational funding from the state, and an over-reliance on project funding from government and international agencies. This report suggests that there is in fact a sufficient pool of resources (principally within the National Lottery Distribution Trust Fund) that would enable these organisations to both survive and grow, but that these resources are not at the present time being effectively distributed or accessed. The need for greater synergy and connection between the activities of these organisations, governmental community arts centres, and the outreach programmes of public art museums and collections is also indicated as a priority.

*Artist-Run Initiatives*

A signal feature of the organisational landscape of the visual arts in South Africa is the near complete absence of independent and artist-run initiatives for the cultivation, presentation and promotion of innovation within the visual arts. Outside of the public and corporate museums and collections, the overwhelming majority of organisations involved in the distribution and presentation of the visual arts are commercial entities. There are only a handful of independent, artist-driven and non-profit project spaces and residency programmes around the country with a primary mission around the exposure of new talent, new ways of working and international exchange and collaboration outside of a commercial, profit-driven framework. These organisations play a critical role in the overall ecology of the visual arts, but operate within a funding environment that is inimical to not only the proliferation and growth of these entities, but also to the basic survival of the few that exist. The need to demonstrate social and economic impact attached to a lot of publicly available funding places these organisations in an even more difficult position to the aforementioned arts development organisations, as their outcomes and impacts are even more difficult to define and measure.

Artist associations such as the South African National Association for Visual Arts (SANAVA) (and its many affiliate organisations), the Kwazulu Natal Society for the Arts (KZNSA) and the Association for Visual Arts (AVA) in the Western Cape have played an important role in developing new market platforms and opportunities for artists through competitions, international exchanges, workshops and member exhibitions. The Visual Arts Network of South Africa (VANSA) has emerged in the last five years as an industry organisation concerned with policy-related issues, advocacy and industry development projects through a network of artists, curators, administrators, businesses and organisations around the country. All of these organisations face similar constraints to arts development organisations with regard to their sustainability within a difficult funding environment.

## The Position of Artists

Artists constitute the core human resource that sustains the sector, generating the artworks around which the activities of the rest of the sector largely revolve. It is estimated that there are in the region of 5 500 artists in South Africa, mostly concentrated in three major metros – Johannesburg, Cape Town and Durban. While – as noted above – there is evidence of substantial shifts in the overall demographics of the workforce for the visual arts, the majority (58%) of practicing artists are white, with a particularly poor representation of black women artists (comprising just 12% of the total population of artists based on the survey commissioned as part of this project).

Though it is estimated that artists directly generate 36% of value of the overall turnover of the sector and 32% of the Gross Value-Added through direct sales and private commissions, the social and economic position of most artists in South Africa is precarious. By comparison to professionals in other fields with similar levels of experience, training and qualification, the earnings of visual artists are low with poor levels of access to various forms of personal cover and security. The study notes that the average income of practicing professional artists is in the region of R149 000 per annum, with a marked income differential between black and white artists. Based on the survey sample, white male artists (the highest earners) earn on average R229 000 per annum and black female artists (the lowest earners) earning R67 000 per annum. Within these groups, there is generally a tiny strata of high-earning artists, a small group of artists able to earn a reasonable income from their work, and a large group of artists to who rely on other sources of income for their survival.

Only 19% of all artists are able to spend more than 70% of their time on their creative work and immediately associated activities, and one in four artists report only being able to devote 25% or less of their time on their creative work. The majority of artists have to supplement their income through other activities in order to survive, and there is a marginally *negative* correlation between the proportion of time invested in core creative activity and economic return. The majority of artists are unable to afford medical cover, life insurance and the various forms of cover related to professional practice. 57% have experienced significant periods in which they have been unable to earn income during the last five years. Considering their income levels, a surprisingly large proportion (59%) report being registered for income or company tax in some form, though it is likely that much of this taxation may be in the form of ad-hoc tax deductions related to teaching and other work in the arts.

South African artists also report lower levels of gallery representation than their international counterparts, and the ratio of exhibition opportunities to artists is lower than in developed economies. Business relationships between gallerists and artists are seldom reduced to writing, and not subject to any industry-agreed (or externally imposed) standards, codes or protocols. Indeed, there is a complete vacuum in this area, with artists sometimes rendered vulnerable to the superior bargaining power of gallerists and dealers. Collection of payments related to copyright occurs on an ad-hoc basis, and it is generally only relatively established artists that are in a position to manage this issue in relation to their work, or earn any income from this source. Few artists – even more established artists - are in a position to take legal action against violations of their moral or intellectual property rights.

The survey found that the five most frequently cited obstacles to career development for artists are:

- access to funding
- the high cost of materials and supplies
- lack of demand/buyers
- lack of industry promotion from government
- a shortage of exhibition/project opportunities locally

The three most frequently cited primary professional development needs of artists were:

- learning how to market themselves more effectively,
- finding a gallerist to represent them and
- opportunities for research and study related to their practice

Assistance in obtaining funding was cited as the most significant secondary professional development need.

The report notes that the absence of a range of professional support mechanisms for artists in relation to the protection and exploitation of creative rights in their work, and the intrinsic constraints associated with collective bargaining in the visual arts owing to the self-employed status of the majority of artists. Consideration of how the economic position of artists might be improved has been integrated as a consideration into the bulk of recommendations in the report, whether through indirect measures aimed at expanding the market for their work and the creation of new platforms or through direct interventions around the professional development, the institution of collective management of copyright or legislative measures associated with resale rights.

## Education and Training

The provision of education and training in the visual arts in the schooling system is arguably the single most significant area for governmental engagement in the visual arts, both in relation to the objective of nurturing the future audiences and consumers for the visual arts, as well as in achieving qualitative changes in the demographics of talent within the industry. That it is both a costly and long term area for intervention should not deter serious and urgent engagement with the many challenges that face the realisation of a quality arts education for all learners in South African schools, whether at primary or high school level.

Though the visual arts (as part of the Arts and Culture learning area) is now a compulsory component of formative education up to grade 9, the majority of schools have neither appropriately trained teachers and facilities to enable the provision of quality visual arts education at either a primary or high school level, in part the legacy of an education system which denied the majority of South Africans access to arts education.

The report also notes that the provision of specialised visual arts education at a grade 10-12 level (where it is an elective subject) continues to be largely confined to former 'Model C' schools. In 2009, less than 2% of all students took visual arts as a grade 12 subject, with 70% of all enrolments concentrated in Gauteng, Kwazulu Natal and the Western Cape. In 2009, black learners accounted for only 50% of these enrolments.

The report draws attention to the existence of a Memorandum of Understanding between the national Departments of Education and Arts and Culture, aimed at guiding their joint investment in arts education and training, as well as to a variety of policy documents produced by the (then) Department of Education which specifically promote the idea of artists working in schools in addressing the skills deficit within schools. The report notes that the implementation of a concerted strategy between the two departments for arts education at a formative level remains unrealised, and proposes that this joint engagement should be reactivated with major joint investment in programmes that widen access to participation and appreciation of the visual arts, and which create substantial work for particularly young and emergent professional visual artists. Such programmes should also harness the infrastructure and outreach programming of art museums and collections and community art centres.

While the country has a substantial network of tertiary art schools that offer internationally competitive professional degrees in the visual arts, these institutions face a number of challenges which the recommendations contained in this report seek to address:

- Art schools are mostly located in the context of historically advantaged institutions in urban areas. Art departments at institutions such as Fort Hare and Walter Sisulu University remain dramatically under-resourced by comparison to their counterparts in historically advantaged universities.
- The report notes that there is a further erosion of black intake into visual arts programmes at a tertiary level, with just over 40% of enrolling students being black and just under 40% achieving their qualifications.
- While at any one moment there are almost as many students in tertiary art schools as there are practicing artists in the industry, the attrition rate for students then actually entering the industry once they have graduated is very high. The need to for more professional development inputs, mentoring opportunities and platforms

for networking for young and recently graduated artists is indicated as a key area of recommendation.

- The staffing and infrastructure requirements of art schools in tertiary institutions are often poorly understood in the administrative contexts that they occupy. The need for more focused attention on the recognition of creative work as a research output is indicated.
- FET colleges currently play a minimal role in the provision of vocational training in the visual arts, and there is presently little or no articulation between training at an FET level, tertiary institutions and the frameworks for work-based training established through the Media, Advertising, Printing, Publishing and Packaging Sector Education and Training Authority (MAPPP SETA).

## Funding and Resources

Lack of access to funding is cited more frequently than any other issue as a major obstacle to career development for visual artists, and is the secondly most frequently cited obstacle for businesses and organisations.

The report notes that most of the funding mechanisms contemplated in the White Paper for Arts, Culture and Heritage have been realised, including the National Arts Council, Business Arts South Africa and the National Lottery Distribution Trust Fund. Components of this system are managing to issue increasingly significant numbers of grants to individual artists, projects and organisations. In the 2008/9 financial year, the National Arts Council distributed 91 grants with a total value of R5.6 million to the visual arts sector, many of these grants to individual artists.

Grant funding currently plays a relatively minor role in the economics of the visual arts sector, contributing less than a percentage of total industry turnover. The total value of grants issued by all national funding agencies (principally, the National Arts Council and the Lottery) as well as grants made available through national and provincial government structures in the 2008/9 financial year is estimated at R12.3 million, with an additional R3.3 million being raised from international funding sources and half a million coming from Business and Arts South Africa and the Arts and Culture Trust.

The study has found that there are very significant unlocked public resources for the visual arts, the most significant of these being the National Lottery Distribution Trust Fund (NLDTF). The study notes the alarming accumulation of unspent funding reserves within the NLDTF, and the low level of disbursement of funds to the visual arts sector. Were the NLDTF to disburse 8% of the funding available in the 2008/9 financial year to the visual arts sector (equivalent to the 2008/9 proportion of total funding allocated to the visual arts by the National Arts Council), this would equate to approximately R76 million in *entirely new investment* for public art museums and collections and their outreach programmes, public art, education and training programmes in the visual arts, visual arts-related community arts programming and infrastructure, artist-run initiatives and non-profit industry organisations. The report notes the need both a for a review of the grant administration system of the NLDTF, as well as concerted efforts to ensure that the sector engages more systematically in securing resources from the NLDTF.

While there are significant instances of corporate investment in the non-profit dimensions of the sector, and sponsorship of major events, projects and competitions such as the Joburg Art Fair, the Africa Art Centre and the Absa Atelier competition, by international standards, the sector enjoys very low levels of corporate investment and sponsorship. Total sponsorship is estimated at between R10 and R15 million – similar to levels of public grant funding in the visual arts. The report notes the need to create more awareness around the existing provisions for tax deductibility on donations, as well as the need to explore more substantial tax benefits for artists, organisations and institutions in dialogue with the Department of Finance and SARS.

# Section 1

# Introduction

## 1.1 Background

This research report was commissioned by the national Department of Arts and Culture in order to guide its engagement with the visual arts sector at a national level. It is the first study of its kind to attempt to present a picture of the current position of the sector, based on a combination of both quantitative and qualitative research. This extensive research base has been synthesised into the analytic framework presented in this document, and been used to inform a set of policy recommendations for the DAC to take forward together with its counterparts within the provincial and local spheres of government, and with the sector itself. The findings and recommendations from this main report are intended to provide a basis for action and intervention in defined areas of need on the part of the sector and government.

### Terms of Reference

The Terms of Reference for the project specified the following four outcomes:

1. the development of an authoritative picture of the visual arts sector in South Africa, addressing questions of definition, scope, size, structure and internal dynamics

2. the development of an informed analysis of the current situation of the visual arts sector, identifying strengths, weaknesses, opportunities and threats

3. the development of a set of recommendations relating to public sector engagement with the sector. These recommendations would offer a strategic framework that would identify needs in respect of: policy, legislation, institutional frameworks, programmes, and options for resourcing

4. the development of a database of roleplayers in the sector, including a register of artists based on the collation of existing data and new data created by the project

The Human Sciences Research Council was appointed to conduct the present research project in October of 2008. The HSRC contracted a team of external consultants and service providers to assist in the conducting of the primary and secondary research for the project.

### Key Project Components

In fulfilment of the above, the project involved a number of key components, outlined below:

1. **Database development**: the development of a database of over 6000 artists and over 1000 businesses and organisations working in the sector

2. **Survey**: a major survey of over 350 individual artists, businesses and organisations operating in the sector focused on developing an accurate picture of:
    - The diversity of activities in the sector
    - The economic dimensions of the sector
    - The operating environment
    - The nature of the market for the visual arts
    - The nature of work and employment in the sector
    - The perceived obstacles and needs experienced by the industry

3. **Provincial Reports and case studies**: the commissioning of provincial reports and case studies in the provinces outside of Gauteng and the Western Cape, where the industry is most concentrated and there is substantial existing information on industry activity. The provincial reports are aimed at producing a better understanding of the spatial dimensions of the industry, and the different issues faced by artists, businesses and organisations. Case studies focused on significant visual arts-related projects, organisations and initiatives in each of these provinces.

4. **Specialist Reports**: the conducting and commissioning of specialist studies on:
    - public and private museums and collections
    - the funding landscape for the visual arts in South Africa
    - education and training in the visual arts in South Africa

5. **Review of Policy and Legislative Context**: a review and analysis of the policy and legislative context for the visual arts in South Africa

6. **Review of International Comparators**: desktop research into international comparators aimed at better understanding both the global position of the South African visual arts industry, as well as providing points of reference for public sector intervention at a policy, legislative and programmatic level

## The Structure of the Report

This extensive research base has been synthesised into the analytic framework presented in this document, and been used to inform a set of policy recommendations for the DAC to take forward together with its counterparts within the provincial and local spheres of government, and with the sector itself. This document provides a basis for the identification of priorities for engagement between the sector and government, and the identification of key interventions aimed at promoting the growth and development of the sector.

Section 2 of the report provides an overview of the overall workings, structure and geographical distribution of the South African visual arts, and the contribution of the sector to the South African economy, society and cultural fabric.

Sections 3-7 present a detailed consideration of different components of the visual arts system, presenting key findings from the research together with recommendations for intervention in the following areas:

- Section 3 explores the nature of demand for the visual arts and the commercial system that supplies this demand
- Section 4 maps the largely non-commercial organisational infrastructure that plays a complementary and supporting role in the development of the visual arts.
- Section 5 of the report is concerned with a detailed assessment of the position of visual artists within the overall ecology of the visual arts
- Section 6 describes and assesses the framework for the resourcing of the sector
- Section 7 addresses the provision of visual arts education and training

The final section of the report (Section 8) is concerned with synthesising the key issues identified in the preceding sections into a set of recommendations for intervention and action on the part of the industry and government.

A number of detailed subsidiary reports have been appended which supplement the main findings of the report. These include:

- A Report on a Survey of Museums and Collections
- A Report on Education and Training in the Visual Arts
- A series of case studies relating to the social, cultural and economic impacts of the sector
- Findings from the survey of artists, business and organisations in the sector, presented in a tabular format

## Reference Group and Consultation

At the inception of the project, a reference group was convened to act in an advisory capacity both on the process of the research and on the interpretation of the results of the research. This reference group was comprised of individuals, businesses and organisations from the sector, as well as representatives from national, provincial and local government, as follows:

Eric Apelgren, Director of International Relations, Ethekwini Municipality
Gabriel Clark-Brown, director of Global Art Information Directory
Ross Douglas, Director of Art Logic/the Johannesburg Art Fair
Jonathan Garnham, Chairperson of the Visual Arts Network of South (VANSA)
Anton Laubser, President of the South African National Association for the Visual Arts (SANAVA)
Moleleki Ledimo, National DAC (Arts, Social Development and Youth Directorate)
Melissa Mboweni, Director, Akani Creative Consulting
Frank Meintjies, Soul City Institute
Zayd Minty, Coordinator, Creative Cape Town, City of Cape Town
Lindi Ndebele, Creative Industries Directorate, National DAC
Andries Oberholzer, Visual Arts and Multi-Media sub-directorate, National DAC
Dawn Robertson, HOD, Gauteng Department of Sports, Arts, Recreation and Culture
Steven Sack, Director of Arts, Culture and Heritage for the City of Johannesburg

The contributions of the Reference Group to the development of this report are gratefully acknowledged. In addition to consultations with the reference group, the project has involved a large number of interactions with a wide variety of industry actors and roleplayers at both a national and provincial level. Research results were canvassed with industry participants in Gauteng in the context both of the Art Talks programme of the 2010 Johannesburg Art Fair and an industry reference group established by the Visual Arts Network of South Africa around the development of a visual arts strategy for the Gauteng City region, commissioned by the Gauteng Department of Sports, Arts, Recreation and Culture. Preliminary findings associated with the sections on museums were presented at a conference convened by the University of Cape Town in December 2009, *Managing Cultural Organisations in Times of Crisis.* Findings related to education were presented in the context of a seminar convened on the *Creative Economy and Arts Education* at the University of the Witwatersrand in August 2010. All of these consultations yielded significant questions and insights that have informed the writing of this report. It has also been clear that people within the industry recognise the significance of the research, and its potential to contribute to the visibility of the industry within government policy – an enthusiasm that needs to be capitalised on in the process of taking forward the recommendations contained in this report.

The project report has also been circulated to all of the participants in the research project for comment. One of the key recommendations from the report is that a process of further consultation will be required in testing the findings and recommendations emanating from this report, and engaging artists, associations, institutions, businesses and other industry organisations in realising the proposed recommendations.

## 1.2 Research Methodology

The majority of policy research, development and intervention has occurred in other parts of the cultural and creative industries, with successive reports, task groups and legislative reviews being undertaken in relation to different aspects of the music, publishing, film and craft industries, and the broader heritage sector[2]. The only two publicly commissioned studies to date that have included specific address to the visual arts have been provincial studies that have positioned them within a wider creative industries framework[3]. A 2003 report commissioned fro Trinity Session by the International Labour Organisation (ILO) is the only sector-specific report that addresses the visual arts that has been commissioned to date, adopting a largely qualitative research methodology in the context of a review of the visual arts and craft sector in the SADC region[4]. The present research project research represents the first significant investment in the formulation of a framework within which investment in and engagement with the visual arts sector on the part of the Department might be situated, informed by both quantitative and qualitative data.

Most studies on the arts, culture and creative industries in South Africa have noted the paucity of reliable statistical data on these industries as a central constraint for evidence-based policymaking. Internationally, the disaggregation of industry data from existing national datasets has become an increasingly important tool for industry analysis, drawing particularly on the Standard Industry Classification (SIC) and Standard Occupational Classification (SOC) codes in order to be able to measure economic outputs on the one hand (SIC) and rates of employment on the other (SOC). A key advantage of this approach is that a national dataset is updated on annual basis, and has a national compass. A recent HSRC report on the Creative Industries in South Africa notes however that "Standard taxonomies such as the SIC codes do not sufficiently disaggregate the cultural industries from other activities and are therefore insufficient for the task of collating cultural/ creative industries data for either countries, regions or areas larger than that. The bulk of the activities of the

[2] These include: The seminal *Cultural Industries Growth Strategy* report (1998) commissioned by the national Department, which focused on film, publishing, craft and music, together with the more broadly targeted strategy document *Creative South Africa: A strategy for Realising the Potential of the South African Creative Industries*; the DAC Music Industry Task Team established by DAC in 2001; reports by PriceWaterHouseCoopers and KPMG on the film and music industries (2000 and 2001 respectively), Customised Sector Plans for the Craft and Film Industries commissioned by the Department of Trade and Industry in 2005; an industry study of the Performing Arts Sector produced by the Performing Arts Network of South Africa in 2005.

[3] In 2005 The Western Cape Department of Economic Development and Tourism commissioned a general mapping study titled Cultural Industries, Arts, Culture And Creative Arts: Towards an understanding of the current nature and scope of the Creative Industries in the Western Cape in 2005. In 2008, the Gauteng Department of Sports Arts Culture and Recreation commissioned a detailed mapping of the creative industries, including a section on the visual arts

[4] Trinity Session. 2003. *Promoting the Culture Sector through Job Creation and Small Enterprise Development in SADC Countries: Crafts and Visual Arts*. International Labour Organisation Working Paper. Accessed at http://www.ilo.org/empent/Whatwedo/Publications/lang--en/docName--WCMS_117680/index.htm

creative industries remain invisible to the statistics."[5] In the same vein, the UNCTAD Creative Economy report notes that

> "In many advanced economies, the service sector is larger and is growing at a greater rate than the manufacturing sector. However, classifications include a multitude of categories that are increasingly empty of data and a small number of categories (the service sector) that are only crudely described. This is a general problem. Arguably, the very notion of services separate from manufacture is an artefact of industrial organisation in recent years rather than a substantial economic fact. The two are clearly interrelated and to a much greater extent than the classifications represent them as being (they are usually represented as discrete). All of the issues facing the service sector can be repeated in the case of the creative industries. Thus, by definition, the numbers on the creative economy as measured by conventional means are small. When more detailed or more complex classifications have been used, researchers and politicians have been astonished to discover that the creative economy is not only a big player in economies but it is one with robust growth; moreover, it is bigger that many more "traditional' industries."[6]

Sector specific programmes of research face the challenge of the high costs associated with data collection. Within the South African creative industries, the only ongoing research project that has managed to address this need are the annual publishing industry reports commissioned through the Publishers Association of South Africa, with the support of the National Department of Arts and Culture. The great majority of studies on different aspects of the arts, cultural and creative industries in South Africa have therefore historically drawn on either qualitative data - anecdotal evidence, the perspectives of key informants, case studies and desktop research - or very narrowly defined quantitative studies as a basis for generating particular arguments for intervention at the level of policy and strategy on the part of industry and/or government.

This research project has sought to develop a picture of the visual arts sector that would serve to initiate a more evidence-based approach to policy-making, through generating both a statistical benchmark or point of reference for the analysis of the sector using a quantitative survey methodology, while also deploying more nuanced qualitative methods of data collection through case studies, desktop research, interviews with key informants and the like.

In this respect, the study has sought to build on the foundation established by the Gauteng Creative Mapping Project (GCMP) study, commissioned from Creativity, Arts, Jobs (CAJ) and the African Micro-Economic Research Umbrella (AMERU) by the Gauteng Department of Sports, Arts, Recreation and Culture, and which was completed in 2008. This study represented the first attempt to develop a comprehensive picture of particularly the economic dimensions of the creative industries, focusing on a particular region of the country. The quantitative dimensions of the present study have drawn significantly on both the approach and methodological insights generated through that study.

The primary research on which this report is based draws on a survey of over 350 individual artists, businesses and organisations working in the visual arts sector. The survey was conducted between over a six month period between July 2009 and February 2010,

[5] CAJ/HSRC. 2008. The Creative Industries Sector Report. Study commissioned by the Department of Labour. Accessed at: http://www.labour.gov.za/downloads/documents/research-documents/Creative%20Industries_DoL_Report.pdf

[6] UNCTAD 2008. The Creative Economy Report 2008: The Challenges of Assessing the Creative Economy: Towards Informed Policy-Making. UNCTAD: Geneva. p. 91.

including a piloting phase aimed at testing and refining the research instruments and approach. The core team contracted to the HSRC for the overall project was responsible for research design, the implementation of the survey, data analysis and report-writing. The African Micro Economic Research Unit (AMERU) at the University of the Witwatersrand provided data capturing and processing services.

Because a very significant portion of the findings presented in the present report draw on or make reference to this data, the objectives, assumptions, methods, process and limitations of this survey are briefly discussed in what follows. The tabulated findings are presented in Appendix B.

## Overall Survey Objectives and Approach

In order to better understand the dynamics of the industry as whole as well as to identify areas requiring development and possible intervention, the primary objectives of the survey aimed to generate as comprehensive a picture as possible of the current position of both artists and visual arts businesses, organizations and freelance workers. The survey sought to produce an overall picture of both the economic dimensions of the visual arts across the industry value chain, as well as gain insight into a variety of issues that impact on artists, businesses and organisations. Whereas the Gauteng Creative Industries Mapping Study conflated artists with business and organisational entities, early on in the process of designing the tools it was felt that two different instruments were required for each of these groups. In order to adequately capture the distinct experiences and issues of artists, a modified version of the generic questionnaire for businesses, organisations and freelance workers was developed, though with significant points of commonality and overlap between the two tools, particularly with regard to demographics, employment, market-related issues and finance.

The survey sought to generate data about these entities in each of the following areas:

- Basic demographics: Developing a profile of artists, businesses and organisations in relation to the age, gender, race and location of artists and workers in the industry, as well as the demographics of ownership and management
- Nature of Activity: understanding better the nature and variety of activities that different entities are involved in across the value chain
- Work Circumstances: Understanding better the circumstances in which these activities are undertaken, for both artists and businesses, organisations and freelance workers
- Career Development: Understanding the professional development pathways undertaken by visual artists
- Market-Related Issues: How artists, businesses and organisations experience, perceive and engage with the market for their products and services
- Financial Position and Circumstances: developing a detailed picture of patterns of income and expenditure of artists, businesses and organisations, and the position of artists and workers in relation to a range of finance related issues issues: tax, retirement, insurance and medical cover.
- Obstacles and Needs: Understanding the obstacles, enabling factors and needs experienced by artists, businesses and organisations

Two additional implicit objectives emerged during the course of conducting the survey and analysing the data:

- To establish a benchmark analysis for the industry against which changing patterns in the industry can be tracked through subsequent studies
- To test and benchmark an approach to industry analysis that can serve as a point of reference or departure for subsequent industry research at the level of methodology

## Survey Design

The design of the survey was informed by similar surveys conducted in the UK, Scotland and Australia, as well as the survey instrument for the Gauteng Creative Mapping Project study. The report builds both on the approach and the findings generated out of the GCMP study of 2007, though has sought both to 'drill down' in greater detail into the specifics of the visual arts on the one hand, and extend the sample of businesses and organisations to the rest of the country.

The survey was designed to be administered in two ways:

- Respondents filled in an emailed questionnaire (sent together with briefing information about the project), with telephonic follows-up and confirmation of key and/or missing data
- Due to the detailed and sensitive nature the information requested, where necessary the interview was administered in person. Face-to-face interviews were conducted with approximately 10% of the sample.

The survey was initially piloted with 12 individual artists and organisational entities – once the survey instrument was refined, this group was included in the final sample on the basis of updated information.

Briefing documentation and questionnaire formats are attached as Appendix C and D.

## Defining the Target Group

*Artists*
The survey aimed to primarily assess the position of professional artists i.e. people who are pursuing the visual arts as a career and are working, or pursuing work as producers of original artworks within the field. A number of screening questions were put to respondents, aimed at distinguishing between those who pursued the visual arts on a professional basis, and those who pursue the visual arts as a recreational rather than professional activity (i.e. amateur artists).

- Do you earn any portion of your income from making artwork?
- Have you exhibited a work or works of art in any context during the course of the last five years?
- Have you created or been working towards a body of artwork during the course of the past five years?
- Have you been involved in full-time study in the visual arts during the course of the past five years?

Additionally, within the questionnaire, artists were asked to define whether or not they considered themselves to be amateur or professional artists. A small proportion of those who identified themselves as amateur artists were thus included in the survey, though their data is not reflected in the main report. A separate, summary report is included on this group – while they do not contribute significantly to the outputs of the industry, they do play a significant role as consumers of materials, equipment and supplies, and their activities have a variety of economic spin-offs. They also represent an area of demand for the skills of professional artists, primarily in the realm of teaching.

The screening questions were also aimed at distinguishing between visual artists and people working in the craft sector. The key criteria for drawing this distinction concerned the concept of 'a body of artwork' and the primary context for the presentation of work through exhibitions in a gallery context. While people producing functional art or fine craft who exhibited in a gallery context where included in the survey, craftspeople producing functional wares, souvenirs, curios and the like were excluded.

*Businesses and Organisations*
For the purposes of the survey, the main criterion for inclusion was that the core business of the entity should revolve primarily around the visual arts. A list of types of business and organisation were generated across the visual arts value chain, as shown in the table below.

**Table 1: List of types of Visual Arts Industry entity, organised according to Value Chain**

| | |
|---|---|
| **Education, training and development** | • education and training provider – public and private<br>• community arts centre (independent)<br>• arts development organisation (non-profit)<br>• artists/arts association |
| **Support services** | • materials manufacturer<br>• materials supplier<br>• arts consultant/consultancy (including curators, managers)<br>• art restorer/conservator<br>• technical services provider framer<br>• framing supplier |
| **Distribution/presentation - primary market** | • gallery/dealer - commercial/private<br>• artist studio galleries<br>• artist-run gallery/project space<br>• on-line artist portfolio or gallery<br>• art museum/collections |
| **Distribution/presentation - secondary market** | • dealer<br>• private collector<br>• auctioneer |
| **Reception** | • art publisher<br>• art journalist/critic<br>• arts media specialist/publicist |

A number of entities were then excluded from consideration in the general survey. In the case of public art museums and collections and art schools in further and tertiary institutions, these were addressed through separate specialist studies (see sections 5 and 7). These were also excluded in order to avoid a skew or double counting in the estimation of the economic impact of the sector – though they operate with comparatively large budgets, they are largely financed through direct public investment. Other types of entity that were excluded from the survey:

- corporate art collections – addressed in separate study of museums and collections
- funding agencies – economic impact addressed in separate section on funding
- non-specialist private education institutions which offer a wide range of subject areas alongside the visual arts/design
- artist studio galleries – captured in artist survey

## Defining the Population

*Artists*

In defining the artist population, the research team drew together a diversity of sources of primary information. Public and private galleries, arts organisations and artist associations listed in the South African Art Information Directory – an annual publication of the Global Art Information Directory – were approached to provide names and contact details of artists. While galleries were mostly reluctant to disclose this information, a substantial database of over 6000 individual contacts was developed, working primarily with information provided by associations and arts organisations.

The overall population figures produced from this database were then moderated on the basis of the 'success rate' achieved through the random sample of artists in each province, i.e. what proportion of artists contacted by interviewers corresponded to the criterion outlined in the preceding section. This process weeded out a significant number of amateur artists, people working in the craft sector and a small number of deceased artists. The results of this moderation produced two sets of figures for the artist population, producing a range of between 4750 and just over 6000 individuals- within which the overall artist population is likely to fall. A midpoint value of approximately 5 500 has been used in extrapolating data related to artists in the balance of the report. This process of refining the data is summarised in the following table and graphic:

**Table 2: Artist Population estimates, by Province**

| | database | % professionals | moderated | midpoint |
|---|---|---|---|---|
| **Gauteng** | 1993 | 80 | 1594.4 | 1794 |
| **Western Cape** | 2250 | 70 | 1575 | 1913 |
| **KwaZulu Natal** | 605 | 90 | 544.5 | 575 |
| **Eastern Cape** | 347 | 90 | 312.3 | 330 |
| **Free State** | 318 | 90 | 286.2 | 302 |
| **Mpumalanga** | 83 | 95 | 78.85 | 81 |
| **Limpopo** | 80 | 95 | 76 | 78 |
| **North West** | 307 | 60 | 184.2 | 246 |
| **Northern Cape** | 203 | 50 | 101.5 | 152 |
| **TOTAL** | **6186** | | **4752** | **5469** |

These figures accord closely with the findings of the only previous local research report that explores this question in any detail, in the context of a creative industries study undertaken in the Western Cape in 2005, drawing on research commissioned from Gabriel Clark-Brown:

"Clark-Brown lists three categories of artists: amateur, part-time and full-time professionals. Using the membership and mailing lists of twenty-two art societies in the Western Cape, he estimates that there are in the region of 1500 amateur, 1000 part-time and 800 full-time professional artists working in the province at the moment."[7]

*Business and Organisations*

[7] Van Graan, M (2005) *Cultural Industries, Arts, Culture And Creative Arts: Towards an understanding of the current nature and scope of the Creative Industries in the Western Cape*. Unpublished report

In defining the population of businesses and organisations operating in the sector, the research team drew primarily on the 2009 edition of the South African Art Information Directory. The South African Art Information Directory (SAAID) has been developed over the course of the past 8 years by the Cape Town based company Global Art Information (GAI), and represents the most comprehensive database of visual arts related entities nationally.

Entities in different regions were then extracted from the GAI database (the electronic version was leased for the period of the project) and organised according to the categories and exclusions outlined above in order to produce moderated figures for these entities. The database research for artists also yielded some new entries and the elimination of other entities no longer in operation. Some additional research was also conducted in Gauteng, aimed at both confirming and extending the contents of the GAI database.

This process produced the following overall numbers of entities by value chain component, broken down by province:

**Table 3: Business/Organisation Entity Population estimates, by Province**

| | ETD Organisations | Support Services | Primary Market | Secondary Market | Reception | TOTAL |
|---|---|---|---|---|---|---|
| **Gauteng** | 96 | 65 | 193 | 25 | 11 | 390 |
| **Western Cape** | 82 | 76 | 320 | 16 | 8 | 502 |
| **Kwazulu Natal** | 26 | 11 | 69 | 2 | 3 | 111 |
| **E Cape** | 25 | 14 | 49 | 2 | 0 | 90 |
| **Free State** | 12 | 4 | 29 | 0 | 0 | 45 |
| **Mpumalanga** | 6 | 2 | 23 | 1 | 0 | 32 |
| **Limpopo** | 8 | 0 | 13 | 0 | 0 | 21 |
| **North West** | 11 | 2 | 13 | 1 | 0 | 27 |
| **N Cape** | 2 | 1 | 3 | 0 | 0 | 6 |
| **TOTAL** | **267** | **175** | **712** | **47** | **22** | **1223** |
| **moderated** | **176** | **159** | **597** | **47** | **22** | **1001** |

Important limitations to note:

- It is likely that the data reflects a slight skew towards the enumeration of entities based in the Western Cape – the region where the company that produces the data is based, and where the most comprehensive and up-to-date data is apparent.
- Many artists will have fallen outside of the sources of information compiled from existing databases. This is particularly true of Mpumalanga and Limpopo, where it was difficult to access existing sources of information and databases.

## The Sample

*Artists*

A first phase of sampling was conducted on a random basis, drawing on the database of over 6000 entries developed for the project. Artists who were not willing to participate were randomly substituted with other entries. A second wave of sampling sought to then address regional and gender skews in the first sampling (for example, a skew towards women artists, who were generally found to be more willing to participate in the survey than men, and in the Western Cape, a skew towards white and amateur artists).

The sampling of artists corresponds roughly to the provincial spread outlined in the preceding section for the overall artist population, with more weight given to the more rural provinces with small artist populations, in order to achieve reasonable sample sizes for these provinces. In the analysis of the data, provinces with smaller artist populations have been grouped in order to be able to produce more meaningful sample sizes across these regions:

- *Developing provinces* (moderate artist populations, presence of some significant arts infrastructure in secondary cities): Eastern Cape and Free State
- *Undeveloped provinces* (small artist populations, minimal arts infrastructure, no major metropolitan clusters): Mpumalanga, North West, Northern Cape, Limpopo.

The following table shows the final sample achieved for professional artists on a provincial basis (note these figures exclude an additional group of 38 amateur artists included in the survey):

**Table 4: Population Estimates vs Sample Size**

| | Artist Population (estimate) | Sample Size | Sample as % of Overall Population |
|---|---|---|---|
| **Gauteng** | 1794 | 66 | 3.7 |
| **Western Cape** | 1913 | 58 | 3.0 |
| **KwaZulu Natal** | 575 | 47 | 8.2 |
| **Free State** | 302 | 18 | 6.0 |
| **EC** | 330 | 16 | 4.9 |
| **North West** | 246 | 6 | 2.4 |
| **Limpopo** | 78 | 9 | 11.5 |
| **Mpumalanga** | 81 | 13 | 16.1 |
| **Northern Cape** | 152 | 12 | 7.9 |
| **TOTAL** | **5469** | **245** | **4.5** |

This sample size compares favourably with similar detailed surveys conducted in other countries:

- The major Australian study in this area involved a sample of 239 visual artists from a total population estimate of 9300 (Throsby and Hollister 2003: 119).
- A UK study, conducted by Morris Hargreaves McIntrye for the Arts Council of England in 2004, worked with a sample of 376 against an estimated total population of circa 50 000.
- An on-line and email survey conducted by Bonnar Kennlyside for the Scottish Arts Council in 2002 achieved a sample of 527, against an unknown total population[8] - though likely to be comparable to the size of the South African artist population.

*Businesses and Organisations*
A 10% target was established for each of the groupings identified in the preceding exercise Respondents from each of the aforementioned groupings were randomly drawn from the GAI database. While respondents were provided with substantial briefing on the purpose and nature of the project – and provided with formal assurances regarding confidentiality from the Human Sciences Research Council - significant difficulties were encountered in

[8] Bonnar Kennlyside. 2002. *Making their mark: an audit of visual artists in Scotland*. Scottish Arts Council: Edinburgh, p. 6

persuading more commercial enterprises such as galleries to participate in the survey. Respondents cited a combination of concerns around the confidentiality of business information on the one hand, and the length of the questionnaire on the other in relation to other demands on their time. While most of the targets across different groupings were achieved, a substantially smaller proportion of business and organisations involved in the primary and secondary markets were sampled, as follows:

**Table 5: Sample Sizes Across Visual Arts Industry Value Chain (entities other than artists)**

| | ETD Organisations | Support Services | Primary Market | Secondary Market | Reception | TOTAL |
|---|---|---|---|---|---|---|
| **Moderated population** | 176 | 159 | 597 | 47 | 22 | **1001** |
| **Target sample (10%)** | 18 | 16 | 60 | 5 | 2 | **101** |
| **Actual respondents** | 18 | 15 | 32 | 3 | 3 | **71** |
| **% of population** | **10,3%** | **9,4%** | **5,4%** | **6,4%** | **13,6%** | **7,1%** |

Due to the sensitivities of respondents around business information, a significant proportion (17%) of the interviews were administered on a face-to-face basis, and a significant group were administered directly by HSRC staff. This produced a skew toward businesses and organisations located in the Gauteng province as follows:

**Table 6: Sample Sizes by Province**

| | N | % of sample | vs overall industry infrastructure |
|---|---|---|---|
| Gauteng | 33 | 46% | 32% |
| Western Cape | 17 | 24% | 41% |
| Kwazulu Natal | 6 | 8% | 9% |
| Mpumalanga | 4 | 6% | 7% |
| Eastern Cape | 3 | 4% | 4% |
| Free State | 3 | 4% | 3% |
| North West | 3 | 4% | 2% |
| Limpopo | 1 | 1% | 2% |
| Northern Cape | 1 | 1% | 1% |
| **TOTAL** | **71** | **100%** | **100%** |

Due to the very small sample sizes involved at a provincial level, data for businesses and organisations has generally only been presented nationally, with provincial data extrapolated from these figures in certain instances.

This sample compares favourably with other surveys:

- The Gauteng Creative Mapping Project study involved the administration of 14 long form and 50 short form interviews – the former being substantially shorter than the format administered in the present study. The GCMP study however included a substantial number of artists within this sample. In the present project, a separate survey of 280 artists was commissioned.

- A UK study on the contemporary visual arts market, conducted by Morris Hargreaves McIntrye for the Arts Council of England in 2004, worked on the basis of a sample of 80 in-depth interviews with galleries and businesses

## 1.3 Policy Context and Considerations

One of the key outputs contemplated in the Terms of Reference for this study was the development of a set of key policy recommendations aimed at enhancing the contribution of the sector to the delivery of key public policy mandates in the areas of social, cultural and economic development. In developing the recommendations contained in this report, a set of key considerations and principles around the intersection of public policy with the operation of the sector, as well as the current macro-policy context within which the visual arts sector is located, are presented in this section. More detailed consideration of particular policy-driven interventions – past, current and in prospect – are considered in each of the ensuing sections of this report.

### Public Policy and the Visual Arts: a Conceptual Framework

The policy recommendations developed in this report have been informed by an overall analysis of the points of intersection between the visual arts and the world of public policy, institutions, legislation and programming. In general terms, five key areas can be articulated in which public policy impacts on the visual arts, both in current reality and in future prospect:

1. Funding of core artistic activities, including creation, exhibition, local and international promotion and the collecting and preservation and protection of artworks; these also include direct supply-side measures aimed at supporting the industry through the funding of institutions, organisations, projects and the activities of individual artists.

2. Funding of secondary activities which involve nurturing the audiences and consumption base for the visual arts, through for example arts education in schools and the outreach programmes of art museums.

3. Through indirect measures that seek to encourage or obligate investment and engagement from others; examples of these include taxation-related measures which treat donations received by non-profit organisations as tax exempt, and donations given as tax deductible; and the percentage on building projects provision for artworks commissions.

4. Through a variety of regulatory measures aimed at influencing or impacting on the way in which the industry itself operates. Such measures may be concerned with protecting artists moral and economic rights over their work (eg regulations relating to copyright and resale rights), providing benefits to artists (pension/social security schemes and so on) and the promotion and/or regulating of transnational trade in and movement of artworks.

5. Through measures aimed at regulating artistic expression.

All except the last of these types of policy intervention are in varying ways predicated on the idea of promoting the visual arts within a given society and economy based on the idea of the arts as an intrinsically valuable 'public good', and on the basis of a set of perceived benefits and impacts that the visual arts are believed (rightly or wrongly) to yield in relation to public policy in other areas, such as education, health and urban regeneration and development.

This report has drawn on a wide range of international precedents in each of the five areas outlined above. In developing recommendations that are appropriate and meaningful in the South African context – and which stand a chance of being implemented - we have been mindful of three key considerations, detailed in what follows.

1. Internationally, the majority of public sector measures that have been developed around the arts in general and the visual arts in particular, have been generated in the context of the advanced economies of North America, Europe and Australasia. These economies enjoy a fiscal base which is greatly in excess of the resources that are available in South Africa. A basic principle that we have sought to adhere to in the making of specific recommendations is that any proposed intervention needs to be affordable, both in relation to the public and private resources that are available, and in relation to the other pressing demands on these resources.

2. Careful consideration has also been given to assessing the prospective costs and potentially negative consequences of implementing particular recommendations, weighed against the likely benefits and impact yielded through such interventions in social, economic and cultural terms. For example, implementing the Artist Resale Right assumes the establishment and sustainability of an administrative capacity to collect and distribute royalties to artists, which would need to be justified by a sufficient value and volume of transactions in the secondary market (costs). It is also a measure that is likely to be resisted by both local auction houses and international auction houses that have a presence in South Africa, as it directly impacts on the cost of doing business, and may result in business moving to other national contexts where these measures do not apply (a consequence). However, international experience suggests that such measures can yield significant revenue for artists who have derived comparatively meagre returns on the primary (first) sale of their work (a benefit).

3. A further consideration in the development of the recommendations in this report has been borne out of the recognition that many of the problems of the visual arts in South Africa are in fact problems of the arts in general – the funding system and arts education being two signal examples. This report has been mindful of the fact that these more generalised problems need to be addressed through measures that would have a wider impact on the arts sector in general. This study has confined itself to noting these wider issues on the one hand, and suggesting sector-specific responses and remedies on the other, where these do not seem to exceed the mandate of the present assignment.

In what follows, the overarching Constitutional framework within which the arts sit and in within which any policy recommendations would need to be effected is outlined, followed by summary consideration of the existing national policy framework for the visual arts.

## The Constitution and Intergovernmental Relations

Under the Constitution – which represents the highest policy and regulatory framework for the country as a whole - the competence for culture is assigned as a concurrent (i.e. simultaneous) competence of the national and provincial spheres of government, with both able to exercise policy and legislative functions in this area. The Technical Intergovernmental Committee (TIC) structure is composed of senior officials from the national and provincial departments of arts and culture and is tasked with harmonizing the development of policy and the implementation thereof at national and provincial level. No specific responsibility for the arts and culture is assigned to local government within the framework of the Constitution, though the legislative framework for intergovernmental relations encourages responsibilities to be devolved from national or provincial to local level where government is in most direct engagement with citizenry. Such downward assignment of powers is based on the assumption that local government has or is provided with the capacity and resources to take on this responsibility.

One of the consequences of this is that while we now have national and provincial departments concerned with arts and culture, outside of the major metropolitan municipalities, government generally has neither the mandate nor the capacity nor the financial resources to address the development of the arts and culture at a local level. This has had major implications for the implementation of certain areas of national cultural policy which assume a role for local government, such as in the area of community arts infrastructure and programming. The positive achievements of provincial and local government as well as the some of the more negative implications of this framework are discussed in practical detail in the ensuing sections of this report.

## The White Paper

The governing policy underpinning the development of legislation, institutions and programmes during the course of the past fifteen years has been the national Department of Arts and Culture's White Paper on Arts, Culture and Heritage, which emerged from an extended process of consultation with the arts and culture sector and was adopted in 1996.

The White Paper sought to establish a framework within which the historical legacy of the impact of colonialism and apartheid on the arts industry would be addressed, and in which the arts and culture would be integrated into the overall social and economic development goals and planning frameworks of government. The central concerns of the White Paper revolve around the promotion of the arts on the basis of both their intrinsic value as well as on the basis of their contribution to nation-building, social cohesion and economic development.

Within the White Paper, the visual arts are grouped with craft and design, though are also broken down into a (non-exhaustive) list of media and techniques ("include painting, sculpture, graphic art, photography, drawing, mural painting, paperworks, performance art, tapestry, fibre art, video, installation works, computer graphics, etc."[9]).

The White Paper makes reference to three specific intentions to be addressed in relation to visual arts, craft and design:

- To facilitate co-operation between government, para-statal and non-governmental organisations at national, provincial and local levels
- To influence the education and acquisitions policies of public institutions concerned with the visual arts so as to reflect a wider concept of visual culture, embracing craft and design heritage
- To investigate the feasibility of establishing an Art Bank or similar mechanism

[9] DACST (2006) White Paper for Arts, Culture and Heritage. Clause 25.

Five additional overarching strategic thrusts can be gleaned from the White Paper, all of which have implications for the visual arts:

- the provision of **infrastructure**: making the arts more accessible to the majority of the population through the development of community arts centres located in rural and peri-urban/township nodes, with programmes connecting the arts to wider social and economic development objectives
- **human resource development**: planning for the training of arts practitioners, arts educators and trainers and the training of people in areas of identified critical and scarce skills, specifically in the areas of arts management and administration.
- greater access to **public funds** to support the creation and dissemination of art: the White Paper contemplated the establishment of a National Arts Council, the use of tax benefits to encourage private sector sponsorship, the establishment of a Lottery Fund for the arts (through engagement with the department of trade and industry), the development of a National Association for Business Sponsorship of the Arts securing complementary investment from international partners
- the **development of markets and audiences**: through integrating the arts into the school curriculum, the activities of community arts centres, maximizing the use of existing infrastructure concerned with the presentation of the arts, and through festivals programming
- and securing **the rights and status of artists**: through the review of copyright legislation, and legislation relating to labour relations, taxation and social security.

It should also be noted that the White Paper went through a process of wideranging review during the course of 2007/8 culminating in a National Summit on Arts and Culture. The document that emerged out of this review process highlighted a set of wide-ranging issues relating to challenges in policy, legislation and the state of implementation. The recommendations emerging from this process of review are presently under consideration by the Department.

The White Paper also contains explicit recognition that the realisation of the goals outlined above would be contingent on engagement both with other departments at a national level, the department's counterparts at a provincial and local level, and the private sector. Key other departments at a national level include:

- The Department of Finance (DoF) which is responsible for revenue collection and legislation governing taxation (including tax breaks and incentives), as well as for the allocation of public money across departments and spheres of government
- The Department of Trade and Industry (dti) is responsible for copyright legislation that governs the cultural and creative industries and for promoting the conditions, through for example incentives, rebates and export schemes, that facilitate the growth of these industries.
- The Department of Labour (DoL) is responsible for legislation that governs labour relations.
- The Department of Higher Education is responsible for legislation regarding human resource development in the cultural industries, including the tertiary education system (under which art schools operate), the FET college system (vocational training in the arts) and the Sector Education and Training Authorities (work-based training in the arts) – the latter competence until recently was located with the Department of Labour.
- The Department of Basic Education (DoE) is responsible for the provision of in-school visual arts education.

- The Department of Home Affairs is responsible for the issuing of work permits in the cultural industries.
- A number of other departments play a more minor role in policy that impacts on the sector, including the Departments of Tourism and International Relations and Cooperation

While there is currently very little policy or legislation exclusively or specifically concerned with the visual arts, the sector is affected in variously direct and indirect ways at a national, provincial and local government level through a variety of institutions, policies and programmes that address the arts, culture and heritage more generally. A map of how these different government departments, institutions and agencies interact around the visual arts at a national, provincial and local level is provided on the following page.

In each of the ensuing sections, the current status of the policy objectives outlined in the White Paper are assessed in relation to the various components of the visual arts system which they have a bearing on (artists, infrastructure, the market, etc). Consideration is given to current legislation, the department or departments responsible for implementation, the status of implementation of a particular policy area and issues and recommendations associated with policy, legislation, institutions and programmatic intervention in a given area.

## International Agreements

There are also a variety of international agreements and declarations that the South African government is a signatory or party to which have relevance for the visual arts, and particularly for the position of individual artists. These include:

- The United Nations Recommendation on the Rights and Status of the Artist (1980) – a wide-ranging recommendation which encourages member states to progressively introduce measures aimed at protecting and enhancing the social and economic position of artists in society. This recommendation is discussed in more detail in Section 5 (The Position of Artists).
- the Berne Convention for the Protection of Literary and Artistic Works (1886, with various subsequent revisions, with South Africa becoming a co-signatory in 1928): a treaty managed by the World Intellectual Property Rights Organisation (WIPO) which makes provision for reciprocal arrangements between states relating to the protection of copyright and moral rights in artistic work, and which also makes provision for copyright collection and artist resale rights. These provisions are discussed in greater detail in Section 5 (The Position of Artists).
- the Convention for the Protection and Promotion of the Diversity of Cultural Expressions (2005, with South Africa becoming a party to the Convention in 2006): commits government to promoting local cultural industries, protecting local cultural industries from disadvantageous trade agreements, consulting with industry and civil society. This Convention is discussed in more detail in section 3 (The Nature of Demand for the Visual Arts).
- the Nairobi Plan of Action (originally developed in 2005 and then refined and readopted in 2008 at a meeting of African Ministers of Culture in Algiers).