CULTURE *Chiffres*

The Direct Economic Contribution of Culture in 2013

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The Direct Economic Contribution of Culture in 2013

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In 2013, the direct economic contribution of culture, i.e. the total gross value-added of all areas of culture, amounted to some 44 billion euros. This does not take into account any indirect economic benefits or those generated by culture, such as tourism for example.

Thus calculated, culture accounts for 2.3% of the economy as a whole, down slightly on 2012.

This relative drop in 2013 was impacted by slower business activity in the more competitive sectors of architecture, advertising and audiovisual, as well as in the areas of press and book publishing. On the other hand, rising prices within the non-commercial sectors (e.g. live entertainment, cultural heritage) have helped boost their share of the cultural market.

Of those sectors most affected by the crisis in 2013, the audiovisual and advertising agency sector saw renewed growth in their turnover at the start of 2014, contrary to the architecture and photographic sectors. Moreover, a reversal with the rise in production costs for magazine and book publishing businesses have also been confirmed.

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A cultural gross value-added of 44 billion euros in 2013

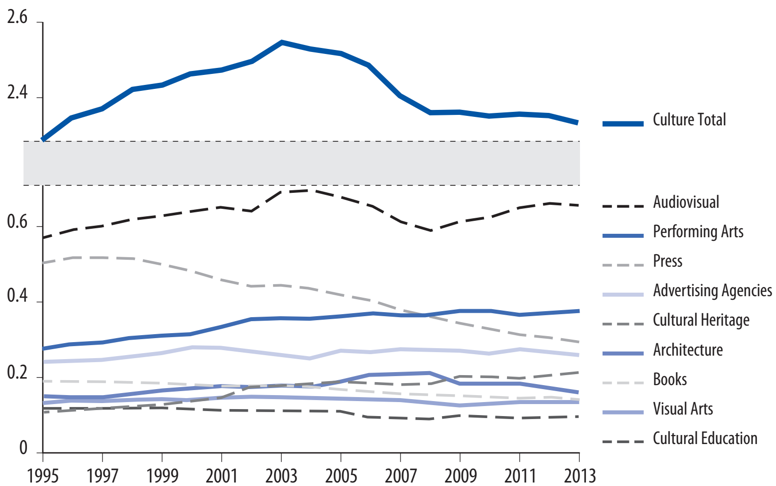
In 2013. the direct economic contribution of culture, i.e. the gross value-added of all areas of culture (see Appendix), amounted to some 44 billion euros[1]. Culture thus accounts for 2.3% of the economy as a whole (Figure 1 and Table 1).

Since 1995, the changing contribution of culture to the economy as a whole has been strongly influenced by changes in the various audiovisual sectors. Moreover, the contributions of the press and, to a lesser extent, the book publishing industry continue to fall, whilst those of the performing arts and cultural heritage, largely nonmarket sectors, are increasing. Overall, culture was making an increasing contribution to the economy until 2003, then decreasingly so until 2008, and then it remained largely stable until 2012

In 2013, the contribution of culture to the economy fell slightly. Making the most significant contribution on this downturn were the audiovisual sectors (particularly cinema and recorded music), advertising and architecture (sectors more sensitive to competition than other areas of culture), and the press and book publishing. Conversely, the contribution of the performing arts, cultural heritage and the visual arts increased in 2013 (Figure 1).

Figure 1 – Contribution of the cultural sectors to the value-added of the economy as a whole, 1995-2013

As a %



NB: The total contribution of all areas of culture to the value-added of the economy as a whole was 2.29% in 1995. The contribution of audiovisual to the value-added of the economy as a whole in 1995 was 0.57%.
Note: provisional data for 2013

Source: INSEE. National Accounts – 2010 data/DEPS. French Ministry of Culture and Communication. 2014

1. The data shown in this study comes from an estimation method pioneered in 2013 by the DEPS (Jauneau, 2013). Data previously published has however been revised: the scope of the statistical field of culture has been subject to a slight adjustment (see Appendix); moreover. the national accounting standards on which this method is based were revised in May 2014 by INSEE (base change) with a consequent amendment to retrospective data. The results presented here therefore supersede any previously published data. The trends demonstrated for the changing economic impact of culture are nevertheless only very slightly affected by this change.

Table 1 – Breakdown of cultural output and gross value-added within the scope of culture and within the economy as a whole, 1995-2013

	Gross value-added (in €bn at the current rate)			Contribution of various cultural sectors within the economy as a whole (as a %)			Relative contribution of the various cultural sectors within cultural sectors as a whole (as a %)		
	1995	2012	2013	1995	2012	2013 *p*	1995	2012	2013 *p*
Audiovisual	6.3	12.4	12.5	0.57	0.66	0.66	25.0	28.1	28.1
Performing Arts	3.0	6.9	7.1	0.28	0.37	0.38	12.0	15.7	16.1
Press	5.5	5.7	5.6	0.50	0.31	0.29	22.1	13.0	12.6
Advertising Agencies	2.6	5.0	4.9	0.24	0.27	0.26	10.6	11.3	11.2
Cultural Heritage	1.2	3.8	4.0	0.11	0.20	0.21	4.7	8.7	9.1
Architecture	1.6	3.2	3.1	0.15	0.17	0.16	6.4	7.4	6.9
Books	2.1	2.8	2.7	0.19	0.15	0.14	8.3	6.3	6.1
Visual arts	1.4	2.5	2.6	0.13	0.13	0.14	5.7	5.7	5.8
Cultural Education	1.3	1.8	1.8	0.12	0.09	0.10	5.2	4.0	4.1
Culture as a whole	**25.1**	**44.2**	**44.3**	**2.29**	**2.35**	**2.34**	**100.0**	**100.0**	**100.0**
Economy as a whole	1 097.4	1 878.4	1 896.9	100.0	100.0	100.0			

p: provisional data for 2013.

Source: INSEE. National Accounts – 2010 data/DEPS. French Ministry of Culture and Communication. 2014

Audiovisual: 2013, a year of reversing trends

The changing impact of each cultural sector is down to two factors: changing volume (i.e. changes to activity at constant prices) and changing prices (Table 2).

Audiovisual is the main branch of cultural activity, representing 28% of cultural gross value-added. After a four-year upward trajectory, its proportional impact more or less levelled off in 2013 (Table 2). It is hard to neatly separate out the various audio-visual segments (radio, television, cinema, video or recorded music) based on economic activity classification tables (see Appendix): postproduction applies to cinema, video

Table 2 – Gross value-added growth rates, 2012-2013

	By value	By volume	By price
Audiovisual	0.3	– 1.7	2.1
Performing arts	3.1	– 1.9	5.1
Press	– 2.8	– 6.7	4.2
Advertising Agencies	– 1.0	0.2	– 1.3
Cultural Heritage	4.8	0.0	4.9
Architecture	– 5.6	– 5.0	– 0.6
Books	– 2.8	– 4.2	1.5
Visual Arts	2.9	3.4	– 0.5
Cultural Education	4.1	3.1	1.0
Culture as a whole	**0.2**	**– 1.9**	**2.2**
Economy as a whole	1.0	0.3	0.7

NB: provisional data.

Source: INSEE, National Accounts – 2010 data/DEPS, French Ministry of Culture and Communication, 2014

and television; the production of advertisements covers adverts in different media (e.g. television or cinema); videos are no longer just for feature-length films but also increasingly television series; record stores also sell videos, etc. It is nevertheless possible to discern that activities generally linked to video and to cinema fell in 2013 (particularly film distribution and cinema film projection) whilst those linked to television continued to increase, for general interest channels and particularly for specialised channels.

The downturn in cinema-related activities is due to falling by volume. According to the CNC, it is the first time since 2009 that audience figures failed to reach the 200 million euros. Boosted by the success of *The Intouchables*, figures reached a high point in 2011. There were no major blockbusters in 2013, regardless of film origin. For the first time in over 10 years, no film achieved a box office figure of above 5 millions, whereas 2012 saw three such films. Prices in the cinema sector are on the other hand on the increase, particularly the price of a seat in the cinema (film projections). This price increase is part of a 10-year general upward trend, and is not a phenomenon likely to boost attendance figures by volume.

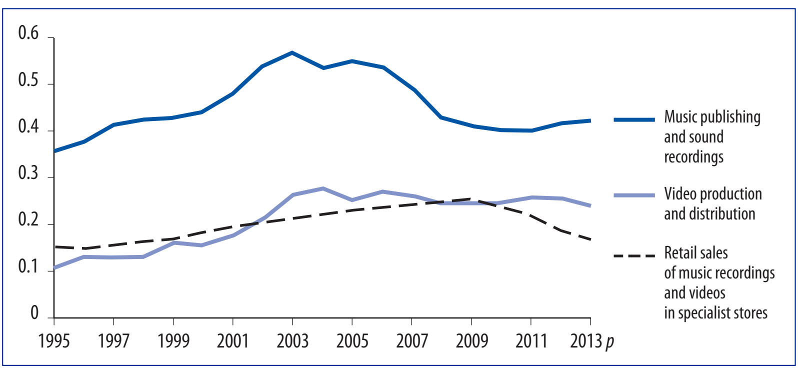
The growth in both music publishing and video publishing activity ground to a halt in the early 2000s (Figure 2). Video publishing then stagnated, whilst music publishing fell into a state of collapse. The latter sector nevertheless seems to have taken steps to overcome the challenges it faces, with music publishing and sound recording continuing into 2013 the upward trend first observed in 2012. This trend is led by an upturn in household demand: according to French music industry body SNEP (Syndicat national de l'édition phonographique), 2013 was atypical.

This increase covers both physical sales (up 1%), a first since 2002, and digital sales (up 0.6%). The growth comes both from album sales and from digital distribution income (downloaded and streamed content). Recent improvement to legal music download platforms seems to have given music publishing a boost: in 2013, 26% of sales turnover for sound recordings came from digital sales, as compared with only 3% in 2005.

On the other hand, there is a marked contrast in the situation for retail sales in specialised stores, as its gross value-added has been in a downward spiral since 2009 (Figure 2).

Figure 2 – Gross value-added for the music and video publishing and sales sectors, 1995-2013

In €bn at the current rate



Source: INSEE, National Accounts – 2010 data/DEPS, French Ministry of Culture and Communication, 2014

To a certain extent, the internet is still contributing to falling margins for certain forms of physical music distribution, whilst activity in music publishing has stabilised over the last four years.

Books and press: a 15-year downward trend

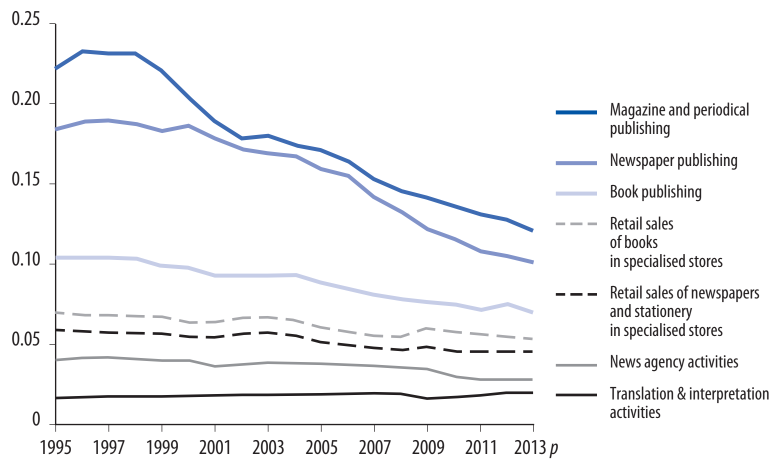
In 1995, books and press constituted the largest cultural economic activity, concentrating 30% of cultural value-added. Over 15 years later, both activities only account for 19% of cultural gross value-added. This decline, far more marked for the press than for books, seems to be directly related to the dwindling practice of reading amongst French people, as observed by the French Ministry for Culture survey into French cultural participation. Relatively speaking, these sectors are occupying an ever-decreasing share of the overall economy (Figure 3).

As far as the press is concerned, along with receding readership levels came the burgeoning trade in free newspapers in the early 2000s, leading to falling advertising investments for the paid press and thus a weakening of its lending capacity. Falling readership numbers for newspapers and magazines and the sector's weaker financial position somehow manage not to have dented the available range of press publications however, and there continues to be a varied market supply: according to Ministry surveys conducted into press services, in 2012 there were almost 4700 different publications in print, actually 1500 more than in 1995, although total annual distribution figures fell from 7 billion copies in 1995 down to 5 billion in 2012.

Increasing producer prices for publishing companies saw a reversal of fortune in 2013: in newspaper publishing, the price increase observed since late 2011 came to a halt. In magazine and book publishing, the recent fall in producer prices has been curbed (Figure 4).

Figure 3 – Print-related activities: contribution of gross value-added to the economy as a whole, 1995–2013

As a %

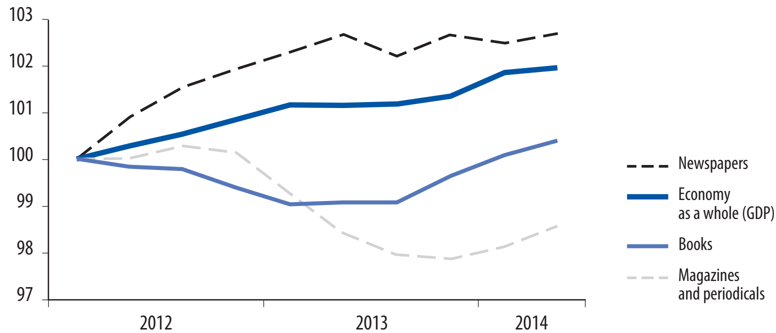


Note: provisional data for 2013.

Source: INSEE, National Accounts – 2010 data/DEPS, French Ministry of Culture and Communication, 2014

Figure 4 – Evolution of production prices in the publishing sectors, 2012-2014

100 Index, early 2012



NB: production cost figures were obtained from business surveys and cover all markets: businesses, the administrative sector, export and consumption (via bookshops). In the interests of clarity, the raw data has been redacted.

Source: INSEE, price indices of services production, National Accounts – 2010 data/ DEPS, French Ministry of Culture and Communication, 2014

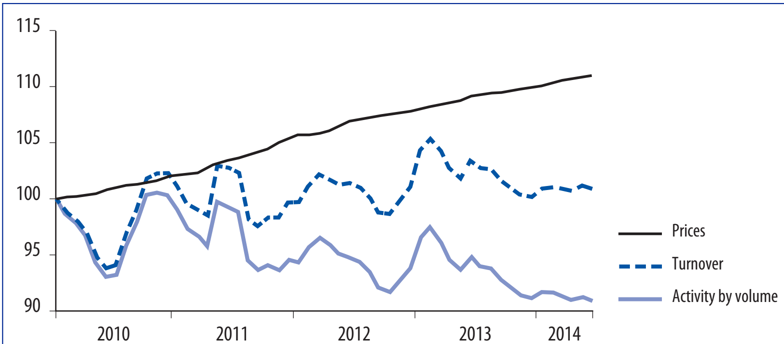
Price increase boosts the performing arts' contribution

According to national accounts, in 2013, around 20% of French household cultural expenditure went on outings (live entertainment, museums, historic monuments, etc.), as compared with 8% in 1995. In fact the performing arts and cultural heritage have made a steadily increasing contribution to the economy over the last 15 years (Table 1).

According to national accounts concepts, the increasing contribution of the performing arts to the economy of the whole derives largely from increasing prices in the area (Table 2). Observing that turnover figures were growing more slowly than prices, INSEE thereby deduced that activity volume in the market sector was decreasing (Figure 5).

Figure 5 – Turnover and price levels for the performing arts (market sector), 2010-2014

100 Index, early 2010



NB: the field only covers the market sector, which represents about half of sector activity.

Source: INSEE, turnover indices, VAT declarations (CA3), consumer price index/DEPS, French Ministry of Culture and Communication, 2014

However, according to data collected by France's Centre national de la chanson, des variétés et du jazz (CNV), live music admissions have increased at a greater rate than the average price of a ticket. According to France's private theatre support association (ASTP), the average price of a theatre ticket has not gone up since 2009 (Graph 6). These results seem therefore to run contrary to INSEE data, which shows rising prices and a falling volume of activity.

This may be explained by the fact that performing arts audiences are increasingly gravitating towards cheaper venues or less costly events; it may also reflect promotional practices which encourage last-minute purchasing, online promotions which are not taken into account in INSEE price indices (Box 1).

Box 1

Understanding price index

The national accounts price index measures changing prices for a basket of specifically-defined services: for example a premium-price theatre ticket, a fifth price tier ticket at the same venue, a one-day ticket to a provincial rock music festival, the price of a stalls ticket at an opera performance, etc. Each month, prices are measured at the point of sale, i.e. at the time the ticket is purchased, generally well in advance of the performance itself. If from one year to the next venue prices do not change, the price index remains stable.

Supposing that during this period the number of tickets sold also remains stable, but that audiences spurn premium-price tickets (first category) in favour of less costly seats (5th category), or favour lower-priced live entertainment (concerts in smaller venues) over the more expensive ones (the opera), box office takings will be down, as despite audience figures remaining the same, the average ticket price has come down. Similarly, should the audience composition change, for example towards a younger market where preferences are more skewed towards modern live music, and older audiences, who no longer go out, used to predominantly select the costlier option of the opera, overall takings for the performing arts (across all categories) would be down, although audience figures would remain the same.

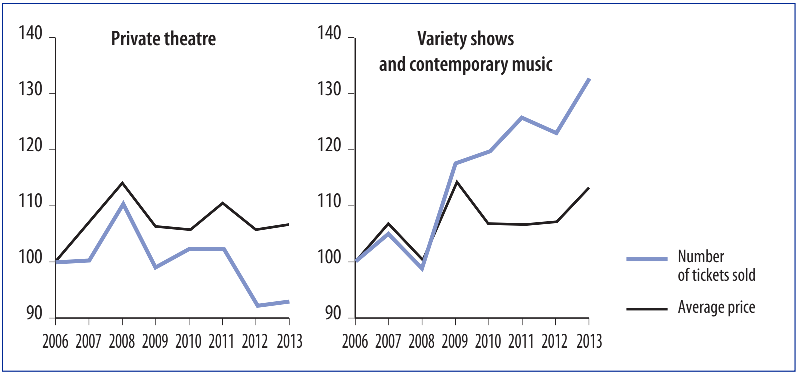
This change in behaviour has been recorded by INSEE not in price indices but in the volume of activity and is known as the "quality effect". National accounting considers that effectively the service consumed is not the same and that GDP (therefore volume of wealth) should integrate this difference rather than the price index, as the price per seat in each of the categories has not actually changed.

Moreover, the INSEE price index does not include last-minute promotions, which are run when for example a venue is not sold out. Prices are measured sufficiently in advance of the performance date to enable a sufficient number of transactions to be measured; they are however entered in the price index for the month in which the performance takes place. Too close to the performance date and there is a risk there would be no transactions to record. When these prices are measured, very often the tariffs are collected. When there is a promotion, the nature of the service has not changed (venue category, live entertainment category) and should therefore logically be included in price changes; however, this technical constraint prevents INSEE from taking these practices into consideration and they are as a result discerned through the volume index, which is obtained when turnover evolution (in value) is reported to price index change.

Ultimately, the decreasing volume of activity indicated in national accounts reflects changing attendance figures, audience behaviour and last-minute promotional practices, without being able to differentiate between them.

Figure 6 – Evolution of prices and audience figures for various performing arts sectors, 2006-2013

100 index in 2006



Sources: *Centre national de la chanson, des variétés et du jazz* (CNV), *Association pour le soutien du théâtre privé* (ASTP)/ DEPS, French Ministry of Culture and Communication, 2014

Upturn in cultural heritage activity

The increase in cultural heritage-related activities observed over a 10-year period was boosted by a sharp rise in museum visitor numbers: 62 million visitors were admitted to France's officially-classified museums in 2012, compared with 45 million in 2004, representing an annual average increase of 4%. Although the increasing number of museum admissions can be partly explained by the rising proportion of free admissions (31% in 2004, 43% in 2012), this trend is also down to the area's tourist appeal, as this increase is largely attributable to foreign visitors. Hence for France's four most popular museums in admission terms, which account for 40% of museum attendance in France (Louvre, Château de Versailles, Centre Pompidou, Orsay), two-thirds of visitors come from abroad.

Arts education remains stable

Arts education represents 0.1% of the economy as a whole and 4% of cultural gross value-added, and remains relatively stable over the long-term (Table 1). Covering both private institutions as well as the conservatories and higher education arts institutions under the authority of the Ministry of Culture and Communication, 86% of its activity is non-market (see Appendix) and, consequently, fairly resistant to the economic fluctuations of the economy.

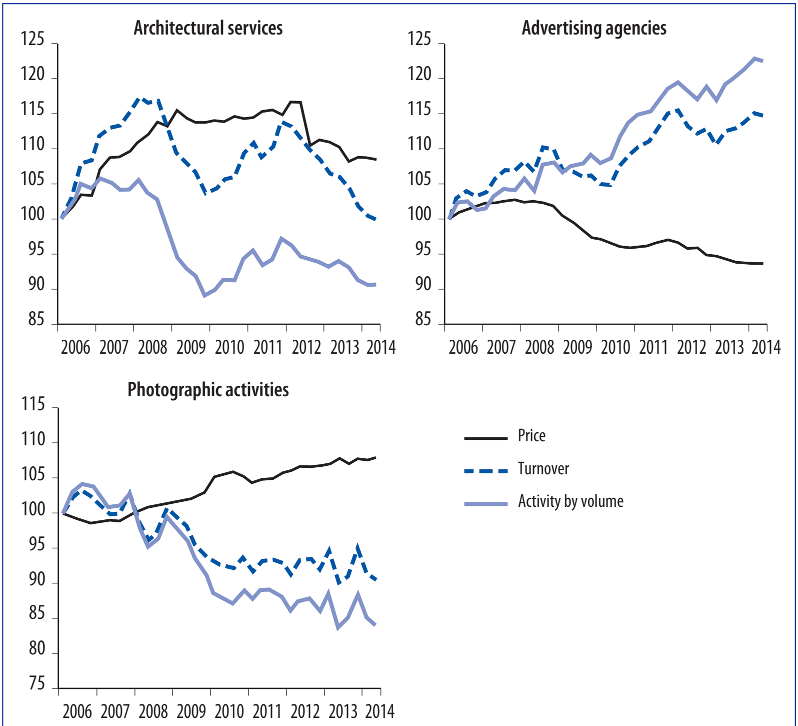
Architecture and advertising agencies: cultural activities most affected by the 2008-2009 crisis, as in 2013

Architecture, advertising agencies and photographic services are three cultural activities whose business model most closely matches that of the non-cultural sectors: their activity is less tied to public expenditure and its workforce profile is similar to the average of the economy as a whole. Consequently, architectural services were more affected by the economic crisis of 2008-2009 than other cultural activities. Thus, the drop-off in the number of new construction projects, both residential and non-residential, lead in 2008 to a significant decline in architectural projects. At that time this downturn was not compensated for by prices, and turnover immediately plummeted. Prices then failed to increase (Figure 7). There then followed a slight upturn in activity, but from 2012 onwards, activity volume took another nosedive, this time accompanied by falling prices, the sign of a serious crisis within the sector.

Advertising agencies are considered by all international working groups involved in the classification of cultural activities as creative businesses and are consequently classified alongside cultural activities. Advertising sales division revenues however are not covered by this. Advertising agencies accounted for 11% of cultural gross value-added in 2013, putting the sector ahead of cultural heritage, architectural activities, the visual arts (the plastic arts, design, photography) and cultural education (Table 1). Advertising agencies did not react in the same way as architecture to the 2008 to 2009 economic crisis: their prices fell immediately and sharply, thereby enabling growth in activity volume and, to a certain extent, turnover to be sustained. On the other hand, during the economic slowdown of 2012, prices did not adjust as readily as they had in 2009, with the result that activity volume stagnated. The start of 2014 however marked a clear upturn (Figure 7).

Figure 7 – Evolution of turnover and prices, 2006-2014

100 index in 2006



Source: INSEE, turnover indices, VAT declarations (Ca3) ; service production price indices. Advertising agency price indices have been redacted in the interests of clarity/DEPS, French Ministry of Culture and Communication, 2014

Photographic activities were affected by a more structural crisis, following the advances in digital technology which began some years ago. Prices have however not dropped, with activity reducing steadily until 2011, whence it began to merely stagnate; meanwhile sector turnover grew very slightly (Figure 7).

Overall, in 2013, the growth of gross value-added for the cultural sectors did not keep pace with the rest of the economy. This stems in particular from falling activity volume in those sectors most exposed to competition such as the press, architecture and audiovisual sectors. By way of compensation, those areas with a higher non-market component such as the performing arts and cultural heritage have seen strong price rises boosting the overall results for the cultural sector's gross value-added.

Appendix

How to measure the contribution of culture in the economy?

To measure the impact of culture in the economy requires us on the one hand to define the statistical scope of culture and, on the other hand, to adequately summarise in a single macroeconomic indicator the activity of cultural bodies which are, to say the least, diverse: from the audiovisual giants to tiny local cultural associations, through to subsidised theatres and non-employee architects.

Defining the field of culture is a job in itself, approaches to which have been constantly changing over time and from country to country. Beyond those activities which might commonly be considered incontrovertibly "cultural" (the performing arts, reading books, visiting the cinema, etc.) should we also take into account all those activities which are part and parcel of the process of producing cultural goods and services (the printing of books, for example) or indeed those which have an artistic or creative aspect (e.g. gastronomy or shoemaking)? Or, to take it a step further, all those whose business turnover is at least partially reliant upon culture (tourism, the public buildings and works sector)?

Working on the basis of a very wide definition of culture presents a number of different problems: it involves double-counting across various areas of activity, making comparisons between sectors impossible (restaurants can for example be counted under both tourism and in culture), and requiring sophisticated, if not impossible, methodological choices: what exactly is the cultural bit of gastronomy or shoemaking?

Once the field has been defined, cultural gross value-added is calculated using the national accounts data and methods which INSEE uses to determine GDP (Jauneau, 2013). One of the peculiarities of cultural economic activity is its considerable "non-market" component. Calculating the impact of culture on the economy has to take account of this peculiarity.

1 – The Statistical field of culture, defined at harmonised European level

All data presented in this article have been drawn up on the basis of a harmonised definition of culture, by the common accord of the various European cultural statistical services in 2009, under the aegis of Eurostat, the statistical office of the European Union (Deroin, 2011). The scope of culture is defined here using the French economic activity classification system (Nomenclature d'activités française, NAF), selecting 34 codes from the 372 which make up the classification system at its most detailed level (see table of cultural activities). Its scope is relatively large, encompassing the entirety of the French Ministry for Culture and Communication's area of competence, as well as advertising agencies, included in the statistical field of culture on the basis of their creative aspect; advertising sales activities are on the other hand not included, as they are non-creative.

The Eurostat working group decision on this follows that of most other international groups of the same type.

Eurostat has not on the other hand included industrial activities which merely enable the reproduction of cultural products but which do not contribute any further value which might be considered cultural: e.g. printing, premises and materials (from the manufacturing of optics to that of painting or other printing varnishes and inks) and, for the same reasons, the reproduction and manufacturing of musical instruments.

The standardised European field used here therefore represents the direct impact of all areas of cultural activity, excluding activities which are only indirectly cultural (printing for example) and activities generated by these areas (the division of public buildings and works dedicated to cultural heritage renovation, for example).

Cultural activities

47.61Z – Retail sale of books in specialised stores [LIV]
47.62Z – Retail sale of newspapers and stationery in specialised stores [PR]
47.63Z – Retail sale of music and video recordings in specialised stores [AV]

58.11Z – Book publishing [LIV]
58.13Z – Publishing of newspapers [PR]
58.14Z – Publishing of journals and periodicals [PR]
58.21Z – Publishing of computer games [AV]

59.11A – Video and television programme production activities [AV]
59.11B –Institutional and promotional video production activities [AV]
59.11C – Production of motion pictures for cinema [AV]
59.12Z – Motion picture, video and television programme post-production activities [AV]
59.13A – Motion picture, video and television programme distribution activities for cinema [AV]
59.13B – Publishing and distribution video [AV]
59.14Z – Motion picture projection activities [AV]
59.20Z – Sound recording and music publishing activities [AV]

60.10Z – Radio broadcasting [AV]
60.20A – Television programming and broadcasting activities for general-interest channels [AV]
60.20B – Television programming and broadcasting activities for thematic channels [AV]

63.91Z – News agency activities [PR]

71.11Z – Architectural activities [ARCHI]

73.11Z – Advertising agency activities [PUB]

74.10Z – Specialised design activities [ART]
74.20Z – Photographic activities [ART]
74.30Z – Translation and interpretation activities [LIV]

77.22Z – Renting of video tapes and disks [AV]

85.52Z – Cultural education [*] [EC]

90.01Z – Performing arts [SV]
90.02Z – Support activities to performing arts [SV]
90.03A – Artistic creation related to plastic arts [ART]
90.03B – Other artistic creation [ART]
90.04Z – Operation of arts facilities [SV]

91.01Z – Library and archives activities [PAT]
91.02Z – Museums activities [PAT]
91.03Z – Operation of historical sites and buildings and similar visitor attractions [PAT]

(*) C 8552Z excludes tertiary education establishments (including those under the aegis of Culture), which are classified under code 8542Z (tertiary education). These establishments (of which there are around 100) are here included in the value added assessment.
NB: cultural activities are grouped into 9 fields (see Table 2 of this publication), as indicated in the table above: AV: audiovisual; SV: performing arts; PAT: heritage; EC: cultural education; LIV: books; PR: Press; ART: visual arts; ARCHI: architecture; PUB: advertising.

2 – Evaluating output for the cultural sectors

In 2013, the cultural sectors (audiovisual, performing arts, press and book publishing, advertising agencies, architecture, visual arts, cultural heritage, cultural education) generated a total output of 88 billion euros. This output can be subdivided into market output and non-market output (Table 3).

Cultural market output (72 billion euros in 2013) covers the production of cultural goods and services destined for sale on the market at an economically significant price, i.e. a price which covers more than 50% of the production costs, in accordance with national accounting standards. This market output includes capitalised production constituting an asset generating income which is realised at a later date: for example films or television programmes made in that year for broadcast at a later date (to the tune of around 4 to 5 billon euros).

The 2-digit “division” codes of the NAF indicate the finest level of detail available for which accounting data (gross value added, output) is supplied to INSEE by national accounting. For each level which includes at least one cultural activity, it is therefore necessary to estimate what proportion is cultural and what is non-cultural in order to estimate the output for each of the 5-digit NAF sub-divisions (see classification table above).

To do so, we take the market output figure given in the national accounting definition at division level (2-digit codes) and calculate market output by sub-division (5-digit codes) by applying a coefficient calculated on the basis of INSEE’s annual sector-based surveys (*enquêtes sectorielles annuelles*, ESA). These surveys essentially give a breakdown of market business turnover, a detailed breakdown by products sold at the finest level of detail. They enable the breakdown of sectors identified at 2-digit division level into each of the (5-digit) sub-divisions used to define the scope of culture. This distribution key is then applied to market output as per national accounting standard 2-digit divisions, which differs slightly from the ESA surveys’output total due to the particular way it is processed by national accounts. The first ESA results for the accounting year 2010 were published by INSEE at the end of 2012, and those for 2011 at the end of 2013. These estimations should be available to consult each year.

Cultural non-market output (16 billion euros in 2013) covers cultural goods and services for domestic consumption offered at a price which is not economically significant as it has benefited from public contributions, e.g. part of the budget allocated by local or national government, subsidies paid to associations, community contributions etc. Non-market output is, in accordance with current norms, valued at its production cost which mostly covers three types of expenditure: compensation of employees, intermediate consumption and investment expenses.

Whilst market output is almost exclusively produced by businesses; non-market output, on the other hand, is the product of government bodies, public services or even associations. The non-market output of divisions 90 -91 (artistic creation and cultural heritage) is estimated on the basis of the total for non-market output given by INSEE (90–91 total). In order to improve on the way the cultural sectors were situated by national accounts methods prior to the 2014 revision, in 2013 the DEPS used a method which divided this total into 3 areas (performing arts, visual arts, cultural heritage) on the basis of several Ministry of Culture sources (e.g. surveys into local authority cultural expenditure, public body cultural budgets) to give a breakdown of cultural public expenditure (wages, investment). National accounts revisions by INSEE in 2014 consequently allowed INSEE figures to be compared with DEPS estimates.

For cultural education, non-market output is defined as the sum of expenditure by artistic education centres such as regional conservatories etc, (as recorded in the French Ministry for Education’s accounts) and French Ministry for Culture and Communication expenditure on cultural higher education establishments (Ministry source).

For cultural education, non-market output is defined as the sum of expenditure by artistic education centres such as regional conservatories etc, as recorded in Ministry of Education accounts and French Ministry for Culture and Communication expenditure on cultural higher education establishments not under the French government education authority.

In 2013, around 18% of cultural output was non-market, higher than the average figure for the economy as a whole (12%) but much lower than other economic areas such as social work and health (45% of non-market output) or even education (82%).

Cultural non-market activity is concentrated into 3 areas: cultural heritage (96% non-market output) cultural education (86%) and the performing arts (56%). The visual arts (photography, design, artistic activities) also include a non-market aspect, although it is marginal.

Between 1995 and 2003, the contribution of culture to the economy as a whole increased for both market and non-market output (Figure A).

However, from 2003 onwards, the contribution of the market areas of culture declined. The cultural proportion of non-market output did not however follow the same pattern: continuing to rise between 2003 and 2008 (which helped to maintain the economic impact of culture during this period), it then levelled out at an average of around 3.6% of all non-market output for 2008-2013.

Table 3 – Breakdown of output and gross value-added for the cultural sectors, 2013

In €bn at the current rate

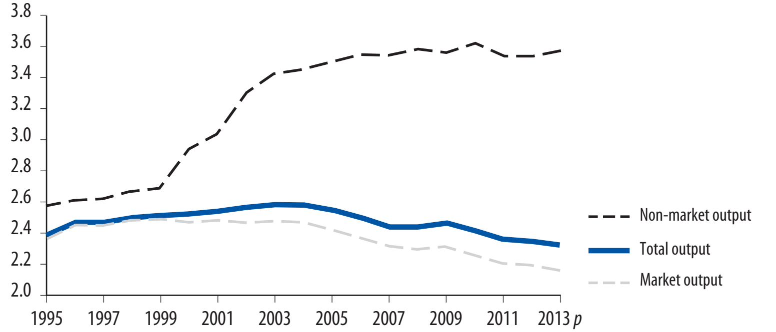
	Output						Value-added	
	Market		Non-market		Total		Total	
	By value	*%*	*By value*	*%*	*By value*	*%*	*By value*	*%*
Breakdown by cultural sector								
Audiovisual (radio, cinema, télévision, video, disks)	28.4	39.4			28.4	32.4	12.5	28.1
Press & book publishing	18.5	25.6			18.5	21.0	8.3	18.7
Performing arts	5.3	7.3	6.8	42.6	12.0	13.6	7.1	16.1
Advertising (advertising agencies)	9.2	12.8			9.2	10.5	4.9	11.2
Cultural Heritage	0.3	0.4	6.5	41.3	6.8	7.7	4.0	9.1
Architecture	5.5	7.6			5.5	6.2	3.1	6.9
Visual arts (plastic arts, design, photography)	4.6	6.3	0.6	4.1	5.2	5.9	2.6	5.8
Cultural education	0.3	0.5	1.9	12.1	2.2	2.5	1.8	4.1
Total for Culture	**72.1**	**100.0**	**15.8**	**100.0**	**87.9**	**100.0**	**44.3**	**100.0**

NB: Provisional data

Source: INSEE, National Accounts – 2010 data/DEPS, French Ministry of Culture and Communication, 2014

Figure A – Contribution of the cultural sectors to the gross value-added of the economy as a whole, 1995-2013

En %



Note:provisional data for 2013.

Source: INSEE, National Accounts – 2010 data/DEPS, French Ministry of Culture and Communication, 2014

3 – Assessment of the gross value-added of the cultural sectors

Of a total cultural output of 88 billion euros, 44 billion euros was calculated as gross value-added for the cultural sectors in 2013 (Table 3). This gross value-added covers total cultural output minus intermediate consumption, i.e. all goods or services which are modified or consumed during the production process (commodities such as electricity for example). However data on intermediate consumption are missing at the more detailed classification levels.

To calculate gross value-added, a gross value-added/market output ratio is used, again based on INSEE's annual sector-based market business surveys (*enquêtes sectorielles annuelles*, ESA). The gross value-added thus assessed by subdivision (for all sectors, including non-cultural) is then added up and adjusted on the gross value-added values given by national accounts for each divisional level (this gross value-added value in fact differs from that given by the ESAs due to the methods used by national accounts). The total for these gross value-added figures taken as a benchmark for national accounts does not quite give GDP, as gross value-added is calculated at "basic prices", i.e. exclusive of tax payable plus any subsidy receivable, which is not given for each sector.

For those sectors which are partially non-market (performing arts, heritage, cultural education), the gross value-added/output ratio is not supplied by the ESAs and, for want of anything better, the gross value-added/output ratio given for divisional (2-digit) level by national accounts is used.

We thereby reckon the gross value-added for each of the nine cultural fields, the sum of which gives the gross value-added of the "cultural sectors" for 2011.

The threefold advantage of this method is that it is relatively simple to implement, consistent with data published by national accounts at a more aggregated level and stable over time. On the other hand, it is subject to national accounting standards, particularly where the market/non-market division is concerned, and it does not allow certain specific aspects of culture to the betaken into account. It might have been useful, had the data been available, to show a division between subsidised and non-subsidised businesses, or to change the standard criterion of 50% of production costs to distinguish the market sector from the non-market sector.

4 – Estimation of the last two years and backwards projection of the time series

The annual structural survey (ESA) enables us to assess the gross value-added for the year covered by each survey, the most recent being the financial year 2011 (in 2014). This estimation is made on the basis of two ratios: a divisional breakdown of turnover by detailed sub-division, and the gross value-added/output ratio for each subdivision

To assess the economic impact of market output for 1995-2010 and for the period 2012-2013, we changed the coefficients based on annual changes to turnover (monthly indices drawn up by INSEE on the basis of VAT declarations) for each of the subdivisions within a division. The data obtained is then multiplied by a readjustment coefficient, in order to obtain a total which represents the national accounts definition of market output for each division.

For the non-market output of other fields, the performing arts/visual arts/cultural heritage division was used in 1996, 2002, 2006 and 2010 based on the aforementioned sources (surveys into local government cultural expenditure, Ministry sources on cultural higher education budgets, Education accounts, etc.) and this division has been applied to the missing years. The total for non-market output for sectors 90-91 is still taken from national accounts data. For non-market cultural education, each of the two components (artistic training and higher education centres) are assessed on the basis of annual data from the aforementioned sources.

We thus calculate market output and non-market output by field and by year. To calculate gross value-added in euros at current prices, the procedures for 2011 calculations are followed.

5 – Estimation of gross value-added by volume

To assess the gross value-added of the cultural sectors in euros at current prices (by volume), we divide the gross value-added value at the finest level of activity classification by a value-added price index. The price index used comes from two sources: the value-added price index for the sector as given in national accounting standards (at 2-digit division classification level) and, for advertising agencies and activities in divisions 58 and 59 (publishing and some audiovisual), a household consumer price index for the cultural product most closely matching the relevant category (e.g.: index of consumer prices for sector 58.13Z –Publishing of Newspapers). Indeed, for these sectors it seems vital to separate out price changes into detailed sub-activities to get a fuller picture of behaviours in each sector (e.g. rising cinema ticket prices, falling DVD and record prices during the period in question; quite radical changes in division 73 for advertising agency creative activity prices along with other non-cultural sectors such as market research). One potential improvement to this level might be to use services producer price index prices, the quarterly indices produced by INSEE for certain sectors over the last few years.

Finally, gross value-added by volume attained in this manner is multiplied by a readjustment coefficient which enables us, by addition, to determine gross value-added by volume published at divisional level by national accounts.

The gross value-added price index for the cultural sectors is thus obtained by dividing the gross value-added of the cultural sectors as monetary value (or at current prices) by the figure for volume (at constant prices).

6 – Revision of 2011 data

The data shown in this study comes from an estimation method pioneered in 2013 by the DEPS (Jauneau, 2013). The data published by the Ministry on this occasion has nevertheless been revised here for two reasons.

Firstly, the scope of the statistical field of culture has been very slightly adjusted, with the addition of 5 codes to cover the entirety of the purely cultural and partially cultural field as defined by Eurostat. These inclusions have resulted in a 0.15 point increase in the contribution of culture to the economy (Figure B) This increases the relative contribution of audiovisual (addition of 47.63Z and 77.22Z) to cultural value, and particularly, that of books and press (addition of 47.61Z, 47.62Z and 74.30Z) to the detriment of the 6 other major cultural fields (Figure C).

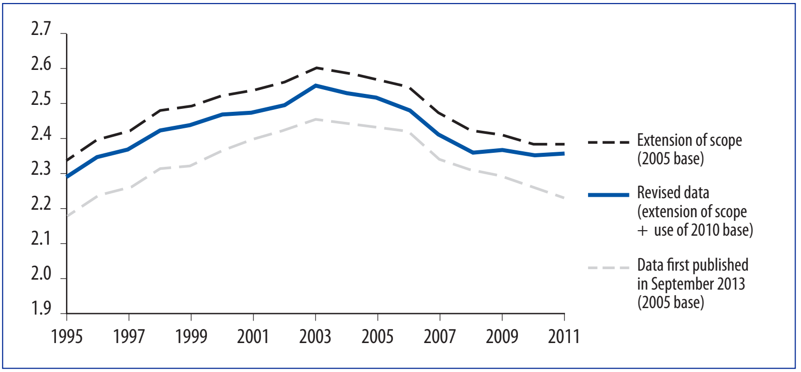
Secondly, the national accounting standards on which this method is based were revised in May 2014 by INSEE (base change). Research and development expenditure, inter alia, is now included in GDP and no longer counted as intermediate consumption

Consequently value-added has risen in sectors where such expenditure is high. As this is not generally the case for market cultural sectors, this has had the effect of lowering the contribution of culture to the value-added of the economy as a whole (Figure B). Looking at the sectors in detail, the most striking effect of this base change is seen in audiovisual, where value-added has risen, whilst cultural heritage, the performing arts and architecture have all fallen (Figure C).

The data previously published for the 1995–2011 period has consequently been amended. The results presented here therefore supersede any data previously published by the Ministry.

Figure B – Contribution of the cultural sectors to total gross value-added, 1995-2011

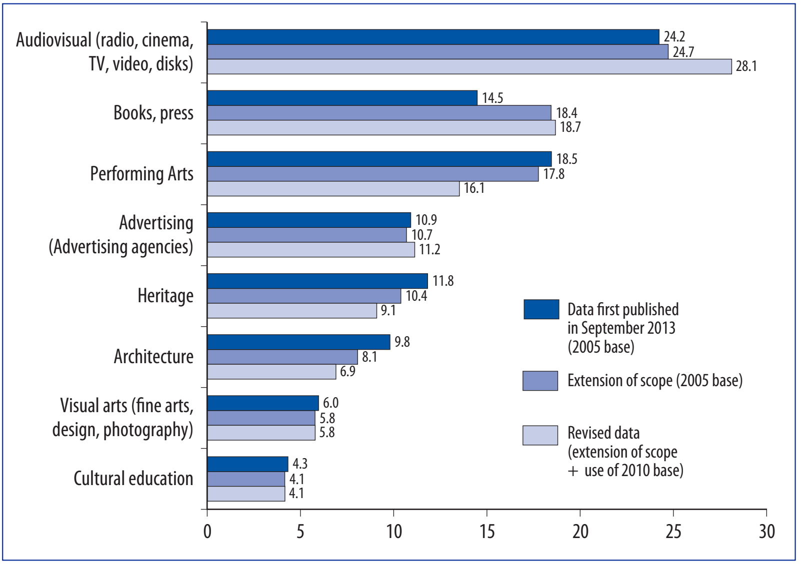
As a %



Source: INSEE, National Accounts – 2005 and 2010 datas/DEPS, French Ministry of Culture and Communication, 2014

Figure C – Per-sector breakdown of cultural gross value-added for 2011, as per calculation methodology

As a %



Source: INSEE, National Accounts – 2005 and 2010 datas/DEPS, French Ministry of Culture and Communication, 2014

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Detailed data on household consumption:
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Detailed data on general government expenditure by function:
http://www.insee.fr/fr/themes/theme.asp?theme=16&sous_theme=3.3

Methodological notes on estimation methods and concepts:
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Résumé

Le poids économique direct de la culture en 2013

En 2013, le poids économique direct de la culture, c'est-à-dire la valeur ajoutée de l'ensemble des branches culturelles est de 44 milliards d'euros. Il ne prend pas en compte les retombées économiques indirectes ou induites par la culture comme le tourisme, par exemple.
Cela correspond à une part de la culture dans l'ensemble de l'économie de 2,3 %, en légère baisse par rapport à 2012.
Contribue à cette baisse relative en 2013 le recul du volume de l'activité dans les branches fortement exposées à la concurrence (architecture, agences de publicité, audiovisuel) ainsi que dans les branches de la presse et du livre. Inversement, la part des branches à forte composante non marchande augmente (spectacle vivant, patrimoine), surtout du fait de la hausse de leurs prix.
Parmi les branches les plus touchées par la crise en 2013, les branches de l'audiovisuel et les agences de publicité connaissent un retour à la croissance de leur chiffre d'affaires début 2014, contrairement à celles de l'architecture ou des activités photographiques. Par ailleurs, le retournement à la hausse des prix à la production des entreprises d'édition de livres et de revues se confirme.

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Key Figures
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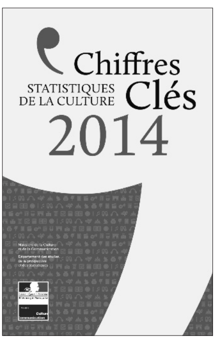

Taking a statistical view of culture allows us to evaluate the abundant richness of creation, the artistic offering and the diversity of artistic and cultural practices in France.

62 million visitors to France's 1200 museums, 2.8 million visitors to its 23 regional contemporary art foundations and 49 contemporary art centres. 14,000 sites classified as historic monuments, 1,000 archaeological sites in 2012 and over 2 million documents within municipal, departmental, regional and national archive services.

Over 1000 opera performances attracting audiences of over 1.4 million each season. Five national theatres, 70 national performance centres, 17 Zénith centres, 39 national drama centres, over 100 subsidised performance spaces and several hundred privately-owned performance and projection spaces… plus thousands of festivals each year in France.

Over 2000 cinemas, around 16,000 public lecture spaces and 500 music and dance conservatories where children and adults can be trained in music, dance and theatre.

France has a rich and varied cultural offering.

Key Figures 2014 offers an objective approach to the subject, thus constituting a vital tool for our understanding of the cultural field.

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Concepts for the statistical Framework on Culture

Valérie Deroin

December 2011, 12 p.


culture méthodes

Conceptualisation statistique du champ de la culture

Concepts for the statistical Framework on Culture

Valérie Deroin

After the national and European classification systems were revised in 2008 (the French Classification of Activities, NAF-Rev.2, and the Statistical Classification of Economic Activities in the European Community, NACE Rev.2 respectively), a number of European works defining a statistical reference framework for culture were conducted between 2009 and 2011. Under the aegis of Eurostat (the Statistical Office of the European Union), a European working group (Task Force 1) designed a structure for the new European statistical framework, made up of some thirty cultural activities, with the intention of harmonising methodological approaches and to ensure better comparability of published results. This European framework falls within UNESCO's international framework for cultural statistics and covers ten cultural areas – cultural heritage, archives, libraries, books and the press, fine art, audiovisual and multimedia, architecture, advertising and arts and crafts - with six economic functions, i.e. creativity, production and publishing, broadcasting and marketing, conservation, training, cultural management and administration. The publication covers the various current classification systems in France, Europe and internationally, and describes how they fit together. Published conjointly in the DEPS's "Culture Studies" collection, Approche statistique européenne de la culture summarises the work of the European statistical network ESSnet-Culture and serves as a valuable complement to this methodological paper.

CE-2011-8

European statistical Works on Culture
ESSnet-Culture Final report, 2009-2011

Valérie Deroin

December 2011, 28 p.


culture études

Approche statistique européenne de la culture

Synthèse des travaux européens ESSnet-Culture, 2009-2011

European statistical Works on Culture

ESSnet-Culture Final Report 2009-2011, Summary

Under the aegis of Eurostat, (the Statistical Office of the European Union), between 2009 and 2011 ESSnet-Culture (the European cultural statistics network) led four working groups in defining a statistical reference framework for culture, designed for cultural finance and cultural expenditure, cultural and employment sectors, and ultimately for cultural practices and their social aspects. Prior to actually measuring and comparing statistics, the issues of defining culture, understanding its different aspects and measuring cultural activities were examined. ESSnet has drawn up a number of methodological recommendations to ensure better comparability of cultural statistics between member states.

Published conjointly in the DEPS's "Culture Methods" collection, Conceptualisation statistique du champ de la culture summarises the various classification systems in France, Europe and internationally, and how they fit together; it serves as a valuable complement to this summary of European work.

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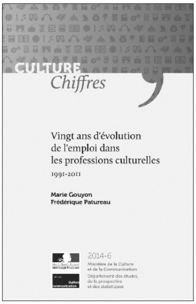
Twenty Years of Changing Employment Patterns in the Cultural Professions (1991-2011)

Marie Gouyon, Frédérique Patureau

October 2014, 24 p.



Over the last twenty years, the number of people working in the cultural professions has undergone an unparalleled expansion, far outstripping that of the overall working population.

In the early 1990s as now, the profiles of individuals working in these professions and their jobs shared a number of common characteristics which set them apart from the rest of the working population, above and beyond the considerable diversity of jobs covered. In comparison with the working population as a whole, individuals in this group are on average younger, more likely to be male, considerably better qualified and more likely to be from the Paris area. What is notable about employment here is the considerable proportion of unsalaried workers, which has remained constant over the last twenty years (three times higher than that for the working population as a whole) and the much greater flexibility of the workforce (more short-term contracts, part-time working and the holding of multiple jobs).

The cultural professions have naturally been affected by the changes which have taken place within the world of work as a whole since the early 1990s. The continued feminisation of employment, for example, has occurred to just the same extent as it has across the working population as a whole, with the result that some traditionally very masculine cultural professions have seen their female workforce double in the space of twenty years.

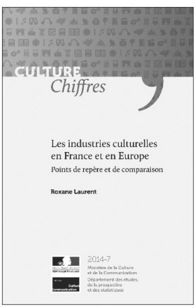
Moreover, public policies encouraging decentralisation have led to a slight decrease in the number of Paris-based employees in these professions. Other trends observed across the working population as a whole, such as increasing levels of educational qualifications and an increasingly flexible workforce (two characteristics which have long been typical of the cultural employment field) have similarly continued to rise within this sector, reaching consistently higher levels than those seen within the working population as a whole.

CC-2014-7

The Cultural Industries in France and Europe: Points of Reference and Comparison

Roxane Laurent

October 2014, 20 p.



In 2011, the cultural industries (audiovisual and multimedia, press and publishing-related activities, advertising agency services) accounted for 2.6% of France's entire market economy, one of the highest rates in Europe. This proportion is higher than Germany's 2.1%, but nevertheless remains lower than the UK's 3.2%.

In France, the audiovisual and multimedia sectors account for the largest proportion of cultural industry activities, unlike Germany and the UK where press and book publishing predominate. Certain French activities such as video games and production and postproduction for motion pictures, video and television account for more than a third of all such European cultural activity. News agencies are on the other hand predominantly English, whilst Germany makes a very considerable contribution to the recorded music, radio and newspaper sectors.

As in all sectors of the market economy, French cultural businesses are less profitable (measured here by their margin rate) than their European counterparts, due to factors of production cost issues. Publishing and advertising agencies show particularly low margin rates. On this basis, video games and film production prove France's most profitable cultural sectors, whilst in Germany and the UK they are press-related, and in Italy, music.