

## Public Expenditure on Culture as a of GDP

There is no mechanism on European level to monitor following a common methodological approach cultural indicators of the Member States, including public expenditure on culture. Moreover, there is no robust common definition of culture or of public expenditure. Therefore, the current availability of data does not constitute a strong foundation for the EU to structure a targeted and effective policy. In order to make the production of comparable data possible for a common knowledge of the cultural sector in Europe, a conceptual framework for culture must be agreed upon. On a positive side, the EU institutions and the Member States are aware of the fact that the absence of a real European system for cultural statistics hinders a serious comparison of the data<sup>1</sup>.

The most recent attempt to progress occurred in 2009, when following a call for proposals launched by Eurostat (Commission), the European Statistical System network on Culture (ESSnet-Culture) consisting of specialists in the Member States was set up for a period of 26 months. The mandate of the ESSnet-Culture was of a purely methodological nature. Its main objectives were to:

- revise the European framework for cultural statistics (elaborated by LEG-Culture in 2000);
- improve the existing methodological base to develop more harmonised EU statistics on culture in the following domains:
  - **expenditure on culture;**
  - cultural industries and cultural employment;
  - cultural participation.

**The ESS-Culture Network observed that a joint collection of data on public expenditure on culture (within the EU) would be hindered by various obstacles jeopardizing the comparability of data. Some reasons for that:**

- **uneven availability of data in Member States,**
- **unconsolidated data in some countries,**
- **differing national practices regarding the breakdown by cultural domains and the inclusion of non-cultural sectors,**
- **difficulties to split data by central/regional/local level,**
- **considerable divergences as concerns the implementation of COFOG<sup>2</sup> classification**

The work was carried out in 2009-2011 and the 550-pages report issued in 2012: [ESSnet-Culture Final Report](#). It underlines the importance to have a shared set of definitions and concepts of what is meant by 'culture', but also by 'public and private spending'. However, the extensive survey does not provide comparative tables on cultural expenditure, but compares the availability of such data and the difficulties, pitfalls, shortcomings, different methodological practice in different Member States. Detailed tables on the availability of the data in the Member States, differences in classifications with explanatory descriptions etc can be found in annexes of the European Statistical System Network on Culture<sup>3</sup> report on pages 116-127.

Regarding public expenditures, the ESSnet-Culture recommends further assessing the quality and comparability of statistics in the field of culture in the EU; this data should be gathered through harmonized data collection on public finance. It also suggests a classification of the cultural domains proposed for the area of public expenditure – this could constitute the basis for further steps.

<sup>1</sup> Following the adoption of the first resolution of the Council of the European Union in 1995 on the promotion of cultural and economic growth statistics, huge efforts have been made to improve the comparability of cultural statistics at EU level by successive European working groups. From 1997 to 2004, the European pilot group on cultural statistics, known under the acronym 'Leadership Group Culture' - LEG-Culture (1999-2000) and the Eurostat Working Group (2001-2004) drew up the first European framework for cultural statistics and developed specific methodologies, for example on cultural employment measurement. Since 2005, the Council of the European Union and the European Commission have multiplied initiatives in the field of cultural policy development, and a priority on culture statistics has been included in two successive Council Work Plans for culture (for the periods 2008-2010 and 2011-2014).

<sup>2</sup> Classification of the Functions of Government - classification methodology that is used by the UN system, OECD etc.

<sup>3</sup> European Statistical System Network on Culture: <http://ec.europa.eu/culture/our-policy-development/documents/ess-net-report-oct2012.pdf>

One of the main recommendations of the ESSnet is that Eurostat should coordinate the work on culture statistics at EU-level. Eurostat in its turn, responding to the policy demand by the Council, but also by the European Parliament and the European Commission, will ask countries to provide links to their national data sources and statistics on culture. This information will be made available starting from 2014 on Eurostat website<sup>4</sup>. Although, this won't solve the problem of comparability of cultural data, it should be seen as a step forward.

Eurostat has twice issued cultural statistics pocketbooks: [Cultural Statistics in Europe in 2007](#) and [Cultural Statistics in Europe 2011](#). The next publication is foreseen in 2014. These pocketbooks are valuable and fast source of information comparing the data regarding the Member States GDP, employment rates, education, perception of culture, cultural participation, household expenditure on culture and other important socio-economic indications.

Eurobarometer has issued several special surveys (no recent) on culture: [European Cultural Values 2007](#), [European's participation in cultural activities in 2002](#), [New Europeans and culture in 2003](#).

The European Parliament tried in 2006 to look into the cultural expenditure and Europeans' participation in cultural activities issuing the report [Financing the Arts and Culture in the EU](#). In this report there are comparative tables on EU Member States' expenditures on culture. However, as the study describes the various sources of financing culture in Europe for the period 2000-2005, this data is somewhat out of date. The report points out challenges:

1. Data collection on government expenditure for culture faces considerable limitations due to inconsistent definitions of culture at all levels: international, national, and local. Differences in research methodologies often lead to discrepancies within and between reports.
2. Changes in the administrative organisation of various countries can have a great impact on the way information is collected. In most cases, data about state spending on culture refer only to figures of the institutions responsible for culture at the central level and ignores other peripheral ministries and institutions.

UNESCO analysed in 2009 the challenges to collect comparable data without an attempt to put together any comparable table: [UNESCO framework of cultural statistics](#).

The most useful data comes from the Council of Europe COMPENDIUM: [Cultural policies and trends in Europe](#) that monitors and compares the cultural policies, but also expenditures as share of the GDP in selected European countries<sup>5</sup>. Out of 27 EU Member States only Cyprus and Luxembourg do not participate in Compendium's work. However, Compendium comparative tables on public expenditure as share of the GDP include for various reasons only 19 EU member states (plus Croatia). Therefore the calculated European averages in Compendium's table on the [Public Cultural Expenditure in Selected European Countries 2000-2010/11](#) have to take into account that 1/3 of the MSs' data is missing. It is also a pity that comparative data on total government expenditure on culture is given in absolute figures without any comparison to countries' total budget or GDP. Compendium equally provides [Compendium Country Directory](#) that includes an overview of country profiles including quick facts and cultural policy profiles. However, the expenditure on culture as a percentage of the GDP is not part of the facts.

Valuable source of comparative information can also be found in OECD – Organisation for Economic Co-operation and Development reports and tables on cultural expenditures in organisations' Member States<sup>6</sup>. [OECD Factbook 2009: Economic, Environmental and Social Statistics](#). However, OECD comparative tables on government expenditure on recreation and culture as a percentage of GDP are due to the differences in methodological basis not comparable to Compendium similar data.

OECD Factbook 2009 notes that in general, percentages of GDP spent on recreation and culture are positively correlated with per capita income - the richer the country, the higher the percentage expenditure on culture and recreation - but there are also striking exceptions.

<sup>4</sup> The page already exists, but is empty for the moment: <http://epp.eurostat.ec.europa.eu/portal/page/portal/culture/introduction>

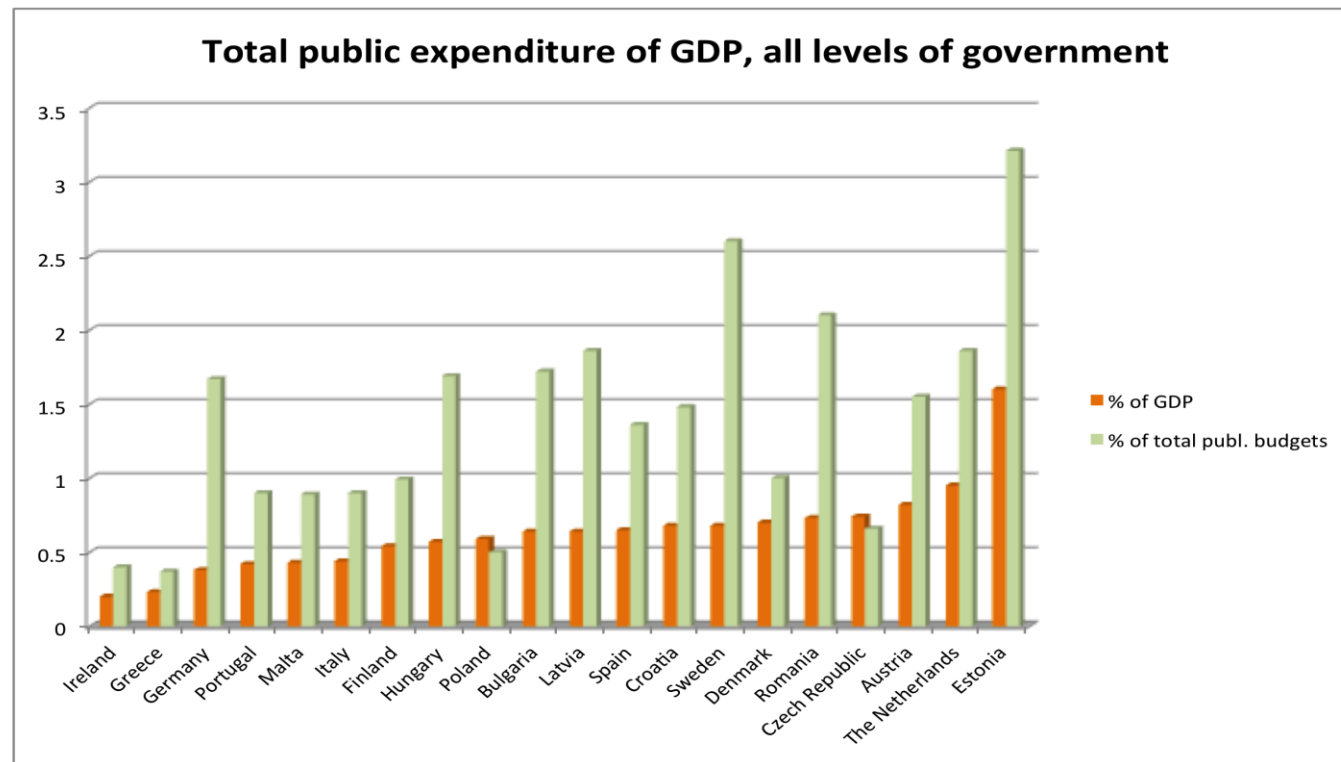
<sup>5</sup> Currently 42 countries out of 50 signatories of the European Cultural Convention participate in the Compendium Community.

<sup>6</sup> In May 2013, 21 out of 27 EU Member States are also [members of the OECD](#)

Please find below five comparative charts and tables on public expenditure on culture in the EU member countries based on the data collected by Council of Europe's Compendium or OECD.

### COMPENDIUM: Public expenditure on culture in selected EU countries 2010/11<sup>7</sup>

	% of GDP	% of total publ. budgets
Ireland	0.2	0.4
Greece	0.23	0.37
Germany	0.38	1.67
Portugal	0.42	0.9
Malta	0.43	0.89
Italy	0.44	0.9
Finland	0.54	0.99
Hungary	0.57	1.69
Poland	0.59	0.5
Bulgaria	0.64	1.72
Latvia	0.64	1.86
Spain	0.65	1.36
<i>Croatia</i>	<i>0.68</i>	<i>1.48</i>
Sweden	0.68	2.6
Denmark	0.7	1
Romania	0.73	2.1
Czech Republic	0.74	0.66
Austria	0.82	1.55
The Netherlands	0.95	1.86
Estonia	1.6	3.21



Average	<b>0.6315</b>	<b>1.3855</b>
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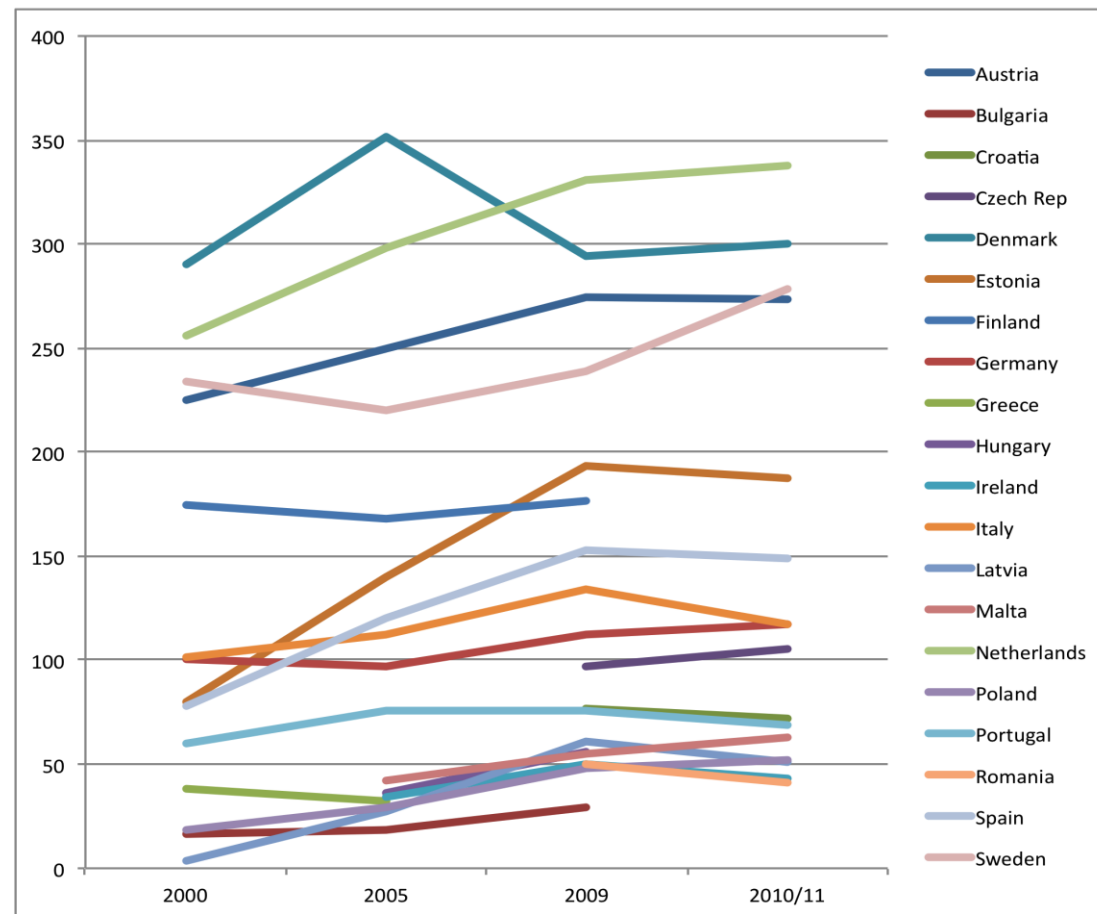
Note: The average is higher than in Compendium website as it is calculated only for the EU member states (and Croatia).

<sup>7</sup> [Compendium: Monitoring Public Cultural Expenditure in Selected European Countries 2000-2010/11](#)

### COMPENDIUM: evolution in per capita contributions to culture in selected Member States 2000 – 2010/11

*There has been an increase in per capita contributions over the last decade. The financial crisis (starting from 2008) has contributed to a stagnation of this indicative figure rather than to a remarkable decrease in contribution. (comprises 19 EU countries, plus Croatia)*

	2000	2005	2009	2010/11
Austria	225	250	274	273
Bulgaria	16	18	29	
Croatia			77	72
Czech Rep			97	105
Denmark	290	352	294	300
Estonia	80	140	193	187
Finland	175	168	177	
Germany	100	97	112	117
Greece	38	32		45
Hungary		36	56	
Ireland		34	50	43
Italy	101	112	134	117
Latvia	3.2	27	61	51
Malta		42	55	63
Netherlands	256	298	331	338
Poland	18	29	48	52
Portugal	60	76	76	69
Romania			50	41
Spain	78	120	153	149
Sweden	234	220	239	278

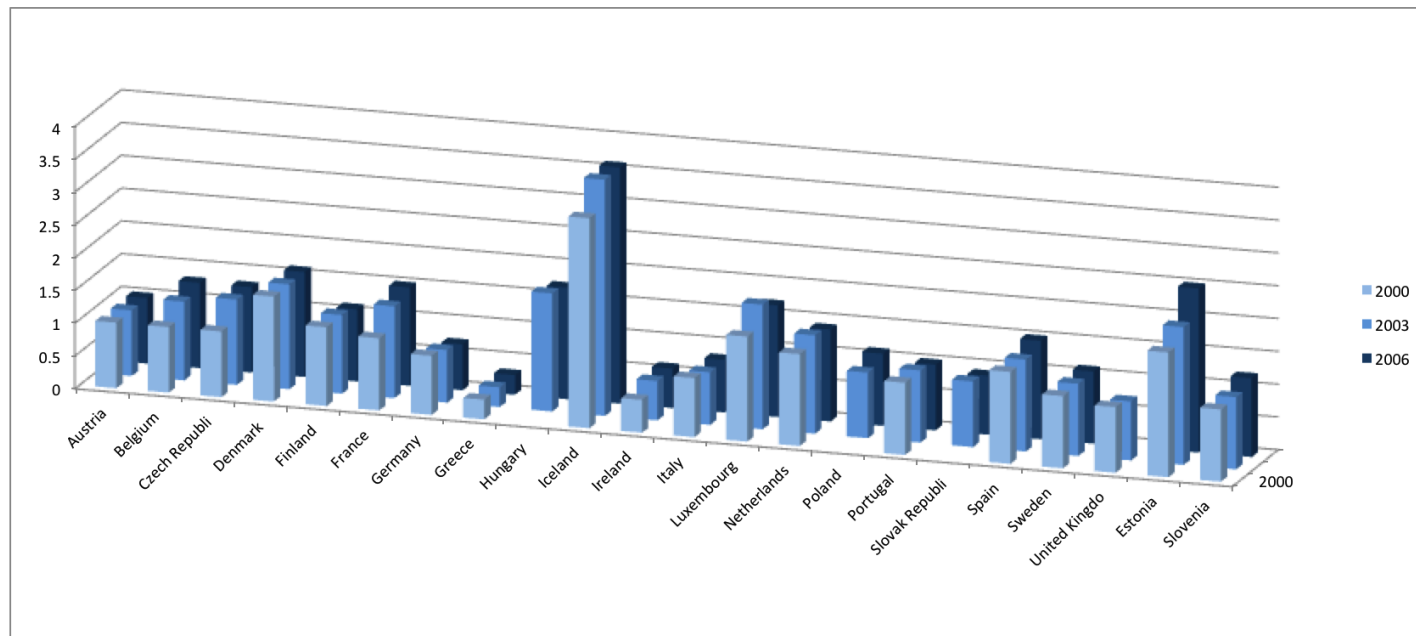


## Government expenditure on recreation and culture as a % of GDP

*This chart illustrates that although there are considerable differences in expenditure on culture as a % of GDP among countries, the level of the expenditure by country did not change much over the period from 2000 to 2006. (Includes 21 EU countries plus Iceland, as significant)*

OECD Factbook 2009: Economic, Environmental and Social Statistics

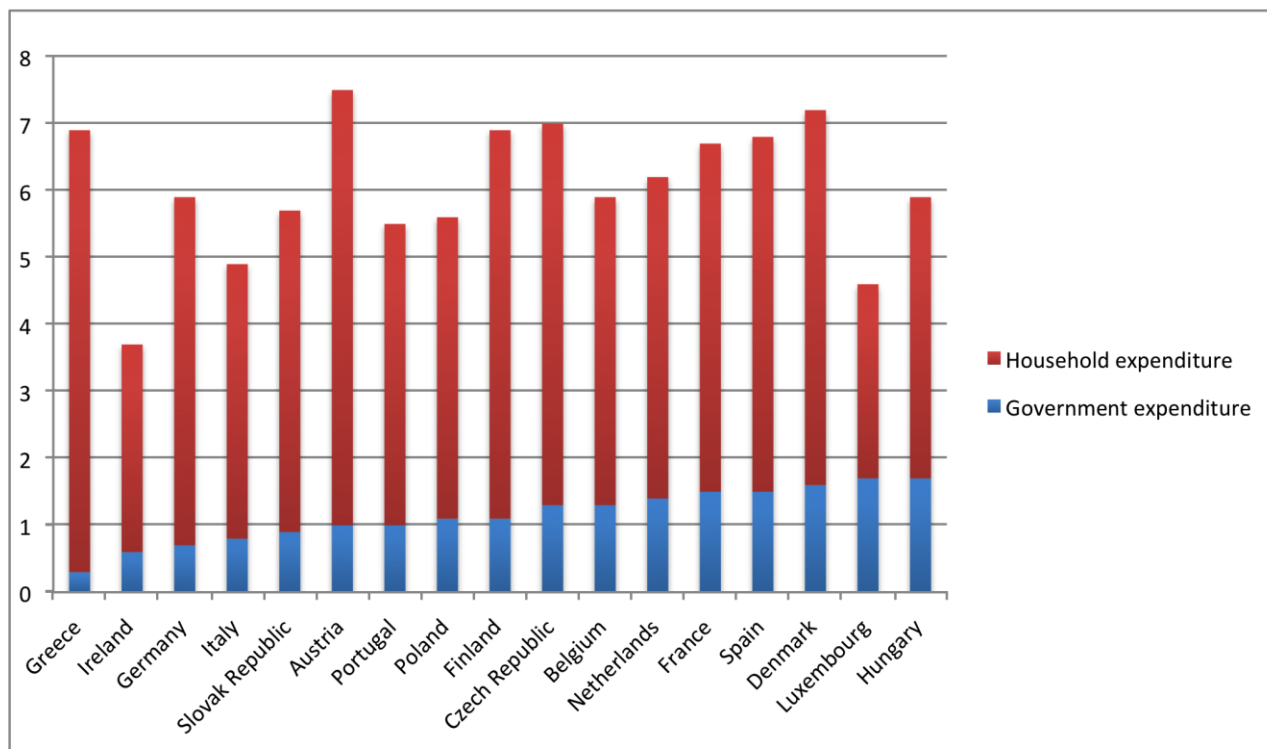
	2000	2003	2006
Austria	1	1	1
Belgium	1	1.2	1.3
Czech Republic	1	1.3	1.3
Denmark	1.6	1.6	1.6
Finland	1.2	1.2	1.1
France	1.1	1.4	1.5
Germany	0.9	0.8	0.7
Greece	0.3	0.3	0.3
Hungary	1.8	1.7	1.7
Iceland	3.2	3.6	3.6
Ireland	0.5	0.6	0.6
Italy	0.9	0.8	0.8
Luxembourg	1.6	1.9	1.7
Netherlands	1.4	1.5	1.4
Poland		1	1.1
Portugal	1.1	1.1	1
Slovak Republic		1	0.9
Spain	1.4	1.4	1.5
Sweden	1.1	1.1	1.1
United Kingdom	1	0.9	
Estonia	1.9	2.1	2.5
Slovenia	1.1	1.1	1.2



## Expenditure on recreation and culture as a % of GDP in 2006 or latest available year

The table illustrates that there is no apparent correlation between government and household expenditures on culture (incl. 17 EU countries)

OECD Factbook 2009: Economic, Environmental and Social Statistics



	Government expenditure	Household expenditure
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Greece	0.3	6.6
Ireland	0.6	3.1
Germany	0.7	5.2
Italy	0.8	4.1
Slovak Reput	0.9	4.8
Austria	1	6.5
Portugal	1	4.5
Poland	1.1	4.5
Finland	1.1	5.8
Czech Repub	1.3	5.7
Belgium	1.3	4.6
Netherlands	1.4	4.8
France	1.5	5.2
Spain	1.5	5.3
Denmark	1.6	5.6
Luxembourg	1.7	2.9
Hungary	1.7	4.2

## Government expenditure on recreation and culture as a % of GDP

This table compares expenditures on culture in OECD member states in 1997 and 2006, but also illustrates the European countries' expenditure compared to some other world economies like the US, Japan, Canada or South-Korea.

OECD Factbook 2009: Economic, Environmental and Social Statistics

**Government expenditure on recreation and culture**  
As a percentage of GDP



	1997 or first av	2006 or latest available year
Japan	0.2	0.2
Greece	0.3	0.3
United States	0.3	0.3
Ireland	0.4	0.6
Germany	0.7	0.7
Italy	0.9	0.8
Canada	0.9	0.9
Korea	0.5	0.9
Slovak Republic		0.9
United Kingdom	0.8	0.9
Austria	1.1	1
Norway	1.2	1
Portugal	1	1
Finland	1.4	1.1
New Zealand		1.1
Poland		1.1
Sweden	1.8	1.1
Belgium	0.9	1.3
Czech Repul	1.1	1.3
Netherlands	1.1	1.4
France	1.1	1.5
Spain	1.4	1.5
Denmark	1.6	1.6
Hungary	1.6	1.7
Luxembourg	1.7	1.7
Iceland	2.4	3.6

## EUROSTAT<sup>10</sup> - European governments expenditure on culture and education in 2002 and 2010 as % of GDP

The COFOG<sup>11</sup> function 'recreation, culture and religion' represented 2.3 % of total government expenditure or 1.2 % of EU-27 GDP in 2010. Iceland was the country with the largest proportion of government expenditure in this function (3.7 % of GDP). Within the EU, Slovenia and Estonia were the only two Member States for which this share exceeds 2 %. There are no significant changes in single countries' contributions in 2002 and 2010, except some EU-12 countries, namely Slovenia and Romania.

	In % of GDP				In millions of euro	
	Education		Recreation and culture		Education	Recreation and culture
	2002	2010	2002	2010	2010	2010
EU-27	5.2	5.5	1.1	1.2	669 874	144 591
EA-17	4.9	5.1	1.1	1.2	466 911	106 999
BE	5.9	6.3	1.3	1.2	22 211	4 377
BG	3.8	3.8	0.7	0.8	1 368	273
CZ	5.1	4.8	1.2	1.4	7 209	2 049
DK	7.7	8.1	1.6	1.6	19 007	3 826
DE	4.2	4.3	0.9	0.8	106 320	20 830
EE	6.8	6.8	2.1	2.1	976	297
IE	4.5	6.0	0.7	0.7	9 311	1 142
EL	2.9	3.8	0.3	0.6	8 577	1 387
ES	4.4	4.9	1.3	1.6	51 511	16 764
FR	6.0	6.0	1.2	1.5	115 834	28 743
IT	4.7	4.5	0.9	0.8	69 321	12 703
CY	6.0	7.5	1.1	1.3	1 297	225
LV	5.8	6.2	1.3	1.6	1 108	285
LT	6.0	6.1	0.9	1.0	1 683	267

	In % of GDP				In millions of euro	
	Education		Recreation and culture		Education	Recreation and culture
	2002	2010	2002	2010	2010	2010
LU	4.8	5.1	1.8	1.8	2 068	721
HU	5.7	5.6	1.9	1.8	5 417	1 706
MT	5.9	5.8	0.6	0.8	358	47
NL	5.4	5.9	1.8	1.8	34 640	10 782
AT	5.5	5.7	1.0	1.0	16 306	2 953
PL	6.1	5.7	1.1	1.3	20 026	4 758
PT	6.7	6.5	1.3	1.3	11 150	2 242
RO	4.0	3.4	0.6	1.1	4 160	1 314
SI	6.5	6.6	1.3	2.2	2 353	795
SK	3.6	4.5	0.9	1.2	2 944	788
FI	6.1	6.5	1.1	1.2	11 735	2 204
SE	7.3	7.0	1.1	1.2	24 322	4 212
UK	5.6	7.0	1.1	1.1	118 663	18 903
IS	8.3	8.3	3.3	3.7	791	348
NO	6.3	5.9	1.2	1.3	18 657	4 145
CH	:	6.0	:	0.9	23 962	3 781

This research was carried out for the European House for Culture, the Brussels office of "A Soul for Europe," by Riia Salsa.

<sup>10</sup> Eurostat: [http://epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/General\\_government\\_expenditure\\_statistics#Government\\_expenditure\\_on\\_culture\\_and\\_education](http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/General_government_expenditure_statistics#Government_expenditure_on_culture_and_education)

<sup>11</sup> Classification of the Functions of Government - used by Eurostat, OECD, UN system