Support for Major Performing Arts Organisations: Preliminary Report on Definitions and Issues
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D'Art aims to consolidate and maximise the expertise of the world's arts councils and ministries of culture. For more information visit www.ifacca.org.

Disclaimer: This report has been prepared by Trish Ludgate, Australia Council for the Arts and Christopher Madden, IFACCA. Errors, omissions and opinions cannot be attributed to the respondents listed in Appendix 1, the Australia Council for the Arts, or the Board or members of IFACCA.

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Introduction

This report summarises the outcome of IFACCA’s twenty-seventh D’Art question, which was initiated jointly by IFACCA and the Major Performing Arts Board of the Australia Council for the Arts (www.ozco.gov.au/boards/major_performing_arts). The question, which was distributed on 30 August 2006, is reproduced in appendix 3.27.

The aim of the D’Art was to find senior executives in national arts councils and ministries of culture who are responsible for the coordination of policies, programs and initiatives that support major performing arts organisations in order to invite them to take part in a mini-summit in Australia in 2008 and to enlist their help in developing information resources for the mini-summit.

Twenty people responded to the D’Art request (listed in Appendix 1.27). Questions were completed by 15 respondents from 14 countries:

• Canada: Canada Council for the Arts and Council of Arts and Letters of Quebec
• Colombia: Ministry of Culture
• Cuba: National Council of the Arts and Sciences
• Finland: Department for Culture, Sport and Youth Policy
• France: Ministry of Culture and Communications
• Greece: Hellenic Culture Organisation
• Mexico: National Council for Culture and the Arts
• Namibia: Ministry of Youth, National Service, Sport and Culture
• New Zealand: Creative New Zealand
• Singapore: National Arts Council
• South Korea: Arts Council Korea
• Switzerland: Pro Helvetia (Arts Council of Switzerland)
• USA: National Endowment for the Arts
• Wales: Arts Council Wales

In addition to supplying contact details for the relevant senior executive, respondents were asked to provide the definition (if there was one) of major performing arts organisations used by their agency. Respondents were also asked to rank by order of importance a list of issues relating to the support of major performing arts organisations, and to identify any additional issues that they perceived to also be important. This report summarises the responses.

Defining ‘major’ performing arts organisations

Respondents were first asked whether their agency had a formal definition of ‘major’ performing arts company. Figure 1.27 summarises the responses.

Figure 1.27: Does your arts council or ministry differentiate between ‘major’ performing arts companies and other companies that it supports?

<table>
<thead>
<tr>
<th>Answer</th>
<th>No. of responses</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>10</td>
<td>Australia, Canada (National), Canada (Quebec), Greece, Finland, South Korea, Singapore, Mexico, Cuba, Namibia</td>
</tr>
<tr>
<td>No</td>
<td>5</td>
<td>USA, New Zealand, Wales, France, Colombia</td>
</tr>
</tbody>
</table>
Respondents were also asked to provide any definitions used. Most definitions adopted a number of different types of defining factors. Figure 2.27 provides a summary of the various factors sorted into broad categories (some categories are closely related or may overlap). A full list of responses by country is reproduced in appendix 2.27.

**Figure 2.27: Factors used to define a ‘major’ performing arts institution**

<table>
<thead>
<tr>
<th>Category</th>
<th>Factors</th>
<th>Defining variable</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organisational factors</td>
<td>Financial indicators</td>
<td>Financially viable</td>
<td>Australia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Preponderance of private and earned revenues</td>
<td>Canada (nat)¹</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Increasing levels of financial support from the broader community</td>
<td>Australia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual income/turnover/budget</td>
<td>Australia, Sth Korea, USA</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of hired artists</td>
<td>Sth Korea</td>
</tr>
<tr>
<td></td>
<td>Size</td>
<td>Housed in a permanent building/physical structure, in that it implies large size</td>
<td>Switzerland, Colombia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Audience/public attendances</td>
<td>Australia, Greece</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Number of performances per year</td>
<td>Greece</td>
</tr>
<tr>
<td>Activities and outputs</td>
<td>Significance</td>
<td>Artists of national/international significance</td>
<td>Canada (nat)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Programming makes a significant contribution to arts practice</td>
<td>Canada (nat)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Global nature of the actions of the large companies</td>
<td>Canada (nat)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ongoing commitment to the development of the artform and artists</td>
<td>Australia, Canada (nat)</td>
</tr>
<tr>
<td>Range and type</td>
<td>Ongoing commitment to the development of artists</td>
<td></td>
<td>Australia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ongoing year-long programming of work</td>
<td>Canada (nat)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sustained commitment to infrastructure development</td>
<td>Canada (nat)</td>
</tr>
<tr>
<td></td>
<td>Quality</td>
<td>Continuity and commitment</td>
<td>Greece</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Demonstrate the highest artistic standards in performances</td>
<td>Australia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Artistic value</td>
<td>Greece</td>
</tr>
<tr>
<td></td>
<td>Political, legal or institutional</td>
<td>Company board reflects national/international communities</td>
<td>Canada (nat)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Act of parliament/Parliamentary mandate</td>
<td>Finland, Namibia</td>
</tr>
<tr>
<td></td>
<td></td>
<td>National, state and university organisations</td>
<td>Mexico</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Determined at city and local government level</td>
<td>Switzerland</td>
</tr>
<tr>
<td></td>
<td></td>
<td>History/precedence</td>
<td>Sth Korea, Wales, Singapore, Colombia</td>
</tr>
</tbody>
</table>

¹ Note that the definition applied to organizations in all artistic disciplines only for the allocation of new funds in 2006-08 and is not used in the Canada Council’s ongoing programs.
Policy issues
To help identify important topics for the agenda of the mini-summit, and to guide preparatory research for the mini-summit, respondents were asked to rank a selection of issues by order of importance. Some of the topics overlapped or were closely related. However, three topics clearly ranked as being of the most perceived importance: financial viability and sustainability (including earned income); governance and leadership of major organisations; and measuring the impacts and/or value of major organisations.

The full list of topics by ranked importance is:
1. Financial viability and sustainability (including earned income)
2. Measuring the impacts and/or value of major organisations
3. Major organisations' relationships with audiences and the general public
4. Governance & leadership of major organisations
5. Alternative funding sources and mechanisms such as corporate sponsorship and philanthropy
6. Evaluation & reporting of achievements and quality
7. Developing, managing & reviewing of contractual arrangements between funders and organisations
8. Programmatic and artistic freedom
9. Employment conditions and human resource management
10. Costs of venues and capital expenditures

Respondents were asked to provide up to two additional issues they perceived as important, or that the mini-summit could address. Additional topics suggested were:
- The relationship between major organisations and small-to-medium organisations (Australia)
- Capability development programs (Australia)
- Achieving an appropriate balance between funding to established or major arts organisations, mid-sized and emerging organisations (Canada)
- Repertoire and creation of new works (Canada Quebec)
- Artistic direction and 'donators' (Canada Quebec)
- Projects leading to Audiences Development: new audiences’ inclusion, critic audiences (Colombia)
- Capacity to innovate artistic creation and programmatic skills (Colombia)
- Participation of companies in international festivals and international performance possibilities (Cuba)
- International exchange possibilities for directors, actors and other creatives, including relevant international conferences (Cuba)
- Promotion of innovation and the diversity of the creativity (France)
- Promotion/export in the international market for performing arts (Mexico)
- Strategies and mechanisms of promotion and dissemination (Mexico)
- Motivation/advocacy for arts to improve national budget allocation (Namibia)
- Emerging leadership and demographic changes in audiences (USA)
- The role of nurturing and developing talent (Singapore)
- The role of developing repertoire and content for the country (Singapore)
- Public arts and city rebuilding through arts and culture (South Korea)
- Shifts in audience participation and access to the arts via changing technologies (USA)
Appendix 1.27: Respondents

Responses to this D’Art question were received from:

- Guillermo Cortés, Instituto Nacional de Cultura, Perú
- Nicole Doucet, Conseil des arts et des letters du Quebec, Canada
- Mario García Durham, National Endowment for the Arts, USA
- Michael Eakin, Arts Council England
- Retha Louise Hofmeyr, Ministry of Youth, National Service, Sport and Culture, Namibia
- Jinsoo Hwang, Arts Council Korea
- Georgia Iliopoulou, Hellenic Culture Organisation, Greece
- Monica Kanarek Mellado, Conaculta, Mexico
- Pius Knüsel, Pro Helvetia/The Swiss Arts Council, Switzerland
- Jarmo Malkavaara, Arts Council of Finland
- Elaine Ng, National Arts Council, Singapore
- Benoît Paumier, Ministry of Culture and Communications, France
- Bárbara Elva Rivero Sánchez, Consejo Nacional de las Artes Escénicas, Cuba
- Clarisa Ruiz Correal, Ministry of Culture, Colombia
- Katri Santtila, Department for Culture, Sport and Youth Policy, Ministry of Education, Finland
- Brent Thawley, Creative New Zealand Toi Aotearoa
- Elena Theodoulou – Charalambous, Ministry of Education and Culture, Cyprus
- Peter Tyndall, Arts Council of Wales
- Kelly Wilhelm, Canada Council for the Arts
- Jeremy Winter, Ministry for Culture and Heritage, New Zealand

Thanks to everyone who contributed!
Appendix 2.27: Definitions

The table below provides the full answers to Question 1(b): If [your arts council or ministry does differentiate between ‘major’ performing arts companies and other companies that it supports], what definition does it use?

### Approaches to defining ‘major’ organisations by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>In Australia, the ‘major performing arts organisations’ have a clear definition stemming from the Major Performing Arts Inquiry Final Report Securing the Future (December 1999), which is: ‘Recommendation 5.1.1: A company that meets all of the following criteria should be designated as a major performing arts company: • be a dance, music, opera or theatre company or a hybrid thereof; • demonstrate the highest artistic standards in performances; • show an ongoing commitment to the development of the artform; • demonstrate an ongoing commitment to the development of artists within the artform; • show evidence of a sizeable and increasing audience base; • have a minimum average annual total income of $1.6 million over the previous three year time period; and demonstrate an ongoing ability to be financially viable, including increasing levels of financial support from the broader community.’</td>
</tr>
<tr>
<td>Canada</td>
<td>A Key Institution : an organisation directed by an artistic director and/or a general manager selected by a board reflecting local/national/international communities, with ongoing year-long programming of work of many artists, of national/international significance. The main programming must make a significant and sustained contribution to a practice supported by the Canada Council. The organization must have a sustained commitment to infrastructure, and have a preponderance of private and earned revenues. This definition applies to organisations in all artistic disciplines. This definition applied to organizations in all artistic disciplines for the allocation of new funds in 2006-08 and is not used in the Council’s ongoing programs.</td>
</tr>
<tr>
<td>Canada</td>
<td>We set up a working group in 2002-2003 (council of arts and theatres) on the definition, characteristics and duties of an institution. This exercise enabled us to better determine the global nature of the actions of the large companies and to intervene differently with part of this group by drawing up contracts of objectives over 4 years, the submission of the more important financial accounts, and annual meetings with the directors of these large companies. In 2007 we wish to start this work around the symphony orchestras and opera houses. In 2005 we created a mechanism to watch over organisations in difficulty due to patronage, governance problems or chronic deficits and to work with them to find solutions to those problems.</td>
</tr>
<tr>
<td>Colombia</td>
<td>The Ministry of Cultura of Colombia doesn’t have a formal differentiation between ‘major’ performing arts organisations and other companies it supports. However, the Ministry gives permanent support to organisations that could be considered like “major” performing companies as Festival Iberoamericano de Teatro (Iberoamerican Theatre Festival), which develops one of the most important theatre festivals around the world and has a representative support from others official institutions and private organisations. The Ministry has also a Programme for private artistic organisations that have physical infrastructure suitable to present to audience its artistic work and these from others companies. The criteria to access to the Programme are related directly to running a physical space and less with the artistic company for itself.</td>
</tr>
</tbody>
</table>
### Approaches to defining ‘major’ organisations by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Colombia contd.</strong></td>
<td>Recently, the Ministry works to generate a permanent tool to evaluate the development of these organisations and allow, consequently, a classification that helps policy makers to bridge the programme. It also aims to improve support to artistic creation. Is important to note, the Ministry supports special projects of all kinds of performing companies such as: national tours, local and national festivals and creation and production projects.</td>
</tr>
<tr>
<td><strong>Cuba</strong></td>
<td>The National Council of the Performing Arts, through the Artistic Vice-presidency and specialists in the Direction of Artistic Development, oversees all the many performing arts companies across the country. Specialists make periodic visits to these companies, which allows us to assess the state of development of them and to rank by the importance of their artistic results.</td>
</tr>
</tbody>
</table>
| **Finland** | In Finland we could call our national institutions as “major” performing arts companies. They are Finnish National Opera and Ballet, Finnish National Gallery. We also have 56 theatres, 27 orchestras and 137 galleries which are subsidized by the state due to act for theatres and orchestras and due to act for galleries. I wrote down act for theatres for an example so You could see what kind of system we have. And almost all of them too fulfill those criteria.  

**Act for theatres**
In Finland all theatres are independent. Only one of them, National Theatre, is completely subsidized by the State. At the moment 56 theatres are subsidized by the state due to act for theatres. This means that approximately 1/3 of those theatres budget comes from the State, 1/3 from the municipality and 1/3 from ticket selling. State funding is based on number of person years. There is a certain amount of person years, Full-time equivalent (FTE) person years, in a state budget, that ministry can divide for theatres. At the moment, one person year (FTE) is in a state budget 31 567€ and theatre will have 37% of that. Year 2006 total sum is 33 000 000 €.  

So the budget of the theatre is based on the work they do. Theatres do count number of person years by the following way:

The number of person years is given for the calendar year preceding the reporting date, e.g. the data given in autumn 2006 concern person years in 2005. 

Average salaries of permanent full-time personnel:  
The number of permanent full-time personnel (1) is calculated for each month. The monthly figures are added up and divided by 12. Unfilled vacancies and unpaid leaves of absence are not counted in the number of personnel.  

For salary expenditure (2), the salaries of permanent full-time personnel, excluding social insurance payments, are added up; for theatres and orchestras, salary costs exclude real estate personnel. The sum is then divided by the number of permanent full-time personnel, which yields the average salary of permanent full-time personnel (3).  

The number of person years in the institution  
The institution's other salary expenditure, persons hired by freelance contracts, (4) - all excluding social insurance payments and for theatres and orchestras also excluding real estate personnel - is divided by the average salary of permanent full-time personnel (3); the result figure is then added to the number of permanent full-time personnel (3). The figure is rounded off to the nearest number.  

Above and beyond theatres subsidized by the State due to act for theatres, we do have in Finland professional theatres outside of act. We do call them free groups and those are financed discretionary by the Arts Council of Finland. |
## Approaches to defining ‘major’ organisations by country

<table>
<thead>
<tr>
<th>Country</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greece</td>
<td>Artistic value, continuity and commitment, number of performances per year, public attendance, financial perspectives.</td>
</tr>
<tr>
<td>Mexico</td>
<td>National Dance, Theatre and Opera Companies; State and University Companies.</td>
</tr>
<tr>
<td>Namibia</td>
<td>The major performing arts company is the National Theatre of Namibia which has the mandate from government to promote the performing arts on regional and national basis. It also occupies state-owned buildings and uses state assets as required.</td>
</tr>
<tr>
<td>Singapore</td>
<td>The NAC Singapore has a grant scheme that supports the major arts companies. Under this scheme groups are funded on a two-year basis, maximum cap of funding is 30% of operating budget. I suppose these are the companies we consider as major. For your information, we also fund companies on an annual basis, which tend to be the mid-range type of arts organisations. In addition to this, there are also two orchestras that are currently funded by the Ministry; funding level is higher which is capped at 60%.</td>
</tr>
<tr>
<td>Sth Korea</td>
<td>We initiated in 2006 a special grant program, called “special grant program for professional performing arts organisations” for major professional performing arts organisation. We categorise it based on the size, credit, history, budget, hired artist.</td>
</tr>
<tr>
<td>Switzerland</td>
<td>Pro Helvetia distinguishes major performing arts organisations by a simple physical element: they own an immobile infrastructure for producing and performing - an infrastructure they can afford only thanks to generous public funding. All organisations without such an infrastructure are called independent. The presence of a physical structure implies a relevant size of the organisation. Pro Helvetia supports independent performing arts organisations only - for a few exceptions which concern invitations for major performing arts organisations abroad. If the product is considered of high quality and specific enough, Pro Helvetia contributes a percentage to the costs of the guest performance. From a systematic point of view, major performing art organisations fall into the responsibility of local (communal) bodies. if they are to weak, the cantons take over. and that’s it. superiority in cultural matters belongs to the cantons. Except for special projects (i.e. tours abroad, as mentioned in the preceding mail, or projects of nationwide importance), the Swiss confederation does not support major art organisations. We have a pyramidal system: cities provide most of the support (for all institutionalized organisations plus the large part of the independent organisations), the cantons attempt at counterbalancing the cultural life of big and small cities, the confederation has only very limited competencies. You can conclude this from the level-specific financial contributions to cultural production in Switzerland: - cities together about 900 mio chf p.a. - cantons together about 800 mio chf p.a. - confederation about 200 mio chf p.a. (the lion’s part of this goes into the national library and the national museum of history). None of the Swiss theatres or ballet companies or orchestras gets any money from Berne!</td>
</tr>
<tr>
<td>USA</td>
<td>We have no formal designation although we recognize the distinction and design our programs to address small, medium and large organisations. Budget is determinant.</td>
</tr>
<tr>
<td>Wales</td>
<td>The Arts Council of Wales doesn’t differentiate between ‘major’ performing arts organisations and other companies it supports. Last October the Minister for Culture, Welsh Language and Sport announced that he would be taking over the funding of six national organisations. These six were not selected on any particular criteria. This proposal was rejected by the Welsh Assembly and consequently a review has been established to look at the funding of the Arts in Wales (due to be published in December 2006).</td>
</tr>
</tbody>
</table>
Appendix 3.27: D’Art Question

30 August 2006
D’Art 27

Support for Major Performing Arts Organisations:
Issues, policies and trends

From: Australia Council for the Arts and IFACCA
Contact: Christopher Madden, Research Analyst, IFACCA
Email: info@ifacca.org
URL: http://www.ozco.gov.au/boards/major_performing_arts/

The Australia Council for the Arts and the International Federation of Arts Councils and Culture Agencies (IFACCA) will be co-hosting a mini-summit in early 2008 on issues relating to the support of major performing arts organisations. In preparation, we are looking to identify policy issues and to locate key personnel to inform and focus debate at the mini-summit.

As a first step, we are looking to find senior executives in national arts councils and ministries of culture responsible for the coordination of policies, programs and initiatives that support major performing arts organisations. Once we have identified these people, we will ask them to help develop mini-summit background materials and invite them to take part in the mini-summit. Context about the topic, including what we mean by ‘major performing arts organisations’, is set out in the ‘context’ section directly following the questions below.

WHAT TO DO:
* If you can assist with the questions below, please return your answers to IFACCA at info@ifacca.org or by fax to +612 9215 9111 by Friday 15 September, 2006.
* If you have read the section on ‘context’, but require more information, please do not hesitate to email us.
* If you think someone else should respond, please forward this query to them.

QUESTIONS
1) Definition of major performing arts organisation
As discussed in the ‘context’ for this D’Art (on page 3), there are many ways to approach the definition of major performing arts organisations. Please answer the following questions:

(a) Does your arts council or ministry differentiate between ‘major’ performing arts companies and other companies that it supports?  
   ☑ Yes  ☐ No
(b) If yes, what definition does it use to make this distinction?

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2 Mini-summits bring together a small group of managers (10 to 20) from arts councils and ministries of culture over two to three days to explore key policy concerns, develop joint initiatives and forge ongoing networks. More information, including reports from previous mini-summits, is at the IFACCA website: http://www.ifacca.org/ifacca2/en/organisation/page04_mini.asp.
2) Contact person
Is there someone in your organisation or department with responsibility for overseeing or managing the relationships with the major performing arts organisations that your agency supports? If so, we would like to invite them to provide information and to take part in a global mini-summit on the issues, policies and trends affecting the support of major performing arts organisations. Please provide us with the following details on them, or forward this D’Art question to them so that they can provide the details themselves:

- Title (Mr, Ms, Dr, Professor, etc.):
- First name:
- Last name:
- Title (eg. job position):
- Organisation name:
- Country:
- Email address:
- Phone number (including country code):

3) Policy issues
To help us identify important topics for the agenda of the mini-summit, and to guide preparatory research for the mini-summit, we would appreciate the person listed in question 2 to rank the selected issues in the table below by order of importance. Further context on these issues is provided in the ‘context’ section over the page.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developing, managing and reviewing of contractual arrangements between funders and organisations</td>
<td></td>
</tr>
<tr>
<td>Evaluation and reporting of achievements and quality</td>
<td></td>
</tr>
<tr>
<td>Measuring the impacts and/or value of major organisations</td>
<td></td>
</tr>
<tr>
<td>Governance and leadership of major organisations</td>
<td></td>
</tr>
<tr>
<td>Costs of venues and capital expenditures</td>
<td></td>
</tr>
<tr>
<td>Major organisations’ relationships with audiences and the general public</td>
<td></td>
</tr>
<tr>
<td>Alternative funding sources and mechanisms such as corporate sponsorship and philanthropy</td>
<td></td>
</tr>
<tr>
<td>Financial viability and sustainability (including earned income)</td>
<td></td>
</tr>
<tr>
<td>Employment conditions and human resource management</td>
<td></td>
</tr>
<tr>
<td>Programmatic and artistic freedom.</td>
<td></td>
</tr>
</tbody>
</table>

Other issues of importance
Please provide up to two other issues you think are important, or that you think the mini-summit could address:

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D’Art 27: Support for major performing arts organisations
CONTEXT
Statistics from the IFACCA Directory indicate that the majority (88 percent) of national arts support agencies provide financial support to arts and cultural organisations. Many of these organisations will be ‘major’ or large performing arts organisations (more on definitions below).

Our definition of ‘major performing arts organisation’
This D’Art question adopts the term ‘major performing arts’ to denote large and culturally significant performing arts companies. In Australia, the ‘major performing arts organisations’ have a clear definition stemming from the Major Performing Arts Inquiry Final Report *Securing the Future* (December 1999), which is:

‘Recommendation 5.1.1: A company that meets all of the following criteria should be designated as a major performing arts company:

- be a dance, music, opera or theatre company or a hybrid thereof;
- demonstrate the highest artistic standards in performances;
- show an ongoing commitment to the development of the artform;
- demonstrate an ongoing commitment to the development of artists within the artform;
- show evidence of a sizeable and increasing audience base;
- have a minimum average annual total income of $1.6 million over the previous three year time period; and
- demonstrate an ongoing ability to be financially viable, including increasing levels of financial support from the broader community.’

Other terms and definitions may be used in other countries. Comparative companies might be termed ‘flagship’, ‘national’ and ‘royal’ performing arts companies. The significance of major companies might therefore be determined across a number of characteristics, including:

- Size (of turnover, staff, sometimes as a proportion of the performing arts sector),
- Significance of activities (national, cultural, artistic)
- Quality of products and services (artistic standards and national and international recognition)
- Political, legal or institutional considerations (national, royal, state, municipal companies)
- Range and type of activities undertaken.

Due to their size and significance, the relationship between major performing arts organisations and governments is a special one. In an enquiry in Australia in 1999, for example, it was estimated that 31 major performing arts companies made ‘a disproportionate artistic, access and financial contribution to Australian life.’ The enquiry found that, though major companies represented just 17 percent of the total number of subsidised companies and received 49 percent of the government funding to the sector, they provided 86 percent of the employment, brought in 79 percent of the total self-generated income and reached 71 percent of the total paying audience.

Major performing arts organisations are therefore highly visible and key to the success and sustainability of performing arts sectors in most countries, their health often being seen as a barometer for the health of the broader performing arts sector.
D’Art 27: Support for major performing arts organisations

Their significance has made them subject to much analysis and research. Indeed, it was an economic analysis of major performing arts organisations, published in 1966 by Williams Baumol and Bowen, that is commonly recognised as the founding of the academic subject known today as ‘Cultural Economics’.³

Despite this attention, there has been little comprehensive international data comparisons on major performing arts organisations, and nearly no documentation of the variety of support mechanisms, evaluation requirements, and relationship management issues that exist between funders and major performing arts organisations.

Policy issues
Different countries have different approaches to how such companies are funded and monitored by government: whether they are overseen by a ministry, an arm’s length agency, or directly by parliament, the type of funding they receive (direct, indirect, matching), the policy framework and reporting requirements, all differ significantly from country to country.

Yet, despite these differences, recent reports, analyses and policy reviews indicate that there are common issues being faced around the world by policymakers and supporters of major performing arts companies. A selection of these issues is listed in the table on page 2. Below is a list of selected resources for further information and context.

Selected references and resources
• Performing Arts Research Coalition (PARC), USA http://www.operaamerica.org/about/parc/parc.html

³ And now with over 250 citations at Google Scholar alone (http://scholar.google.com/scholar?hl=en&lr=&cites=4827302254843471576)