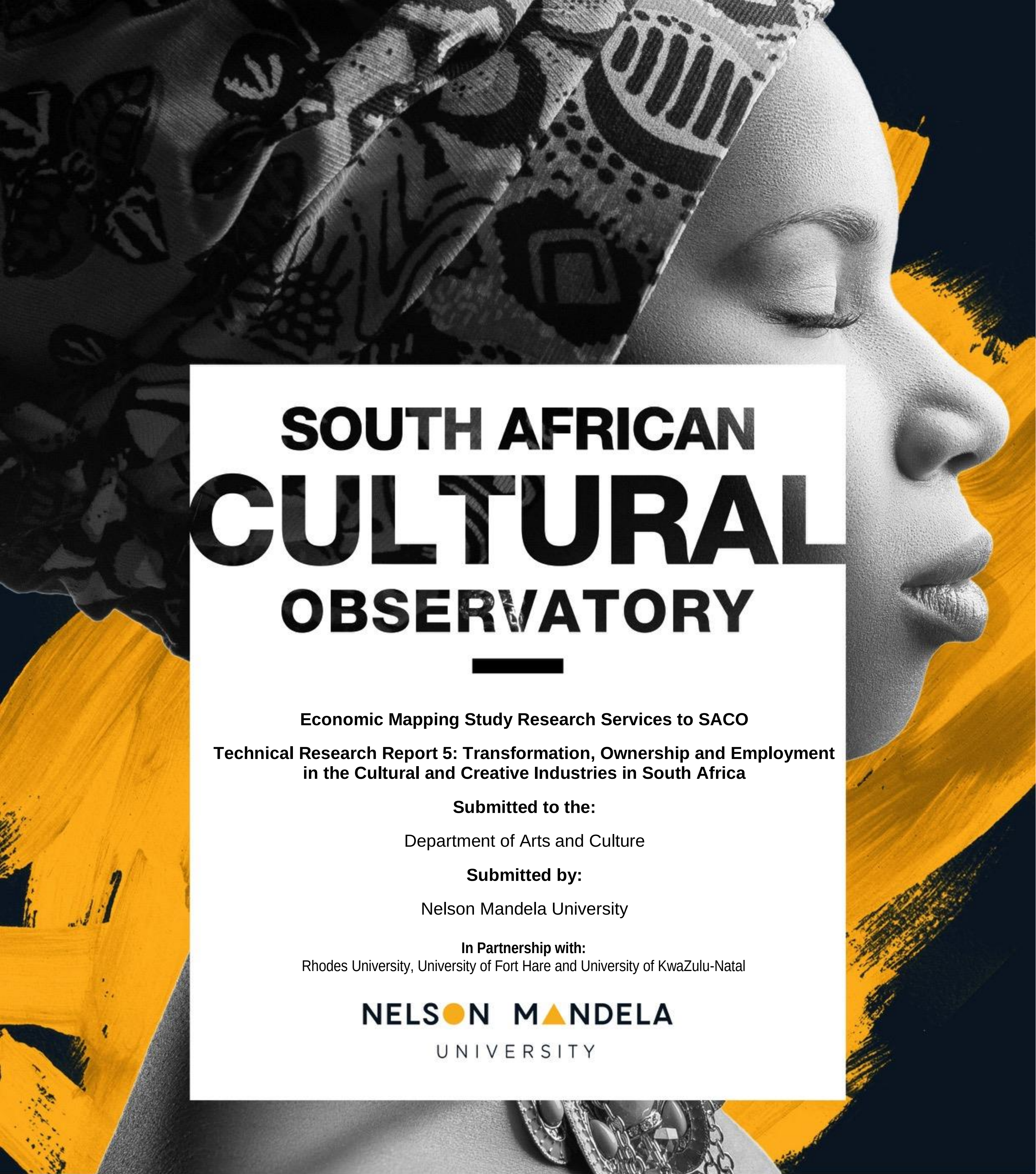

SOUTH AFRICAN CULTURAL OBSERVATORY

Economic Mapping Study Research Services to SACO

Technical Research Report 5: Transformation, Ownership and Employment in the Cultural and Creative Industries in South Africa

Submitted to the:

Department of Arts and Culture

Submitted by:

Nelson Mandela University

In Partnership with:
Rhodes University, University of Fort Hare and University of KwaZulu-Natal

NELSON MANDELA UNIVERSITY

arts & culture
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Arts and Culture
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Economic Mapping Study Research Services

Technical Research Report 5 (of 5): Transformation, Ownership and Employment in the Cultural and Creative Industries in South Africa

March 2020

Final Report

Submitted to the Department of Arts and Culture:

Contents

LIST OF TABLES

LIST OF FIGURES

ACRONYMS

AFS	:	Annual Financial Statistics
CCI	:	Cultural and Creative Industries
CPC	:	Central Product Classification
CSA	:	Cultural Satellite Accounts
CSAM	:	Cultural SAM
CFCS	:	Canadian Framework for Culture Statistics
DET	:	Department of Education and Training
DAC	:	Department of Arts and Culture
DTI	:	Department of Trade and Industry
EBOPS	:	Extended Balance of payment Services Classification
FCS	:	2009 UNESCO Framework for Cultural Statistics
GDP	:	Gross Domestic Product
GVA	:	Gross Value Added
HS	:	Harmonised Commodity Description and coding system
ICATUS	:	Intelligent Classification of Activities for Time Use Statistics
ICH	:	Intangible Cultural Heritage
ICT	:	Information and Communication Technology
ILO	:	International Labour Organisation
IO	:	Input Output Table
IP	:	Intellectual Property
ISCO	:	International Standard Classification of Occupations
ISIC	:	International Standard Industrial Classification
MEIA	:	Macroeconomic Impact Assessment Model
NMMU	:	Nelson Mandela Metropolitan University
OECD	:	Organisation for Economic Co-operation and Development
OFO	:	Organising Framework for Occupation
RSA	:	Republic of South Africa

SAM	:	Social Accounting Matrix
SACO	:	South African Cultural Observatory
SASCO	:	South African Standard Classification of Occupations
SIC	:	Standard Industrial Classification
SNA	:	System of National Accounts
SU	:	Supply and Use Tables
StatsSA	:	Statistics South Africa
TSA	:	Tourism Satellite Accounts
UIS	:	UNESCO Institute for Statistics
UN	:	United Nations
UNCTAG	:	United Nations Conference on Trade and Development
UNSESCO	:	United Nations Educational, Scientific & Cultural Organisation
QLFS	:	Quarterly Labour Force Survey

1. Introduction and Background

This Research Report 5 is the fourth in a series of five reports that forms deliverables of the 2020 economic mapping study. As it was the case with deliverables 2,3 and 4, this report is an update of a similar report that was produced in December 2017. Although it is important to note that the approach undertaken for the 2017 study was based to large extent on the 2014 DSAC mapping study, in this study an attempt is made not to rely heavily on this specific study.

1.1 Scope of Work of the 2020 Study

Table 1.1 below reflects the scope of work undertaken in this 2020 study, as well as the names of the reports produced as part of the overall study.

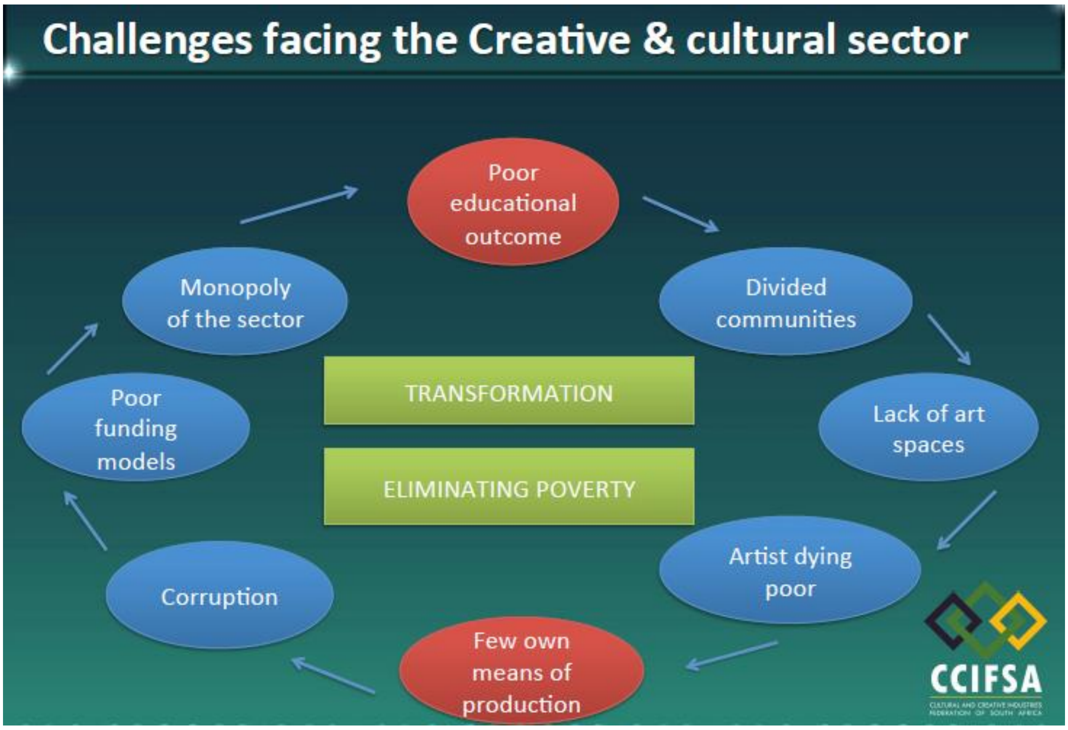
Table 1.1: Scope of Work and Research Reports

Scope of Work
1. Inception Report
2. Macroeconomic Impact Analysis: • The contribution of the CCIs towards GDP (economic output), as well as demonstrating the relative size of the CCIs sector in relation to other economic sectors across the UNESCO defined domains • An estimation of the forward and backward linkages (multipliers) in the CCIs sector itself, as well as linkages with other economic sectors
3. Provincial, Location and Cluster Analysis: • Provincial distribution of the CCIs (as per the macro-economic analysis stated above – this section should include maps detailing provincial distribution patterns) • Identification of possible clusters within the CCIs (this should include maps pertaining to the relevant findings), and • Employment from a provincial and geo spatial spread, i.e. mapping exercise & GIS Mapping
4. Shifting Transformation and Ownership Analysis: • Determine the transformation and ownership patterns within the South African CCIs across the UNESCO domains, noting that transformation and ownership levels must also be presented in the above-mentions section dealing with provincial distribution and clustering • Transformation and ownership levels from a provincial perspective

This specific report documents the shifting transformation and ownership analysis pertaining to the CCI in South Africa.

1.2 Objective of this Report

This report focuses on the topics of Transformation, Ownership, and Employment in the CCIs in South Africa. As it can be deduced from the figure below transformation has always been one of the major challenges facing the creating and culture industries amongst others.



Source: CCIFSA

This portion of the study endeavours to establish to what extent the CCIs in South Africa are moving towards more inclusive and racially diverse patterns in their ownership and employment profiles. According to a study conducted by Snowball, Collins and Tarentaal (2016), it seems there is now a shift in patterns in CCI ownership in South Africa. According to this study more commercial sectors, such as Books and Press, Audio-Visual and Interactive Media, and Design and Creative Services, are less likely to have at least one black owner and at least one female owner. Less commercial sectors, especially Performance and Celebration and Visual Arts and Crafts, tend to be more diverse in terms of ownership.

1.3 Report Structure

In addressing these topics, the transformation and ownership, a review and update of the 2017 study has been undertaken. The following section deals with the topics of transformation and ownership in the CCIs; whilst the topic of employment in the CCIs is dealt with in subsequent sections. This report will consist of the following sections:

Sections 1: Introduction and Background

Section 2: Transformation and Ownership in the Cultural and Creative Industries in South Africa

Section 3: Cultural and Creative Industries' Employment

Section 4: Summary and Conclusion

2. Transformation and Ownership in the Cultural and Creative Industries in South Africa

This section provides a review of the National Development Plan 2030 and the Department of Arts and Culture Strategic Plan 2015/16 - 2019/20, and highlights where these plans focus on transformation, ownership, and employment equity. A review has also been made of two research reports provided by the DAC that relate to these topics, as well as an analysis of CCI businesses that are listed on the Johannesburg stock exchange.

2.1 Initiatives by DSAC to foster transformation in the CCI

Broad-based black economic empowerment (BEE) is a government policy to advance economic transformation and enhance the economic participation of Black people (African, Coloured and Indian people who are South African citizens) in the South African economy.

The Constitution of the Republic of South Africa, 1996, provides all people in South Africa the right to equality and fulfils the formal element of equality by creating a basis for equal treatment.

Despite the right to equality, not all people in South Africa are born to equal circumstances. The history of South Africa has resulted in an economic and opportunities disparity based on race and has resulted in many Black people in South Africa not enjoying the same opportunities and so being substantively equal to the remainder of South Africa.

The purpose of BEE is to bridge the gap between formal and substantive equality to ensure that all people in South Africa fully enjoy the right to equality.

Broad Based Black Economic Empowerment B-BBEE in the South African Context: BEE in South was the brainchild of the B. BBEE which has since been amended to BEE in 2014 to serve a more integrated purpose as a government strategy of redressing the imbalances of the past. Davies (2014) termed “BEE an economic imperative’ in the Government Gazette of 27Jan 2014 leading to the signing of the act by the President to be used in the public sector. Various groups are recognised under the Act such as workers, women, youth people with disabilities and rural residents. These groups which encompass, Africans, Coloureds and Indians are empowered in an integral and diverse manner which targets their socio-economic well-being. The purpose is to empower several black people so that they own and management of own businesses, facilitate ownership and management of business and productive assets of community members. The policy aims to promote cooperative development human resource and skills development, provide equal opportunity to blacks to be employed in jobs and practising preferential procurement of black owned enterprises (DTI, 2014). Broad Based Black Economic Empowerment B-BBEE in the South African Context: BEE in South was the brainchild of the B. BBEE which has since been amended to BEE in 2014 to serve a more integrated purpose as a government strategy of redressing the imbalances of the past. Davies (2014) termed “BEE an economic imperative’ in the Government Gazette of 27Jan 2014 leading to the signing of the act by the President to be used in the public sector. Various groups are recognised under the Act such as workers, women, youth people with disabilities and rural residents. These groups which encompass, Africans, Coloureds and Indians are empowered in an integral and diverse manner which targets their socio-economic well-being. The purpose is to empower several black people so that they own and management of own businesses, facilitate ownership and management of business and productive assets of community members. The policy aims to promote cooperative development human resource and skills development, provide equal opportunity to blacks to be employed in jobs and practising preferential procurement of black owned enterprises (DTI, 2014).

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In this context, it is of crucial importance to look into the patterns as well as shift in regard to transformation and ownership within South Africa's Creative and Cultural Industries. A number of studies undertaken within the auspices of DSAC point to the direction that with regard to transformation, the studies shows that a significant number of cultural workers are black Africans, Coloured, and Indian or Asian while White workers are still over-represented in some areas of the sector. This is especially the case in specific domains in which tertiary education is required,' says Hadisi. The lack of access to tertiary education could potentially hinder faster transformation in the CCIs. Snowball adds that 'More than half of all cultural occupations are held by men (57%). Young women (under 35) are particularly underrepresented in the cultural sector: 34% of cultural workers are young women, compared to 42% of male cultural workers.'

DSAC is also creating an enabling environment to foster and promote transformation in the CCI sector. One such initiative is the Emerging Creatives Programme. The Emerging Creatives Programme is a developmental platform for young creatives who have had relatively little industry exposure. Design Indaba and the DAC established the Emerging Creatives Programme because of a strong belief in nurturing this new creative talent and knocking down the barriers to entry for those getting started.

The Emerging Creatives Programme provides support, education and mentoring for South Africa's future designers and is open to architects, fashion designers, illustrators, furniture designers and jewellers. The programme provides the opportunity for these young creators to be inspired by the best designers in the world, and the selected participants are able to meet leaders in the local and international design industry. Their work is showcased to retail buyers and media nationally and internationally, and through the programme, they receive guidance on how to manage and grow small businesses.

Another initiative is the DAC Debut Fund Programme. The DAC Debut Fund Programme is a partnership between the DAC and Business and Arts South Africa (BASA) – and also takes into cognisance groundwork done by BASA – supported by the National Lotteries Council (NLC). This initiative provides knowledge and skills development to emerging artists on the cusp of 'making it', supports them with launching or implementing their first album, film, book, etc., and allows them opportunities to pitch for further funding to support their venture. The fund provides opportunities to develop new local content for that all-important 'break' in their career.

Since the launch, the Debut Programme, implemented by BASA, has fulfilled its vision of supporting emerging artists in all of South Africa's nine provinces, equipping these practitioners with knowledge, skills development and funding to enable them to move from the amateur to the professional realm.

Some of the most recent initiatives are the Art Bank of South Africa (ArtbankSA) and the Publishing Hub. Launched in December 2017, ArtbankSA is a national programme and is hosted by the National Museum Bloemfontein, an agency of the Department of Arts and Culture. The launch exhibition, which was titled Emerging Visions: Telling the South African Story, featured an impressive 52 artworks by 32 artists from seven provinces.

In March 2019, the second exhibition of ArtbankSA was held at the Durban Art Gallery titled Tswela Pele: New Acquisitions of the Art Bank of South Africa. Following the work done in Bloemfontein and Durban, the ArtbankSA programme team is also engaging with artists in Mpumalanga and Limpopo and creating awareness of the programme.

ArtbankSA was established to promote, foster and stimulate a vibrant market for the collection of South African contemporary visual art. ArtbankSA will do this by procuring and curating South African artworks and leasing these artworks to government departments, its institutions and South African embassies around the world for a minimum of two years.

ArtbankSA also becomes key in telling the South African story through the generation of compelling representations and propositions related to our understanding of who we are in a complex and rapidly changing world. This initiative is also based on the understanding that the capacity of the work of artists to challenge our familiar and established patterns of perceptions and attitude, and to invoke both wonder and critical reflection, is fundamental to understanding the importance of the visual arts in a society composed of multiple identities, realities and ways of being in the world.

The Publishing Hub will play a critical role in promoting a culture of writing, reading, research and in literary development. Books and literary production are important in promoting a South African identity, nation building and social cohesion, and are foundational in telling the South African story. The launch of the Publishing Hub is part of a wider campaign to encourage and inculcate a culture of reading in South Africa and this initiative is one of the milestones in a campaign that seeks to turn South Africa into a nation of readers not only at school level but for leisure. The development of a culture of reading also assists in raising consciousness, inculcating critical thinking and instilling national values and culture.

While much remains to be done, these programmes, initiatives and strategies are laying the foundation for the sustained and continued growth empowering the creative economy of the creative industries in South Africa.

2.2 The National Development Plan 2030

The National Development Plan (NDP) aims to eliminate poverty and reduce inequality by 2030[1]. South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

This plan envisions a South Africa where everyone feels free yet bounded to others; where everyone embraces their full potential, a country where opportunity is determined not by birth, but by ability, education and hard work. Realising such a society will require transformation of the economy and focused efforts to build the country's capabilities. To eliminate poverty and reduce inequality, the economy must grow faster and in ways that benefit all South Africans.

[1] National Planning Commission, Department: The Presidency. National Development Plan 2030, Executive Summary

In particular, young people deserve better educational and economic opportunities, and focused efforts are required to eliminate gender inequality. Promoting gender equality and greater opportunities for young people are integrated themes that run throughout this plan.

Social cohesion needs to anchor the strategy. If South Africa registers progress in deracialising ownership and control of the economy without reducing poverty and inequality, transformation will be superficial. Similarly, if poverty and inequality are reduced without demonstrably changed ownership patterns, the country's progress will be turbulent and tenuous.

2.3 Department of Arts and Culture Strategic Plan 2015/16 - 2019/20

The Department of Arts and Culture (DAC) carries a special responsibility to guide and direct the unique policy mandate of leading the vision of a non-racial, non-sexist and democratic South Africa[2]. The Department's obligation to lead nation building and its commitment to the central principles of the Constitution are also guided by the recognition that a socially cohesive society must be based on equity, on redressing past imbalances, and on a progressive improvement of the quality of life of the poor.

Under the banner of radical socio-economic transformation, with the NDP as an overarching policy framework providing a visionary roadmap, the Department has identified the following key policy priorities:

- An enabling policy, legislative and regulatory environment
- Inclusive economic development
- Nation building and social cohesion programmes
- Infrastructure development and maintenance
- The Cultural and Creative Industries Fund (CCIF)
- Skills development and education
- Cultural diplomacy
- Arts, Culture and Heritage (ACH) Sector strategies and plans
- Sustaining ACH and the Cultural and Creative Industries
- Effective governance and implementation institutions

The above priorities will assist in further strengthening the work that must be done in the implementation, monitoring and coordination of Outcome 14 and nation building. These priorities further lay the foundation and high-level tone of this Strategic Plan; a plan that not only informs the work of the DAC, but also seeks to ensure policy and planning coherence across the entire ACH Sector.

In line with the NDP and the 2014/19 Medium Term Strategic Framework (MTSF 2014-19), this Plan sets out our ambitions for social cohesion and the transformation of the ACH Sector, and the mechanisms through which we will guide and support its development. It outlines how the ACH Sector must be transformed in order to contribute to establishing a caring and humane society, how it must change to accommodate the full range of needs of a transformed ACH Sector, and the instruments that should be put in place to drive our programmes.

The DAC Strategic Plan has 5 Strategic Outcome Orientated Goals:

[2] Department of Arts and Culture. Strategic Plan 2015/16 - 2019/20.

1. *A transformed, coherent and development focussed ACH Sector:* To drive greater policy and planning coherence in the Sector towards the achievement of sectoral development outcomes.

2. *Nation building through effective social cohesion programme implementation:* To lead nation building and societal transformation through effective social cohesion programmes that promotes cultural and linguistic diversity.

3. *A productive, diverse and inclusive ACH Sector:* To protect, preserve, promote and develop Arts, Culture and Heritage and advance the socio-economic inclusivity and contribution of the Sector.

4. *A sound governance fiscal management system:* To forge sound governance and fiscal management policies, systems and processes that enhances the capacity of the DAC and its entities to ensure the effective and efficient utilisation and leveraging of ACH resources for the benefit of all South Africans.

5. *A professional and capacitated ACH Sector:* To build the skills and capacity of the Sector to ensure its ongoing development and responsiveness.

As regards transformation and ownership in the CCIs, the DAC Strategic Plan has the following to say that is relevant to this study:

- Sector planning in the department must take into account a wide range of policy imperatives that seek to support inclusive growth paths that advance economic growth and the social and economic transformation agenda
- As both a subject and agent of transformation, the harsh reality is that the ACH service delivery environment continues to be marked by historical inequalities across race and geographical location
- In 2011, the Department embarked on an ambitious effort to strategically re-orientate itself towards the transformation of the ACH Sector. Prior to 1994, the Sector consisted of racially segregated entities that were governed, managed, and funded in different ways. They served different population groups and their location was determined by apartheid planning. Although there was evidence of some services to black communities, budget programme offerings were of poor quality and were largely seen as unresponsive to the needs of society at large. The challenge was therefore to transform the existing racially divided system into a coherent system that would address the economic and employment needs of a democratic and developmental South Africa in the 21st Century. The process of repositioning the Sector is ongoing
- Slow transformation of the ACH Sector - the structures and operational models of the DAC and its institutions must be redesigned and remodelling to improve the accessibility of ACH resources to the historically disadvantaged

2.3.1 The Transformation and Job Creation in the Cultural and Creative Industries in South Africa Study

This study used the database of CCI firms that was created as part of the National Mapping Study described above[3]. The authors of this study appear to have had direct access to respondents'

[3] Snowball, J, Collins, A, and Tarentaal, D. September 2016. Transformation and Job Creation in the Cultural and Creative Industries in South Africa.

answers as they were able to provide ownership (and employment) statistics by cultural domain, which were used to construct a transformation score where firms that:

- Had at least one Black, Indian/Asian, or Coloured owner were given a score of 2, otherwise 0 - Black ownership was 'double-weighted to reflect the importance of this variable in the South African context'
- Firms that had at least one female owner were given a score of 1, otherwise 0, and
- 'the fraction of the firm workforce that was made up of Black, Indian/Asian, and Coloured people'

The table below presents the results of this exercise.

Variable/Domain	Cultural & Natural Heritage	Performance & Celebration	Visual Arts & Crafts	Books & Press	Audio-Visual & Interactive Media	Design & Creative Services
Number (and %) of CCI Firms	227 (9.3%)	620 (25.3%)	607 (24.8%)	259 (10.6%)	156 (6.4%)	582 (23.7%)
Average Transformation Score (out of 4)	2.15	2.51	2.55	1.95	1.96	2.05

In considering the results presented in the table above, the authors of this study made the following comments (verbatim extracts):

- Average Transformation scores also varied quite significantly, but were all below 3 (out of a possible 4), demonstrating that historical patterns of ownership and employment are still replicated in the CCIs in South Africa
- The domains with the highest transformation scores were Visual Arts & Crafts (2.55) and Performance & Celebration (2.51)
- In terms of ownership, CCI firms in South Africa showed quite a lot of variation across the different domains. Firms who had at least one black (meaning black African, coloured, or Indian/Asian person) varied from 65% for Performance & Celebration to 44% for Books & Press
- Firms with at least one female owner varied from 31% (Audio-Visual & Interactive Media) to 58% (Visual Arts & Crafts)
- Youth (up to 34 years old) ownership was most prevalent in Performance & Celebration (45%) and least likely in Books & Press
- More commercial sectors such as Books & Press, Audio-Visual & Interactive Media, and Design & Creative Services are less likely to have at least one black owner and at least one female owner
- Less commercial sectors, especially Performance & Celebration and Visual Arts & Crafts tend to be more diverse in terms of ownership

In their concluding remarks, the authors of this study had the following to say regarding transformation and ownership (verbatim extract): '*from the sample of 2400 CCI is interviewed in South Africa, it is possible to say that they are making (a) significant contribution to ownership and employee transformation. However, the ownership and employment profile of firms in most UNESCO Domains are still not representative of the Labour force make-up of the country. In* *some domains, especially Audio-Visual & Interactive Media, this is likely to be because of the project-based nature of the work which, as found in other countries, tends to be based on short-term contracts, making networks extremely important for success in the sector. In South Africa, it is also a function of apartheid-era policies and on-going income and education inequalities'*.

2.3.2 Ownership of Businesses Listed on the Johannesburg Stock Exchange

In September 2010, the Johannesburg Stock Exchange (JSE) released its first findings on the ownership composition of companies listed on the JSE[4]. According to the independent study commissioned by the JSE that undertook the analysis of ownership, 'black South African investors currently own 18% of the available share capital in the top 100 companies listed on the exchange'. The available capital was calculated according to requirements as set out by the Department of Trade and Industry (dti).

As per the dti Code, JSE-listed shares owned by foreign investors was included in the study. If foreign ownership is excluded, the JSE estimated that 30% percent of available share capital was held by black shareholders.

An article that appeared on the BusinessTech website on 25 September, 2013 had the following to say regarding ownership and management of listed businesses[5]:

- New research finds that black South Africans hold at least 23% of the top 100 companies listed on the JSE as at the end of 2013, 10% of which were held directly (largely through BEE schemes) and 13% through mandated investment (mostly individuals contributing to pension funds, unit trusts, and life policies)
- This research also showed that white South Africans held approximately 22% of the top 100 companies, whilst foreign investors held about 39%, up from 34% in 2011

Another article that appeared on the BusinessTech website in 2015 had the following to say:

- Recent data from the 2015 Jack Hammer Executive Report showed that the number of black CEOs running the top 40 JSE listed companies had declined from 15% in 2014 to only 10% in 2015. The report also showed that, out of a total of 334 people constituting the executive teams in SA's top 40 companies, 21% were black South Africans
- BusinessTech found that, of 537 directors on South Africa's top 40 listed company boards, 72% were white

A review was undertaken of the latest available annual reports of JSE listed companies that align with the Cultural Domains and CCI activities included the 2009 UNESCO Framework for Cultural Statistics (FCS). These companies included:

- African Media Entertainment Ltd (JSE media sector; FCS Books & Press domain)
- Caxton CTP Publishers & Printers Ltd (JSE media sector; FCS Books & Press domain)
- Naspers Limited (JSE media sector; FCS Books & Press domain)
- MTN Group Ltd (JSE mobile telecommunications sector; FCS Audio-Visual & Interactive Media domain)
- Vodacom Group Ltd (JSE mobile telecommunications sector; FCS Audio-Visual & Interactive Media domain)

[4] JSE Presents Findings on Black Ownership on the JSE. September 02, 2010. www.jse.co.za
[5] Black Vs White Ownership on the JSE. September 2013. https:// businesstech.co.za

In reviewing these annual reports for statements regarding transformation, ownership, and employment equity, the following verbatim statements are relevant to this study:

- African Media Entertainment Ltd:
    - During the 2015 year, the company sold the majority of its investment in Radio Heads Investment Holdings (Pty) Ltd to a B-BBEE partner. The company and group are still consolidated as the company controls the board and administration functions until such a time as the loan has been repaid in full. No indication of share ownership by race
- Caxton CTP Publishers & Printers Ltd:
    - Caxton and CTP Publishers and Printers Limited's subsidiaries and jointly controlled entities are subject to individual BEE audits each year. The CTP Limited BEE audit, based on the DTI Amended Codes that took effect on 1 May 2015, resulted in a Level 4 BEE rating, equating to 100% BEE procurement recognition. These Amended Codes have been used to refine the Group's transformation strategy for the next few years.
    - CTP Limited's Black Ownership is measured using the flow through principle from the JSE listed entity, Caxton and CTP Publishers and Printers Limited. Black Ownership was measured as 17.78% and Black Female Ownership as 6.28%.
- Naspers Ltd:
    - MultiChoice employment equity, black 87%, female 56%.
    - Media24 attained a level 4 status with a 100% procurement recognition on BEE spend under the revised BEE codes.
    - Four years ago, shares in Phuthuma Nathi (PN) and Phuthuma Nathi 2 (PN2) (MultiChoice's BEE equity schemes) launched in 2006 and 2007, respectively) began trading on an over-the-counter (OTC) platform.
    - Welkom Yizani, Media24's BBBEE scheme launched in 2006, remains the biggest BEE share offer in the South African print media industry with around 90 000 shareholders. In 2013, the scheme began trading on an OTC platform.
    - Media 24 Partnered with CapaCiTi to train 17 black graduates in specific software stacks (or suites of programs), with internships offered to the best students.
- MTN Group Ltd:
    - We launched MTN Zakhele Futhi Limited in South Africa, a R9,9 billion empowerment scheme holding approximately 4% equity in MTN Group
    - We successfully extended our black economic empowerment scheme in South Africa with the MTN Zakhele Futhi share offer, which gave the black public and existing MTN Zakhele shareholders another opportunity to invest – at a meaningful discount – in MTN's growth story
    - MTN South Africa improved its BBBEE contributor status in the year, lifting it to level 2 from level 3 in 2015. Transformation and empowerment are at the core of MTN's ethos.
- Vodacom Group Ltd:
    - As a company with roots in South Africa, we are committed to delivering on the ideals of Broad-based Black Economic Empowerment (BBBEE) and employment equity. In

our South African operation, black representation in the workforce is 73%, with 55% at senior management level and 58% in the Executive Committee. Women represent 47% of the workforce, with 30% at senior management level.
- In July 2008, YeboYethu acquired 3.44% of Vodacom South Africa in our R7.5 billion BBBEE transaction. All permanent South African employees were able to participate in the trust. Of the 1.875 billion units available to the trust, 75% was allocated to employees on 1 September 2008. The remaining 25% was set aside for future employees on a sliding scale over the next five years from date of inception. The allocation is weighted 70/30 in favour of black employees. The trust's seven-year maturity period ended in August 2015. The initial seven-year maturity period was extended in March 2016 after taking notional vendor financing into account and will be converted into YeboYethu shares in March 2019. Following this date, we will aim to facilitate the sale of these shares to qualifying members of the South African public through the online YeboYethu Limited trading platform, which was launched for black South Africans in February 2014.
- In procuring goods and services R24 billion weighted spend on BEE-status suppliers and R5.7 billion to >30% black woman-owned suppliers in South Africa.
- This year, we recruited 70 graduates in South Africa and 58 across our International operations; 55% of the South African recruits are female, and 69% are black Africans, the highest proportion since the programme's inception.
- We established the Innovator Trust in 2014 with a loan facility of R750 million over five years at a lower than prime interest rate. The funding is used to equip black entrepreneurs in the ICT sectors with the necessary business skills to work with the corporate sector. As at 31 March 2017, the Innovator Trust has successfully incubated 53 SMEs as part of a two-year business training programme.

This analysis indicates that the large listed CCI businesses have all made significant achievements in terms of employment equity; however, ownership by black people is still relatively limited.

2.4 Black Entrepreneurship as a Key Driver of Transformation in South Africa's Cultural and Creative Industries

The following article appeared on the Blackwolf Agency website on 18 April, 2017[6]:

'*Transformation in South African business is a prominent topic of discussion amongst today's industry leaders. It is undeniable – since 1994, progress has been slower than expected. According to Lebogang Tsele from SME South Africa, black business ownership in the tourism sector – one of the most transformed sectors in the South African economy, is at 20%, with management control at 50%. In the creative industry, which includes marketing and advertising however, the figures are significantly lower. According to Loeries' judge and FCB Johannesburg creative director Suhana Gordhan, "transformation in this industry is slow and it needs to happen in a bigger way for women of colour and for people of colour in the industry." Not only is the creative industry predominantly white owned and managed, but also male dominated. A number of transformation initiatives are focused on bringing about positive change in this arena.*

[6] Blackwolf Agency, Industry News. 18 April, 2017. Black Entrepreneurship as a Key Driver of Transformation In SA's Creative Industry

2.4.1 The Need to Develop Black Entrepreneurs

This Black Wolf Agency went on to say:

'An incubator project launched in January 2016 by The Creative Counsel is set to boost black ownership in the brand communication industry. The project has opened applications for black start-ups in media, marketing, digital, mobile and activations. These start-ups will be incubated until they are fully functional. Creative Counsel CEO's Ran Neu-Ner and Gil Oved delivered this poignant statement to SME South Africa's Refilwe Kgosiemang: "We believe successful black-owned businesses are the true measure of transformation. For as long as the advertising industry continues to find sophisticated methods of fronting and recycling the few black managers in the industry, economic transformation will not be achieved. At TCC, we hope to confront and hopefully, eradicate this practice and foster true empowerment in the industry."

Alongside the launch of this incubator project is the launch of a new Transformation Council by the IAB SA, "with the sole aim of bringing about sustainable change and education in the digital publisher, media and marketing industry." These initiatives are a key driver of change, but true transformation at the most basic level will require nothing less than a paradigm shift in the minds of both industry leaders and aspiring creative entrepreneurs.

The drive towards meeting transformation targets needs to transcend the 'tick-boxing approach' of employing black business people in leadership positions within white-owned creative companies. Too often, black integration into the industry has become a means by which to obtain higher BEE codes, but the exclusionary attitude has remained the same. The pace and shape of the industry is still being determined by members of the white middle class. Such has been the status quo of the South African market since its inception. The tick-box approach does not lead to the longevity and sustainability that the creative industry needs in order to transform. What needs to be encouraged and developed is black entrepreneurship'.

2.4.2 Successful Entrepreneurship to be Nurtured at School Level

The final paragraph of this Black Wolf Agency article indicated that:

'*Deputy President Cyril Ramaphosa recently called for entrepreneurship to be included in the curriculums of South African schools. Ramaphosa pointed to success stories such has Johannesburg Mayor, Herman Mashaba as an archetype of prosperous, local black entrepreneurship. "There is much more we can do, entrepreneurship must be part of the school curriculum … So that young people must from an early age be encouraged to be problem solvers," said Ramaphosa to City Press. If implemented, this solution could be a big part of what is needed to encourage not only growth in black business but also young entrepreneurship. Fundamental change requires a new, thriving generation of black youth who are passionate about building businesses from the ground-up and contributing positively towards the South African economy. This is particularly true of the local creative industry that is ripe for disruption of the social kind. The benefits of black entrepreneurship in this sector are multifarious*'.

2.5 Transformation, Job Creation and Subsidies to Creative Industries

Collins and Snowball published an article that analysed 'the effectiveness of incentives provided to the film and television sector in South Africa. In terms of their stated objectives of job creation, skills and knowledge transfer and the attraction of foreign direct investment'[7].

In the introduction to this research report, the authors note that:

'The film and television sector can and does provide jobs and skill development in South Africa, building on a cluster of creative industries in the private and public sector centred on the city of Cape Town (Barnard and Tuomi 2008), which on a range of criteria (see Evans 2009) would seem to warrant the appellation of South Africa's main creative city. In addition, a report commissioned by the Department of Labour on the creative industries (Creative Industries Report, 2008) found that the economic activity generated by the film and television industry in the Western Cape was R2.5b in 2003/4 as compared to only R1.3b generated by the sector in Gauteng'.

This study reports on an analysis of project-level data held by the DTI to examine the effectiveness of the current incentive scheme in terms of the broader aim of transformation in South Africa and its explicitly stated objectives of (i) creating jobs, (ii) developing skills and the technological knowledge base and (iii) attracting foreign exchange.

In their concluding remarks, the authors had the following to say:

'This study has demonstrated that the South African film incentive programs have been successful in stimulating the South African film industry in a number of spheres, particularly helping to attract large-budget foreign films and co-productions. For companies specializing in this area, the incentives are working well. The economic impact of subsidized films on the South African economy between 2009 and 2011 was, on average, R2.2 billion per year, with the employment of about 15,500 people in full time equivalent (direct and indirect) jobs per year.

Skills development is occurring through knowledge spill-overs from foreign and co-productions, as well as various internship and training programs. However, transformation in the industry has been slow. This is partly due to the short-term contract nature of the industry, which makes it a risky career option for emerging black film-makers, and partly due to the disincentive for private firms to invest in highly mobile human capital'.

Challenges experienced by film and television producers in South Africa can be divided into general issues, experienced by all producers, and those specific to smaller-budget South African productions. General problems can be summarized as follows:

- *Lack of business acumen amongst producers, especially smaller companies;*
- *Competition from other countries regarding incentives and subsidies;*
- *A sometimes volatile exchange rate;*
- *Lack of local demand for South African films; and*
- *Lack of vertical integration (too narrow a focus on production).*

In addition, smaller producers and those engaged in longer term projects experience difficulty in securing financing, related to the R2.5 million minimum spending required in order to qualify for the subsidy; rent-seeking behaviour by agents employed to help firms navigate the complexities of subsidy application and auditing requirements; and difficulties in reinvesting in the firm, since

[7] Collins, A, Snowball, J. Undated. Transformation, Job Creation and Subsidies to Creative Industries: the Case of South Africa's Film and Television Sector.

a requirement of the subsidy is that the special purpose vehicle (SPV) set up for each project cannot own any capital equipment'.

The following section deals with the topic of employment in the CCIs.

3. Cultural and Creative Industries' Employment

This section focuses on employment in South African CCI businesses with a particular focus on employment equity. A review is made of research reports that have been provided by the DAC that focus on this topic. This is then followed with a presentation of the results of work undertaken in this study to determine the number of people employed in the CCIs.

3.1 Measuring Cultural Employment in South Africa: A Comparison between the UNESCO Guidelines and the South African Standard Occupational and Industrial Classification Code

The aim of this 2016 research report was to determine to what extent the classification systems for occupations and industry used in South Africa fits with the classification system used by UNESCO in their Survey of Cultural Employment Statistics Manual (2015). As stated in the Summary of this report (verbatim extract): *'the findings of this research show that the South African Labour Force Survey provides a potentially useful source of data on employment in the cultural industries, although the classification system used by South Africa is somewhat different from that used by UNESCO. It is judged that internationally comparable data for cultural employment in South Africa could be produced. However, matching cultural employment to cultural and non-cultural industries is likely to be a much more challenging task'*.

The key findings made in this research report that have a bearing on the current study include:

- The classification system currently in use by StatsSA is the old SASCO-2001 (second edition) system, using 4-digit codes, which is quite considerably different from the ISCO-08 system used by UNESCO
- Another problem identified in this research report is that, in some cases, the current South African classification system does not provide enough detail '*to determine the share of a particular category that should be allocated to the cultural sector'*
- The old version of the industrial classification used in South Africa, SA-SIC-1993, 5^{th} edition, does not match well with the ISIC (Rev. 4) system used by UNESCO

The authors of this study conclude that: '*as far as matching cultural employment to industries, the finding of this research shows that this is likely to be a much more challenging task, given the system currently in use in South Africa (which can be matched to the system used for the LFS). As the examples and comparison table show, there are some industry classifications that are significantly different from the international system on which the UNESCO Guidelines are based'*.

3.2 Current Study Employment Statistics

This section presents the results of the analysis of CCI employment undertaken in this study. Employment numbers are presented on a national and provincial basis, with statistics being presented for employment by racial grouping within domain. In addition, employment statistics by racial grouping are presented for 2010 and 2018, which reflects changes in employment patterns over these two periods.

3.2.1 Methodology

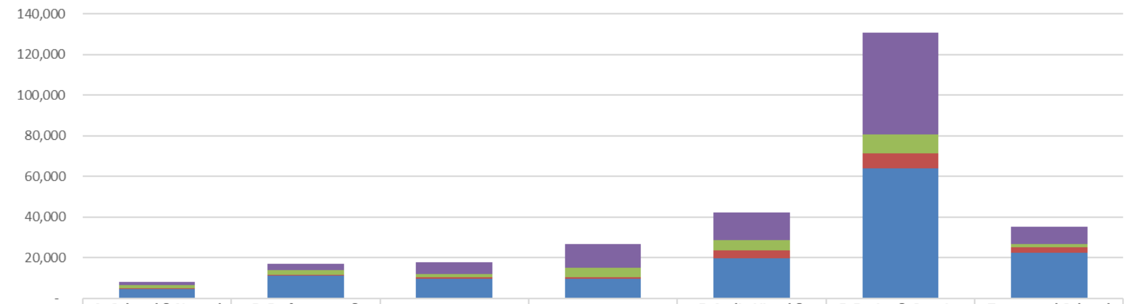
Labour force numbers have been determined for each CCI activity using labour/production ratios. These ratios were calculated based on SIC sector labour force data derived from the Quarterly

Labour Force Survey and production figures derived from the AFS report, after the SIC data from these two sources had been brought into alignment with the CCI activities using the same approach for this alignment as that used to align SIC sectors and CCI activities described above.

3.2.2 National CCI Employment

In 2018, a total of 277 357 people was employed in the CCI sector Nationally. This represents 1.7% of the total South African employed labour force in 2018. Of this number, 47.2% were employed in the Design & Creative Services domain, 15.2% in the Audio-Visual & Interactive Media domain, 12.7% in the Transversal Cultural Education domain, and 9.6% in the Books & Press domain - which are, effectively, the ‘creative/more commercial’ domains.

Figure 3.1: National Employment by Racial Group. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Transversal Cultural Education
Total CCI employment	7,819	16,829	17,788	26,649	42,060	130,868	35,345
Whites	1,402	3,007	6,055	11,554	13,401	50,318	8,589
Coloureds	1,712	2,177	1,279	4,969	5,091	9,335	1,809
Asians	122	466	750	567	4,107	7,434	2,516
Africans	4,583	11,179	9,704	9,560	19,461	63,782	22,431

Africans represented the most significant employment group, accounting for 50.7% of total National CCI employment in 2018; followed by Whites (34.0%), Coloureds (9.5%), and Asians/Indians (5.8%).

Africans were the largest group employed in all the Cultural Domains nationally. The table below provides a percentage breakdown of employment by racial grouping within each domain.

Table 3.1: National Employment by Race Group within Domain. 2018, percentages

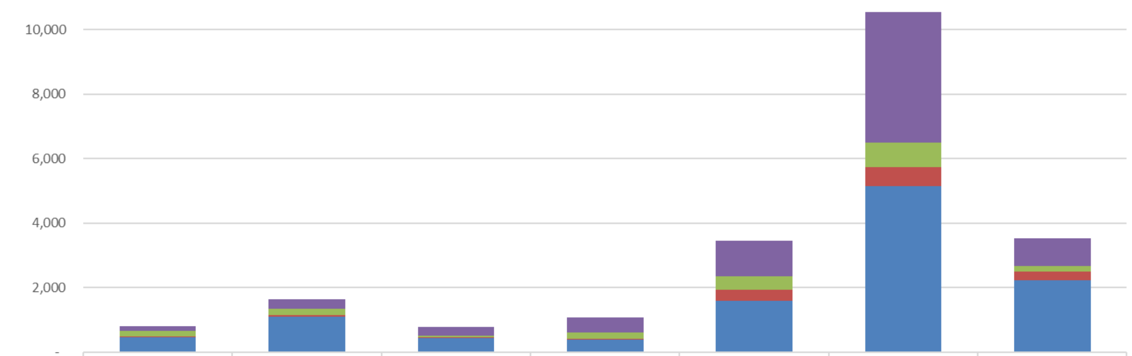
	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	100%
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	100%
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	100%
D. Books & Press	35.9%	2.1%	18.6%	43.4%	100%
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	100%
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	100%
Transversal Cultural Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	100%
Total	**50.7%**	**5.8%**	**9.5%**	**34.0%**	**100%**

In comparing these total employment figures, it must be borne in mind that the current study figures are for 2018 and include an estimate of informal CCI absorption. What follows are statistics for CCI employment within each of the nine provinces.

3.2.3 CCI Employment in the Eastern Cape CCI Employment

In 2018, a total of 21 774 people was employed in the CCI sector in the Eastern Cape. Of this number, 48.4% were employed in the Design & Creative Services domain, 16.2% in the Transversal Cultural Education Domain, 15.8% in the Audio-Visual & Interactive Media domain, 7.5% in the Performance & Celebration domain, and 4.9% in the Books & Press domain.

Figure 3.2: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Transversal Cultural Education
Total CCI employment	797	1,640	775	1,059	3,443	10,540	3,520
Whites	143	293	264	459	1,097	4,052	855
Coloureds	174	212	56	197	417	752	180
Asians	12	45	33	23	336	599	251
Africans	467	1,089	423	380	1,593	5,137	2,234

Africans represented the most significant employment group, accounting for 52.0% of total CCI employment in the Eastern Cape in 2018; followed by Whites (32.9%), Coloureds (9.1%), and Asians/Indians (6.0%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

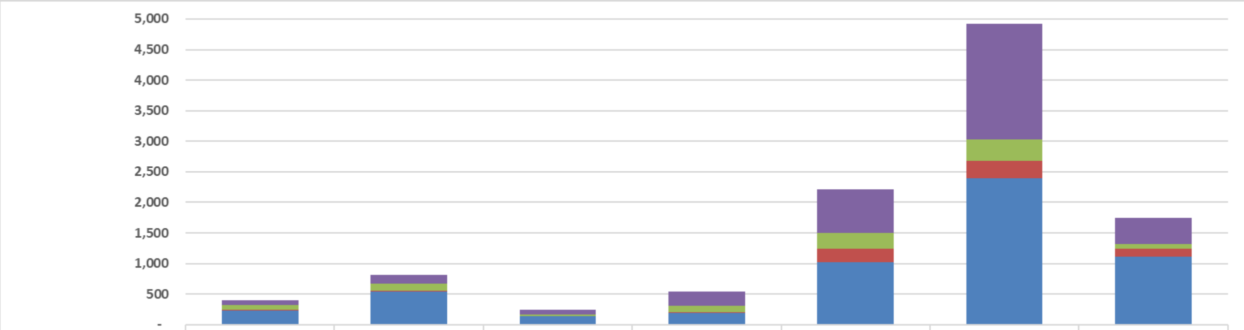
Table 3.2: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**52.0%**	**6.0%**	**9.1%**	**32.9%**	**100%**

3.2.4 CCI Employment in the Free State

In 2018, a total of 10 866 people was employed in the CCI sector in the Free State. Of this number, 45.3% were employed in the Design & Creative Services domain, 20.3% in the Audio-Visual & Interactive Media domain, 16.1% in the Transversal Cultural Education Domain, 7.5% in the Performance & Celebration domain, and.

Figure 3.3: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	392	809	243	543	2,210	4,921	1,749
Whites	70	145	83	235	704	1,892	425
Coloureds	86	105	17	101	267	351	90
Asians	6	22	10	12	216	280	124
Africans	230	537	133	195	1,022	2,398	1,110

Africans represented the most significant employment group, accounting for 51.8% of total CCI employment in the Free State in 2018; followed by Whites (32.7%), Coloureds (9.4%), and Asians/Indians (6.2%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

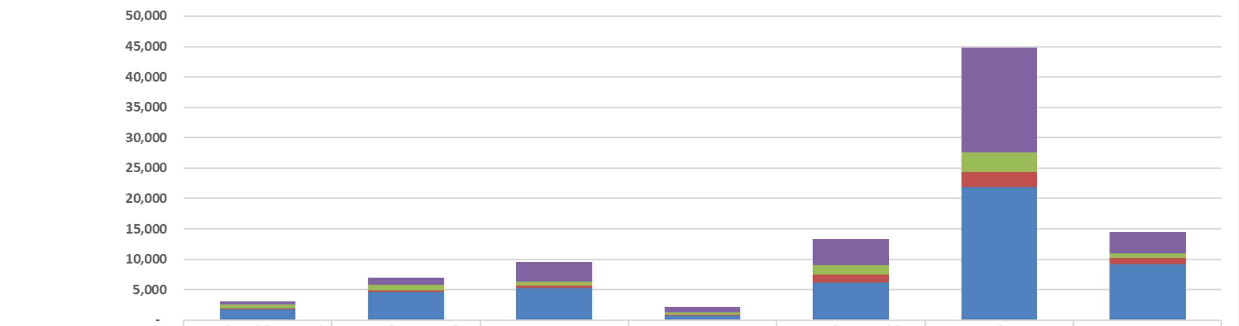
Table 3.3: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**51.8%**	**6.2%**	**9.4%**	**32.7%**	**100%**

3.2.5 CCI Employment in Gauteng

In 2018, a total of 94 506 people was employed in the CCI sector in Gauteng. Of this number, 47.4% were employed in the Design & Creative Services domain, 15.4% in the Transversal Cultural Education Domain,14.1% in the Audio-Visual & Interactive Media domain, and 10.1% in the Visual Arts & Crafts domain.

Figure 3.4: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	3,110	6,996	9,572	2,154	13,344	44,815	14,514
Whites	558	1,250	3,258	934	4,252	17,231	3,527
Coloureds	681	905	688	402	1,615	3,197	743
Asians	48	194	404	46	1,303	2,546	1,033
Africans	1,823	4,647	5,222	773	6,174	21,842	9,211

Africans represented the most significant employment group, accounting for 52.6% of total CCI employment in Gauteng in 2018; followed by Whites (32.8%), Asians/Indians (5.9%), and Coloureds (8.7%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

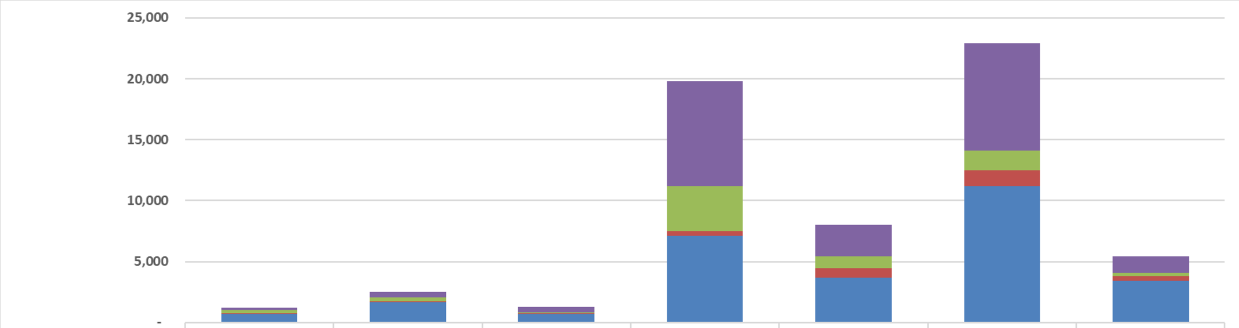
Table 3.4: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**52.6%**	**5.9%**	**8.7%**	**32.8%**	**100%**

3.2.6 CCI Employment in KwaZulu Natal

In 2018, a total of 61 151 people was employed in the CCI sector in KwaZulu Natal. Of this number, 37.5% were employed in the Design & Creative Services domain, 32.4% in the Books & Press domain, 13.1% in the Audio-Visual & Interactive Media domain, 8.8% in the Transversal Cultural Education domain, 4.1% in the Performance & Celebration domain.

Figure 3.5: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	1,228	2,516	1,277	19,796	7,991	22,940	5,402
Whites	220	450	435	8,582	2,546	8,820	1,313
Coloureds	269	325	92	3,691	967	1,636	276
Asians	19	70	54	421	780	1,303	384
Africans	720	1,671	697	7,101	3,698	11,180	3,428

Africans represented the most significant employment group, accounting for 46.6% of total CCI employment in KwaZulu Natal in 2018; followed by Asians/Indians (5.0%), Whites (36.6%), Coloureds (11.9%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

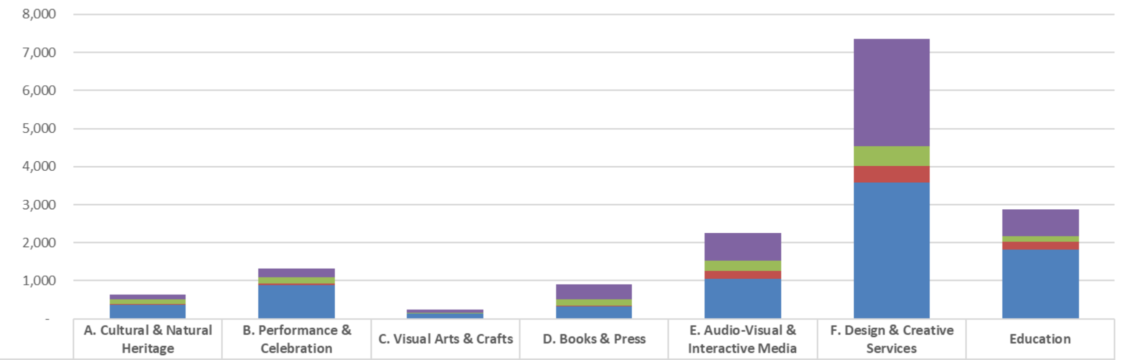
Table 3.5: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**46.6%**	**5.0%**	**11.9%**	**36.6%**	**100%**

3.2.7 CCI Employment in Limpopo

In 2018, a total of 15 609 people was employed in the CCI sector in Limpopo. Of this number, 47.2% were employed in the Design & Creative Services domain, 18.4% in the Transversal Cultural Education domain, 14.5% in the Audio-Visual & Interactive Media domain, 8.5% in the Performance & Celebration domain, and 5.9% in the Books & Press domain.

Figure 3.6: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	635	1,326	238	913	2,255	7,363	2,879
Whites	114	237	81	396	718	2,831	700
Coloureds	139	172	17	170	273	525	147
Asians	10	37	10	19	220	418	205
Africans	372	881	130	328	1,043	3,589	1,827

Africans represented the most significant employment group, accounting for 52.3% of total CCI employment in Limpopo in 2018; followed by Whites (32.5%), Coloureds (9.2%), and Asians/Indians (5.9%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

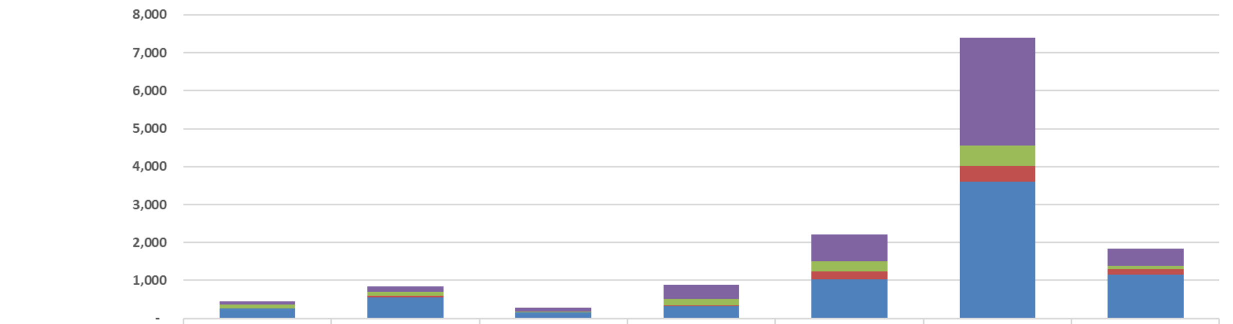
Table 3.6: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**52.3%**	**5.9%**	**9.2%**	**32.5%**	**100%**

3.2.8 CCI Employment in Mpumalanga

In 2018, a total of 13 902 people was employed in the CCI sector in Mpumalanga. Of this number, 53.2% were employed in the Design & Creative Services domain, 16.0% in the Audio-Visual & Interactive Media domain, 13.2% in the Transversal Cultural Education domain, 6.4% in the Books & Press domain, and 6.1% in the Performance & Celebration domain.

Figure 3.7: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	443	848	276	890	2,222	7,392	1,831
Whites	80	152	94	386	708	2,842	445
Coloureds	97	110	20	166	269	527	94
Asians	7	23	12	19	217	420	130
Africans	260	563	150	319	1,028	3,603	1,162

Africans represented the most significant employment group, accounting for 51.0% of total CCI employment in Mpumalanga in 2018; followed by Whites (33.8%), Coloureds (9.2%) and Asians/Indians (6.0%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

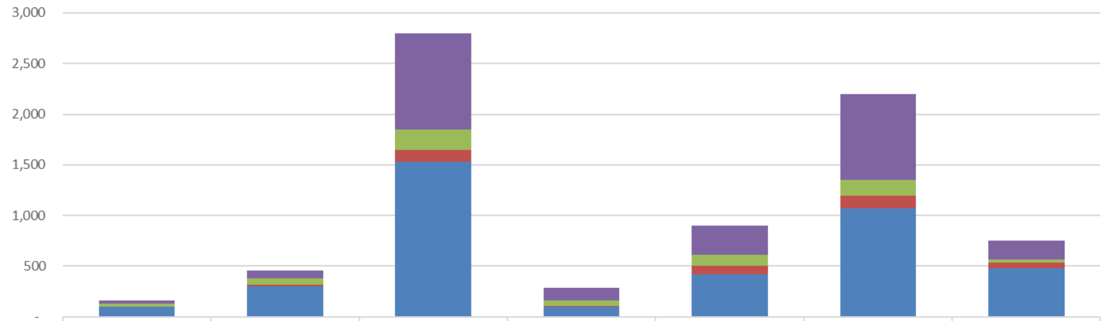
Table 3.7: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**51.0%**	**6.0%**	**9.2%**	**33.8%**	**100%**

3.2.9 CCI Employment in the Northern Cape

In 2018, a total of 7 550 people was employed in the CCI sector in the Northern Cape. Of this number, were employed in the 37.1% Visual Arts & Crafts, 29.1% in the Design & Creative Services domain, 11.9% in the Audio-Visual & Interactive Media domain,10.0% in the Transversal Cultural Education domain and 6.0% in the Performance & Celebration domain.

Figure 3.8: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	162	456	2,800	283	897	2,199	752
Whites	29	82	953	123	286	846	183
Coloureds	35	59	201	53	109	157	38
Asians	3	13	118	6	88	125	53
Africans	95	303	1,528	101	415	1,072	477

Africans represented the most significant employment group, accounting for 52.9% of total CCI employment in the Northern Cape in 2018; followed by Coloureds (8.6%), Whites (33.1%), and Asians/Indians (5.4%).

Apart from the Visual Arts & Crafts domain, where Coloureds were the dominant group, Africans were the largest group employed in all of the rest of the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

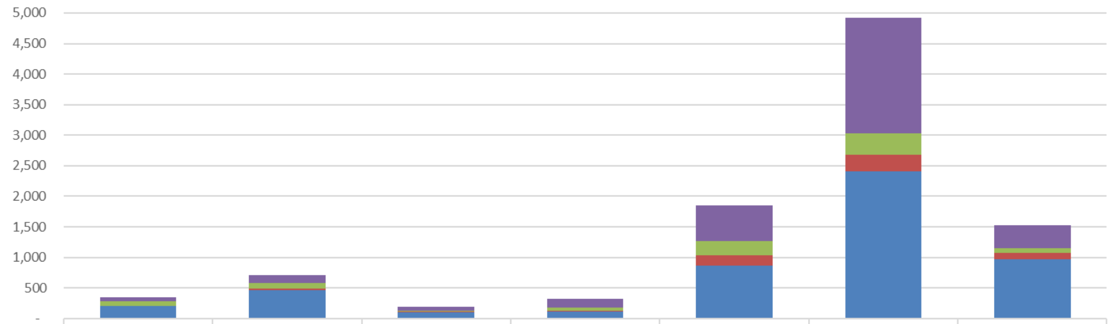
Table 3.8: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**52.9%**	**5.4%**	**8.6%**	**33.1%**	**100%**

3.2.10 CCI Employment in the North West

In 2018, a total of 9 865 people was employed in the CCI sector in the North West. Of this number, 49.9% were employed in the Design & Creative Services domain, 18.8% in the Audio-Visual & Interactive Media domain,15.5% in the Transversal Cultural Education domain, and 7.1% in the Performance & Celebration domain, and 3.5% in the Cultural & Natural Heritage domain.

Figure 3.9: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Education
Total CCI employment	348	705	191	315	1,855	4,925	1,526
Whites	62	126	65	137	591	1,894	371
Coloureds	76	91	14	59	225	351	78
Asians	5	20	8	7	181	280	109
Africans	204	468	104	113	858	2,400	969

Africans represented the most significant employment group, accounting for 51.9% of total CCI employment in the North-West in 2018; followed by Whites (32.9%), Coloureds (9.1%), and Asians/Indians (6.2%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

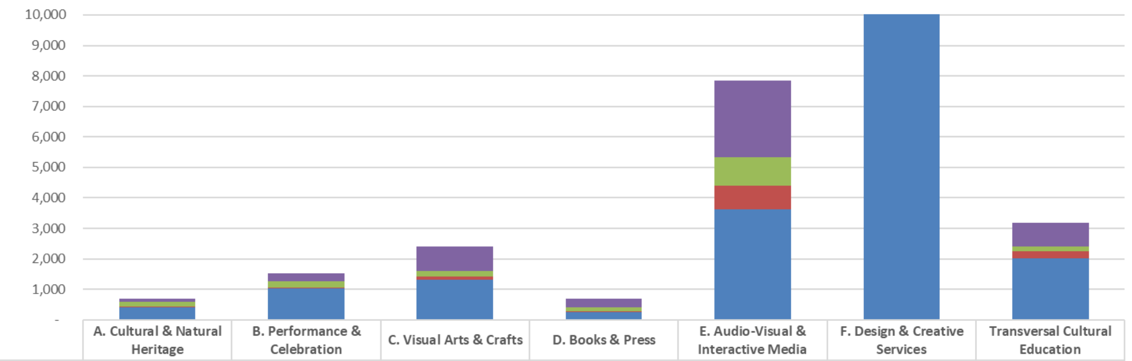
Table 3.9: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**51.9%**	**6.2%**	**9.1%**	**32.9%**	**100%**

3.2.11 CCI Employment in the Western Cape

In 2018, a total of 42 135 people was employed in the CCI sector in the Western Cape. Of this number, 61.2% were employed in the Design & Creative Services domain, 18.6% in the Audio-Visual & Interactive Media domain, and 7.5% in the Transversal Cultural Education domains.

Figure 3.10: Employment by Race Group within Domain. 2018, numbers



	A. Cultural & Natural Heritage	B. Performance & Celebration	C. Visual Arts & Crafts	D. Books & Press	E. Audio-Visual & Interactive Media	F. Design & Creative Services	Transversal Cultural Education
Total CCI employment	703	1,533	2,416	697	7,842	25,773	3,172
Whites	126	274	822	302	2,499	9,910	771
Coloureds	154	198	174	130	949	1,838	162
Asians	11	42	102	15	766	1,464	226
Africans	412	1,018	1,318	250	3,628	12,561	2,013

Africans represented the most significant employment group, accounting for 50.3% of total CCI employment in the Western Cape in 2018; followed by Whites (34.9%), Coloureds (8.6%), and Asians/Indians (6.2%).

Africans were the largest group employed in all the Cultural Domains in this province. The table below provides a percentage breakdown of employment by race group within each domain.

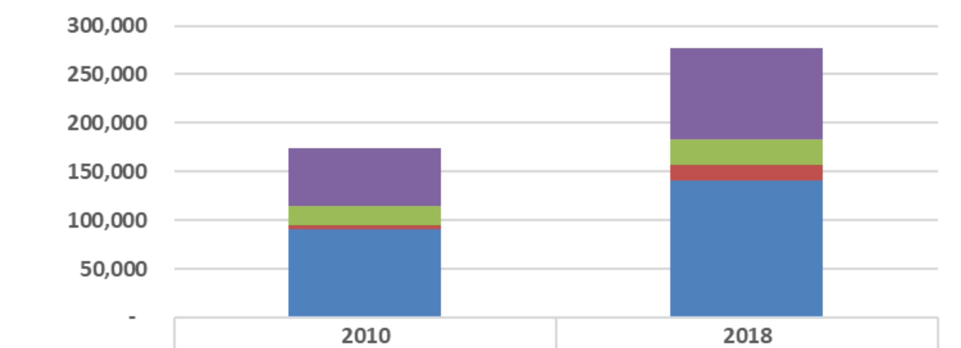
Table 3.10: Employment by Race Group within Domain. 2018, percentages

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	58.6%	1.6%	21.9%	17.9%	**100%**
B. Performance & Celebration	66.4%	2.8%	12.9%	17.9%	**100%**
C. Visual Arts & Crafts	54.6%	4.2%	7.2%	34.0%	**100%**
D. Books & Press	35.9%	2.1%	18.6%	43.4%	**100%**
E. Audio-Visual & Interactive Media	46.3%	9.8%	12.1%	31.9%	**100%**
F. Design & Creative Services	48.7%	5.7%	7.1%	38.4%	**100%**
Transversal Cultural Transversal Cultural Education	63.5%	7.1%	5.1%	24.3%	**100%**
Total	**50.3%**	**6.2%**	**8.6%**	**34.9%**	**100%**

3.3 Change in CCI Employment over Time

The figure below presents national CCI Employment statistics by racial grouping for the years 2010 and 2018. The figure indicates that total employment in the CCI sector grew from 184 585 in 2010 to 261 837 in 2018.

Figure 3.11: Change in National CCI Employment over Time. 2010 and 2018, numbers



	2010	2018
Total	174,017	277,357
Whites	59,902	94,325
Coloureds	19,564	26,372
Asians	3,853	15,961
Africans	90,698	140,699

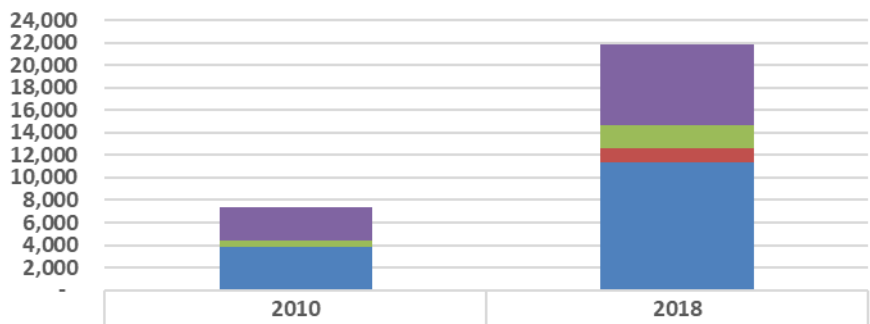
The table below reflects compounded average annual growth rates between 2010 and 2018 for each racial grouping and national employment in the CCI sector, as well as an indexed growth figure for each racial grouping and the national total.

Table 3.11: Change in National CCI Employment over Time. Compounded Average Annual Growth Rates (percentage) and Indexed Growth

	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	5.64	155.1
Asians	19.44	414.2
Coloureds	3.80	134.8
Whites	5.84	157.5
Total	**6.00**	**159.4**

The table above indicates that employment in the CCI sector grew at an average annual figure of 6.00% between 2010 and 2018, during which time national employment grew by 18.90%. The highest employment growth figures occurred within the Asian (19.44%) and Whites (5.84%) follows closely with the Africans (5.64%) groupings. In the graphical representation below, the same statistics for CCI employment growth at a provincial are provided.

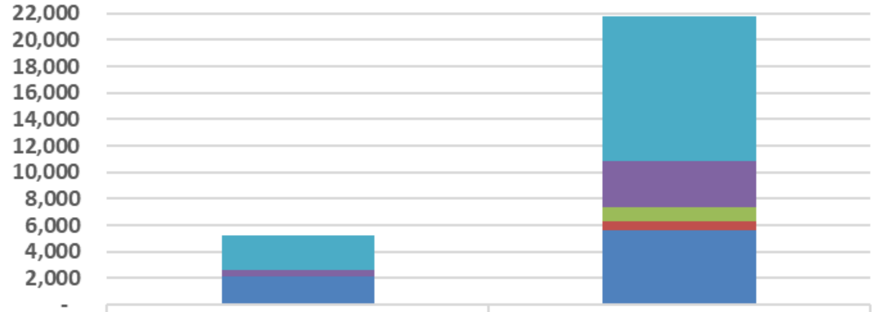
3.3.1 Eastern Cape



	2010	2018
Total	7,311	21,774
Whites	2,877	7,164
Coloureds	546	1,988
Asians	15	1,298
Africans	3,872	11,323

	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	14.35	292.4
Asians	74.10	8,442.8
Coloureds	17.52	363.9
Whites	12.08	249.0
Total	**14.62**	**297.8**

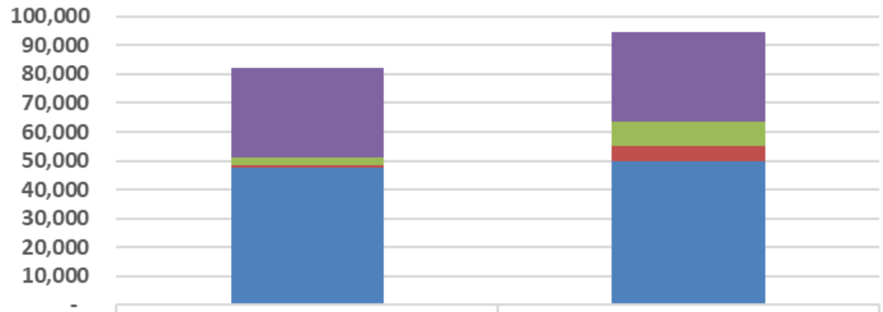
3.3.2 Free State



	2010	2018
Total	2,603	10,866
Whites	492	3,554
Coloureds	18	1,017
Asians	7	670
Africans	2,087	5,625

	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	13.20	269.5
Asians	76.85	9,569.6
Coloureds	66.05	5,780.6
Whites	28.05	722.9
Total	**19.56**	**417.4**

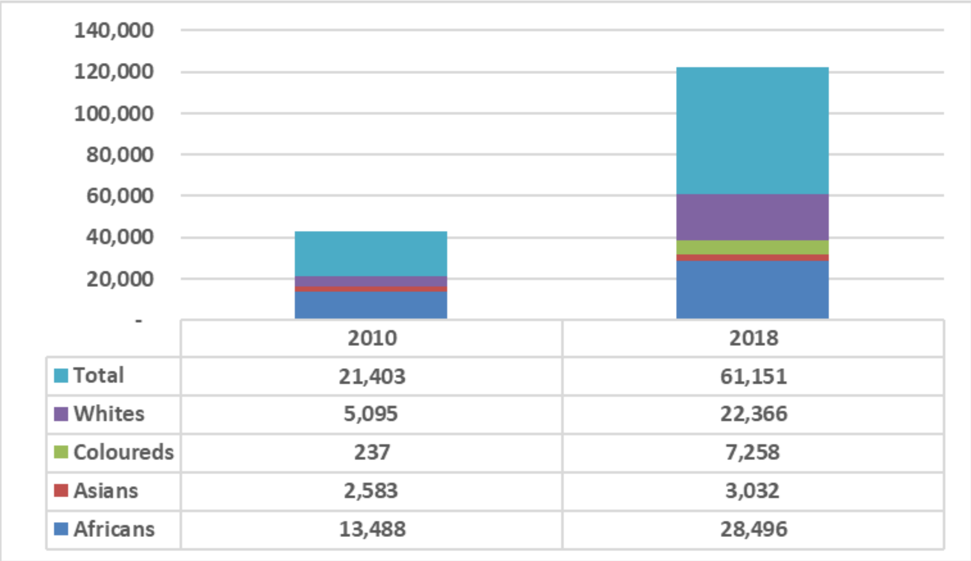
3.3.3 Gauteng



	2010	2018
Total	82,080	94,506
Whites	30,972	31,010
Coloureds	2,446	8,230
Asians	1,148	5,573
Africans	47,514	49,692

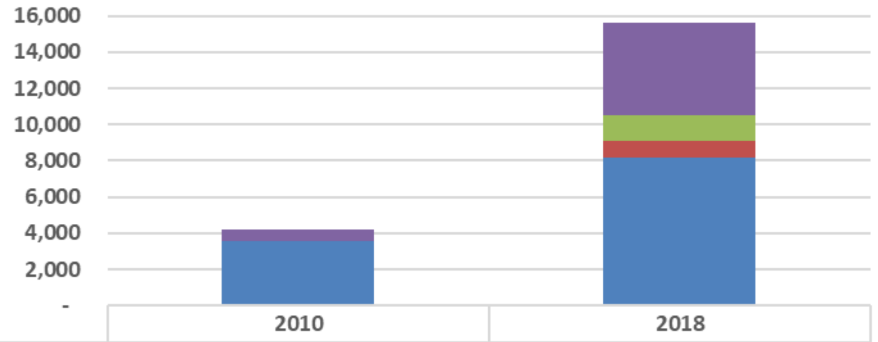
	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	0.56	104.6
Asians	21.83	485.3
Coloureds	16.38	336.5
Whites	0.02	100.1
Total	**1.78**	**115.1**

3.3.4 KwaZulu Natal



	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	9.80	211.3
Asians	2.02	117.4
Coloureds	53.34	3,056.7
Whites	20.31	439.0
Total	**14.02**	**285.7**

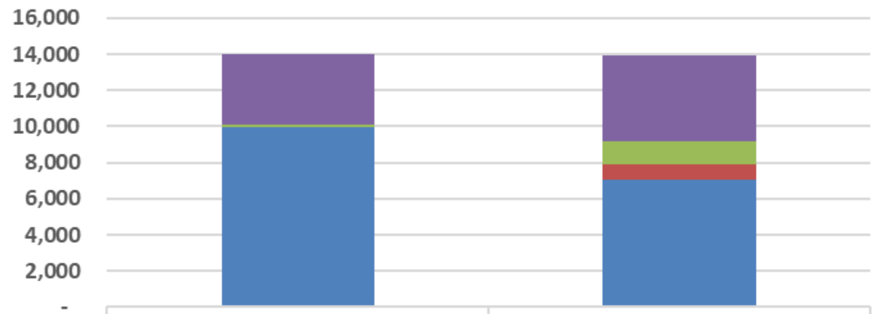
3.3.5 Limpopo



	2010	2018
Total	4,219	15,609
Whites	660	5,077
Coloureds	6	1,443
Asians	8	919
Africans	3,546	8,169

	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	11.00	230.4
Asians	81.80	11,931.0
Coloureds	98.64	24,238.4
Whites	29.06	769.6
Total	**17.77**	**370.0**

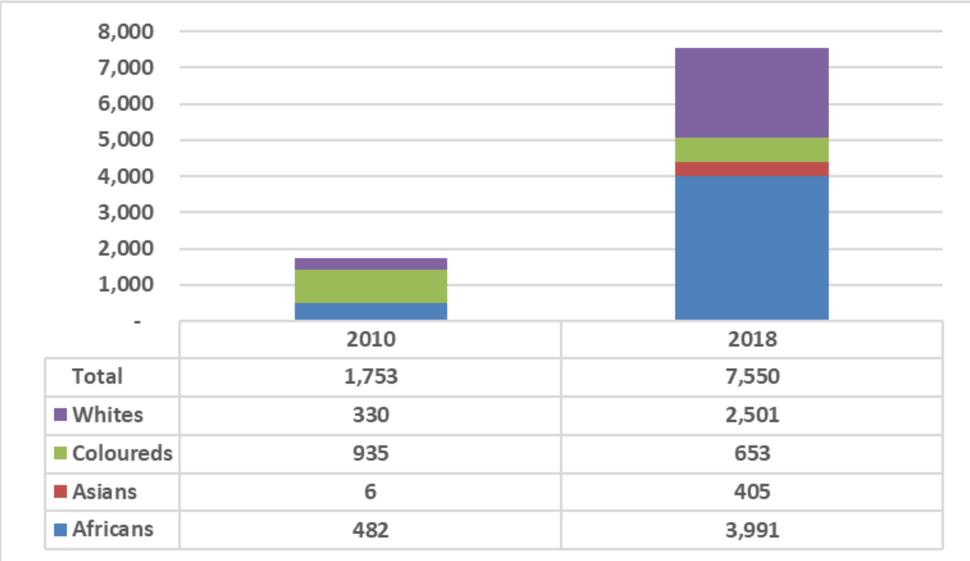
3.3.6 Mpumalanga



	2010	2018
Total	13,996	13,902
Whites	3,924	4,706
Coloureds	123	1,283
Asians	8	828
Africans	9,941	7,086

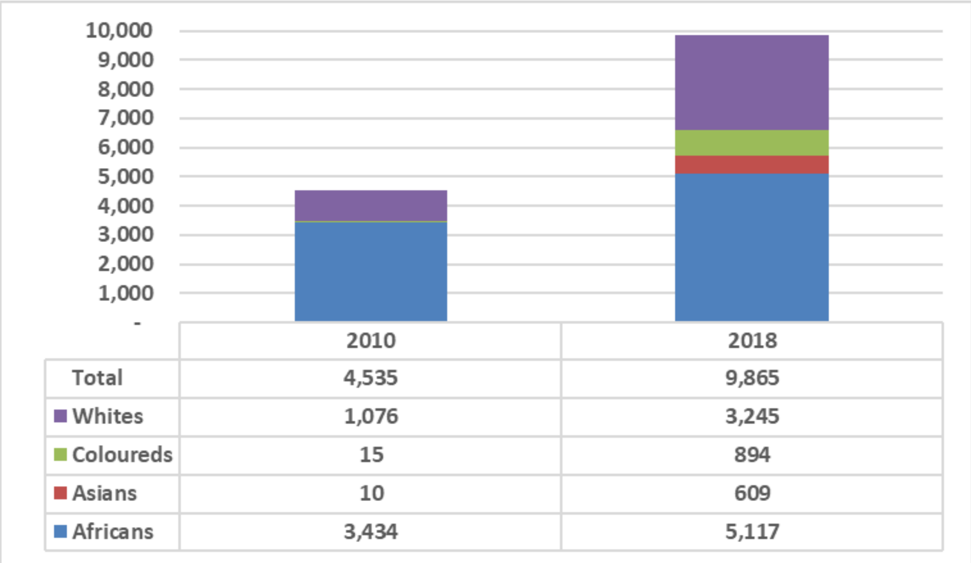
	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	-4.14	71.3
Asians	78.76	10,427.3
Coloureds	34.06	1,043.2
Whites	2.30	119.9
Total	**-0.08**	**99.3**

3.3.7 Northern Cape



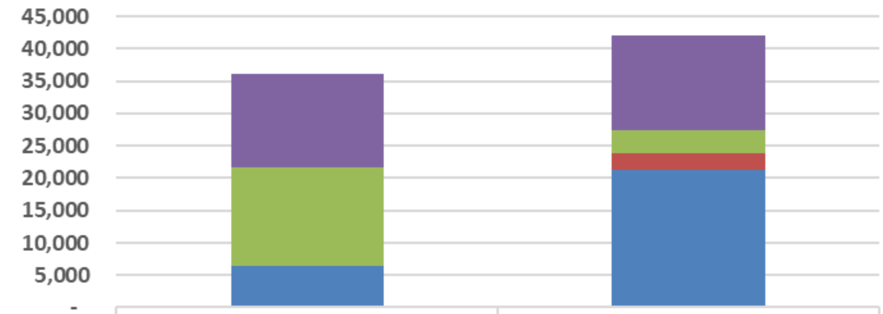
	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	30.24	827.9
Asians	69.42	6,789.0
Coloureds	-4.40	69.8
Whites	28.80	757.4
Total	**20.02**	**430.6**

3.3.8 North West



	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	5.11	149.0
Asians	67.68	6,250.1
Coloureds	66.38	5,873.2
Whites	14.79	301.5
Total	**10.20**	**217.5**

3.3.9 Western Cape



	2010	2018
Total	36,116	42,135
Whites	14,476	14,703
Coloureds	15,238	3,606
Asians	68	2,626
Africans	6,334	21,201

	Compounded Annual Average Growth Rate (2010-2018)	Indexed Growth (2010=100)
Africans	16.30	334.7
Asians	57.76	3,836.9
Coloureds	-16.49	23.7
Whites	0.19	101.6
Total	**1.95**	**116.7**

3.4 Conclusion

In conclusion it is very important to highlight that there is a gradual improvement in South Africa in ensuring that the Creative and Cultural Industries become more inclusive and conforms to the National Government Policy on Black Economic Empowerment. From a government policy point of view it is also evident as shown in the Industrial Policy Action Plan (IPAP) of 2017 as well as of subsequent years, that the CCI industries are considered as a driver for economic growth, and that Transformation in this sector should be promoted and fostered.

Important to note is that the issue of Transformation as well as Ownership can only be deduced based on a number of key indicators such as employment, level of equity, dividends, income that provides key information on transformation as well as ownership patterns across the various CCI Industries as well as sub-sectors. In the previous reports of the 2020 study, information regarding other indicators was researched, however in this report labour with a demographic profile was given primary attention. The tables below summarise the employment analysis of the CCI sectors per domain and per province into the different racial groups.

A detailed analysis as well as in depth research with regard to other indicators such as Share /Equity, Dividends, Turnover, Funding will require a comprehensive survey to be undertaken on the whole issue of Transformation and Ownership patterns across the CCI's. More so since the focus of the study is on a national level rather than on specific case studies or regions. The in-depth research which is recommended be commissioned by SACO and DSAC, is similar to the mapping study undertaken in 2014 by Plus 94. A recommendation from this labour research is that a new study that needs to be conducted by expanding the sample size to provide a higher confidence of the true representation of transformation in the cultural and creative industries.

Important to note as highlighted by the IPAP 2017 as published by the Department of Trade and Industry there has been a positive shift with regard to ownership patterns as well as Transformation especially with regard to the Audio Visual and Interactive Media, Film, advertising sub–sectors whereby historically ownership patterns were skewed towards white owned companies. For instance, DSTV Mzanzi has channelled more than R2 billion annually in promoting and funding emerging and black owned film producers as well as fund the film production value chain. Many emerging black film makers are involved in production companies. The same developments are also unveiled with regard to the advertising industries whereby the ownership patters are rapidly changing with the resurgence of black owned adverting agencies. With regard to Funding where a major transformation has happened, the IDC, the DTI and other Industry Associations such as the national Film and Video Foundation are also making strides in promoting transformation in the funding of black film makers as well as stakeholders in the CCI sector. The World Economic Forum Report of 2017 also emphasises the need for transformation across the CCI in Africa due to the catalyst role this sector play in economic development and economic growth on the continent.

From an employment point of view, it is evident as it can be deduced from the below Tables that a significant shift in terms of transformation has occurred across the CCI Domains, whereby Africans are a major beneficiary of employment opportunities. It is only at Books and Press whereby Africans are slightly underrepresented.

As far as CCI are concerned, it must be noted that as is often the case with similar studies and at this level of detail, date tend to be quite volatile with some outliers present. Given the origin of the data and multiple potential sources of volatility, no attempt has been made to "correct" the data.

Table 3.12: Employment by Racial Group within Domain for the CCI national economy. 2018, numbers

	Africans	Asians	Coloureds	Whites	Total CCI employment
A. Cultural & Natural Heritage	4,583	122	1,712	1,402	**7,819**
B. Performance & Celebration	11,179	466	2,177	3,007	**16,829**
C. Visual Arts & Crafts	9,704	750	1,279	6,055	**17,788**
D. Books & Press	9,560	567	4,969	11,554	**26,649**
E. Audio-Visual & Interactive Media	19,461	4,107	5,091	13,401	**42,060**
F. Design & Creative Services	63,782	7,434	9,335	50,318	**130,868**
Transversal Cultural Education	22,431	2,516	1,809	8,589	**35,345**
Total	**140,699**	**15,961**	**26,372**	**94,325**	**277,357**

As far as domains are concerned, Design and Creative Services is prominent, employing some 47% of the total CCI sectors employment. Other notable domains are Audio-Visual and Interactive Media (15.2%) and Transversal Cultural Education (12.5%) of the total employment of the CCI domains.

Table 3.13: Employment by Racial Group within the provinces for the CCI sectors. 2018, numbers

	Province	Africans	Indians	Coloureds	Whites	Total
1	Eastern Cape	7,348	264	2,278	4,281	**14,171**
2	Western Cape	15,000	2,029	20,294	23,716	**61,039**
3	Northern Cape	1,338	253	1,661	1,507	**4,759**
4	Free State	4,095	275	267	776	**5,414**
5	Gauteng	69,355	4,455	4,790	35,974	**114,575**
6	KwaZulu-Natal	19,638	3,486	1,181	5,001	**29,306**
7	Mpumalanga	20,755	274	866	4,759	**26,654**
8	North-West	5,911	259	330	1,371	**7,870**
9	Limpopo	8,269	747	281	4,272	**13,569**
	Total	**151,710**	**12,041**	**31,948**	**81,658**	**277,357**

The CCI sectors employed an estimated 277 357 workers in 2018, with Africans accounting for 50.7% of the total, followed by Whites (34%), Coloureds (9.5%) and Asians/Indians (5.8%).

On a provincial basis, Gauteng is by far the largest provincial employer of (41.4%) of the CCI sectors with Western Cape accounting for 22% of the total. The smallest CCI sector employment in terms of the total (1.7%) occurs in the Northern Cape.

Looking ahead, a certain degree of vigilance needs to be maintained by all parties concerned in constantly working towards improving the quality and quantity of data needed for the kind of economic analyses that are required for sound policy planning and strategic management in this field. This point is well illustrated by the exercises undertaken in this study. Hence it is of crucial importance that the commissioning of a National Survey Study on Transformation and Ownership patterns be conducted as soon as possible to take advantage of the economies of scale already created by this project. This study should be based on a sufficient and adequate sampling framework. Currently the information pertaining to Transformation and Ownership patterns with regard to the CCI's is very sparse and somewhat erratic.