# Bulletin OF THE EUROPEAN COMMUNITIES

Supplement 6/82



## Stronger Community action in the cultural sector

Commission of the European Communities

### Supplements 1982

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## Stronger Community action in the cultural sector

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#### **Preface**

• This communication was adopted by the Commission on 29 September 1982 and addressed immediately to Parliament and the Council.

It does not expound a philosophy of culture, for that would imply coming out in favour of specific ideological and aesthetic options, which is something the Community has no right to do.

Considering the impact of the economic and social environment on the cultural activities and material circumstances of those men and women who live — or should be living — by their art, the Community has a duty to provide culture with its own specific resources.

• Our communication clearly shows that to serve culture there is no need for the Community to encroach on the responsibilities of governments or of other international organizations. Without ruffling any feelings, it simply has to keep firmly within the bounds of competence assigned to it, which are already wide enough.

One expression seems to me to epitomize the spirit in which we compiled this paper: instead of speaking about 'artists' we speak about 'cultural workers'. This is intended to show that the Community is concerned with creators (writers, composers, painters...) and performers (actors, musicians, singers and dancers...) seen in terms of their social situation as employees or self-employed people and not of their artistic personality which is their business and theirs alone.

• The credit to the Commission lies in having made no secret of the fact — the very grim fact — that very many cultural workers remain outside the mainstream of social progress.

Indeed, we say loud and clear that something must be done, and quickly, to bring them all in from the cold.

So, as we consider what must be done to conserve the architectural heritage or assess the impact of the rise of the audiovisual media (television and radio broadcasting, cable networks, machines for private reproduction and copying...), we cannot help but give the first priority to the fight against unemployment, and specifically here to the creation of jobs in the arts.

• The media have been brilliantly successful in enlarging their audiences. It is therefore for the governments and regional and local authorities to help to enlarge the audience for other branches of creative art and for the dissemination of culture. The Commission is ready to make its contribution.

If the world of books, the performing arts — opera, ballet, concerts or the theatre — and the cinema are to continue to give employment to authors, composers and performers, wider readership and wider audiences must be secured.

The problem of feeding the media with programmes is already with us, and will become still more acute with the foreseeable proliferation of television channels and the imminent début of the European satellite(s).

If we allowed those authors and interpreters who can work for the media to disappear, we would end up in a perfectly absurd situation. For what would be the point of having such miraculous means of transmission if we no longer have anything to transmit or are doomed to inanity?

• We must help the cultural workers to pull through a particularly difficult time so that they can look forward to a promising future. For they will soon find broad openings not only in the greater cultural demand resulting from the broadening of education and the extension of leisure time but also in the continuing development of the media.

Goston F. Thom

Gaston E. Thorn
President of the Commission
of the European Communities

#### Introduction

The Commission considers that the time has come to take stock of its activities in the cultural sector. Nearly five years have passed since the communication of 22 November 1977 entitled 'Community action in the cultural sector'.1 An initial assessment can now be made.

Major developments have occurred and currents of thoughts are emerging, both of which justify further appraisal.

The 1977 communication made both the institutions and those involved in cultural life aware of two things - the EEC Treaty covers cultural activities, and the institutions are mindful of the problems of cultural workers.

The Commission welcomes the altogether favourable response to its communication from the European Parliament 2 and the Economic and Social Committee.3

That paper was based on two findings:

- Works produced by cultural workers and services supplied by them are products and services covered by the rules of the common market in the same way as other products and services and can obtain the maximum possible practical benefit through the application of those rules.
- Artists who create or perform works must benefit from measures taken under the Treaties to achieve social progress (legislation, assistance from Community funds, Community policies, etc.) like all other workers.

The Commission considered, and still considers, that Community action in the cultural sector should be both complementary and subsidiary to what was already being done internationally. There is therefore no duplication with the efficiently run activities of organizations like the Council of Europe, for which the development of culture is a prime objective.

The support given by the budgetary authority, Parliament in particular, has been such that the funds set aside for the purpose have increased steadily, from 20700 EUA in 1976 to 706 500 ECU in 1982.

The Commission has thus been able to finance a programme reflecting the guidelines set out in its communication. The main thrust has been the financing of 'Community grants', which provide a number of young people with the opportunity to undergo basic or advanced training in various cultural professions, plus support for a number of cultural events of European interest.

The compatibility of this cultural purpose with a Community the nature and objectives of which are defined in primarily economic terms has been under consideration at the highest level ever since the problem first came to the forefront of attention at the Paris Summit of October 1972.

Ten years later fresh concern was expressed even more cogently, both in the Memorandum on the Revitalization of the Community presented by the French Government4 and in the draft European Act sponsored by Mr Genscher and Mr Colombo.5

The work of Parliament's Committee on Youth. Culture, Education, Information and Sport has also made a valuable contribution. This paper largely takes its cue from the reports - on the social situation of cultural workers, on regional cultures and regional languages, on conservation of the architectural heritage, on promotion of the cinema, etc. - already adopted or being drafted by that Committee, and from the discussions held last year following a programme statement by the President of the Commission and a public hearing for cultural workers. As a result of the discussions of 24 November 1981, the Commission was able to identify the problems of the cultural sector, learn exactly how cultural workers feel about solutions to be worked out and ascertain that the principles and practicalities of those solutions had Parliament's support.

Finally, the Agreement setting up the European Foundation was signed on 29 March 1982.6 The Commission's own activity will in due course have to dovetail with the work of the Foundation, whose role and purpose is mainly cultural. The needs of cultural life are so many and so varied that there is room for both Community action and the work of the Foundation, for they will be following quite different approaches. Their respective resources are not merged, but rather complement each other. Besides eliminating any duplication the aim must be to establish fruitful collaboration.

<sup>&</sup>lt;sup>1</sup> Supplement 6/77 - Bull. EC.

<sup>&</sup>lt;sup>2</sup> OJ C 39, 12.2.1979. <sup>3</sup> OJ C 128, 21.5.1979.

<sup>&</sup>lt;sup>4</sup> Bull. EC 11-1981, point 3.5.1. <sup>5</sup> Bull. EC 11-1981, point 3.4.1.

<sup>&</sup>lt;sup>6</sup> Bull. EC 3-1982, point 1.2.1 et seq.

4. In the light of experience this paper makes proposals for stronger Community action in the cultural sector and indicates the priorities.

No one expects the Community to become involved in academic argument over the definition, purpose and substance of culture, or to arrogate any executive powers or even the slightest guiding function.

Nor indeed is the aim to coordinate Member States' cultural policies. The Council of Europe is known to be doing this effectively by acting on national cultural policies through a constant exchange of information, experience and ideas.

Besides cultural policies, which necessarily apply at national, regional and local level, the Community's role is determined by the powers and resources available to it under the EEC Treaty.

5. The Community must bear the same economic and social responsibilities towards the cultural sector that it bears towards other sectors under the Treaties. Community action in the cultural sector is a form of economic and social action and consists of applying the EEC Treaty and Community policies to the situations, themselves economic and social, in which culture develops; far from being neutral towards its preservation and development, these situations have a profound impact on it.

Application of the Treaty to the cultural sector is sometimes general (measures covering all sectors, including culture) and sometimes specific (measures specially designed for it).

The Commission is naturally mindful of the specific nature of the problems posed by the cultural sector in relation to the Treaty.

- 6. Stronger Community action in the cultural sector will have to be organized along the following four lines:
- freedom of trade in cultural goods;
- improving the living and working conditions of cultural workers;
- enlarging the audience;
- conservation of the architectural heritage.

Only the main features of each of these four topics will be considered here; other aspects and future prospects are treated separately in annexes.

#### I - Freedom of trade in cultural goods

7. Article 36 of the EEC Treaty leaves the Member States free to prohibit or restrict exports of 'national treasures possessing artistic, historic or archaeological value' under certain conditions.

But apart from the altogether justified exception provided by Article 36, the Commission cannot allow barriers to freedom of trade in works of art. Such barriers are incompatible with Articles 30 to 34. They also run counter to the interests of creative artists, traders, and the influence of national cultures. Finally, although the traditional concept of 'national heritage' must not be abolished for any particular works of art, it should be gradually expanded for quite a number of others to culminate in a new concept of 'Community heritage', indicating that works taken to another Community country will less and less be felt as a loss to the country of origin.

The Commission is planning to set up a group of experts to examine national arrangements and practices which constitute barriers to free trade in works of art. The group would also evolve criteria on the basis of antiquity, rarity, cultural significance, etc. — which would help in assessing barriers in the light of Article 36.

Cultural workers will be among the first to benefit from freedom of trade in works of art and cultural goods in general. Artists in the plastic arts will be able to exhibit their works in Community countries other than their own with a minimum of formalities and at very little expense. Actors, musicians and film directors will enjoy the same advantages when they travel with their scenery, instruments or equipment. The aim is to solve what is both a practical and a psychological problem: in practical terms, formalities still required at internal Community frontiers are time-consuming and expensive and the deposits which must still be paid can often be substantial; psychologically, cultural workers and organizers of cultural events, including exhibitions, will not feel they are living in a Community until they can move works of art and equipment from one country to another almost as easily and as cheaply as between two towns in the same country.

The Commission has already put to the Council a proposal for a regulation introducing arrangements for movement within the Com-

munity for goods sent from one Member State for temporary use in one or more other Member States, which, if adopted, will have a dual impact on freedom of trade in works of art and various cultural goods; and, in some cases, deposits will be abolished.

The formalities will be simplified even further if the Council adopts a second regulation recently proposed by the Commission.<sup>2</sup> This proposal concerns intra-Community trade in goods generally, and will apply to cultural goods like any others.

9. If the simplification of formalities that achieving free trade in cultural goods entails is carried through, the result will be the relaxation, if not the complete disappearance, of checks which can sometimes stop traffic in stolen works of art — though they have, of course, never succeeded in eliminating it. Any progress towards freedom of trade must therefore be backed by measures to supersede the checks — and, if possible, to better advantage. The main aim of these would be to make it more difficult to dispose of stolen works of art.

To improve the chances of recovering them, the Commission is planning to introduce record cards for works of art (See Annex I). A point to note in this connection is that the success of any search for stolen works is often compromised because the owners or those in charge of them are unable to provide photographs and descriptions for swift identification.

## II - Improving the living and working conditions of cultural workers

10. The 'improved working conditions and an improved standard of living for workers, so as to make possible their harmonization while the improvement is being maintained' (Article 117 of the EEC Treaty) can scarcely be quoted in connection with cultural workers without mentioning the means the article provides for attaining that objective, and the means set out in Article 118. Most of the points in these articles are to be found in Annex II to this paper: harmonization of laws, studies, employment, basic and advanced training, collective bargaining between employers and workers. But before we consider the details we need an overall view focused on employment, protection of cultural workers

in the widest sense of the term, national aids and freedom of movement and establishment.

Special consideration will be given to a major category here, namely cultural workers in the regions.

#### The cultural sector and employment

11. Employment is certainly the key problem of the cultural sector, in both negative and positive terms; registered unemployment in the cultural occupations far exceeds the already distressing levels in industry (unemployment among actors, for example, is running around 80% in most Community countries), yet the cultural sector could not only improve its own employment situation but also offer new jobs elsewhere.

Besides the often quoted example of creating jobs for the conservation of the architectural heritage and the employment spin-off in tourism, creation of cultural employment generates a further wave of activities to which industry, commerce and the crafts must respond.

Despite the tide of modernization and rationalization sweeping into its 'industrial' side (notably the media), the cultural sector can still be termed a 'labour-intensive sector'. This makes it one of the resources for combating unemployment. Conservation of the architectural heritage absorbs a great deal of labour and with assistance could absorb more. Jobs can also be created in the arts and crafts and in an area where demand is high - the organization of socio-cultural activities. Finally, though unemployment there is particularly high, the stage also offers scope. Clearly, there can be no question of creating jobs where they already abound - in the capitals and big cities. They must rather be created where they can meet real needs - in small towns and rural areas, where there is a potential audience for music, theatre and the dance.

<sup>&</sup>lt;sup>1</sup> OJ C 227, 8.9.1981. The terminology of this regulation calls for two clarifications:

<sup>•</sup> the word 'goods' covers not only the cameras, equipment and instruments used by the press, the cinema, radio and television, theatre companies, orchestras, etc., but also works of art;

<sup>•</sup> the expression 'for temporary use' does not mean that all the goods must return to the country of origin: works of art can thus be sold in the country to which they were transnorted.

ported.
<sup>2</sup> OJ C 203, 6.8.1982.

Job creation in the arts cannot, however, be considered in isolation. To be effective, any attack on this front means that governments and local authorities must be willing to make the necessary investments and that the causes of unemployment have been clearly determined. These vary from country to country and profession to profession. They range from a lack of suitable training to a lack of investment to a lack of public participation.

The Commission wishes in particular to highlight the fact that there are inadequacies on the supply side in certain branches of cultural activity. By means of studies and statistics it has been collating the data needed to spot the gaps and fill them, mainly through recourse to Community instruments. But we must go further. The Commission proposes to conduct a survey. in liaison with the Member States, of unsatisfied demand (for orchestra players, for instance, (if not soloists) or for creative craftsmen). Training programmes, which would qualify for assistance from the Social Fund, would then be introduced. If the Member States so wish, the Fund could provide assistance, under the conditions and limits set by the current rules, to mount training programmes and create jobs in the arts. The Commission undertakes to give careful and sympathetic consideration to projects submitted and, if necessary, adjust the mechanism at its command.

#### Protection of cultural workers

12. According to the International Labour Organization the average income of cultural workers 'is often below subsistence level'. It is no wonder then that many of them leave their jobs and that most of those who stay are compelled to devote the greater part of their time to a second occupation.

Over the past 25 years the workforce in the cultural sector has declined by half. There is a danger that one day there will be a general shortage of qualified cultural workers.

Cultural workers must especially be protected against risks related to social security entitlement and against the adverse effects of the development of techniques for the reproduction and transmission of the written word, sound and vision. Also, certain tax legislation is inappropriate to their living and working conditions.

• According to the findings of a study

organized by the Commission, the main problems arising from social security for cultural workers are that for wage-earners the requirement of a minimum period of occupation precludes benefits for those in need of them, while for the self-employed it is very difficult for most authors and plastic artists to pay both the employer's and the employee's contribution. Two Member States have found an answer to the second problem. France and the Federal Republic of Germany have adopted a solution based on the concept of the collective employer. In the absence of an individual employer for each author or artist, the publishing houses and the art business finance the employer's contribution for the whole profession, of which one or the other is the user. The Commission will urge the other Member States to follow suit.

• Technological development poses particularly complex problems. It is true that radio and television, for example, provide jobs for cultural workers and promote cultural events. It is also true that cultural workers cannot adopt a purely defensive stance. They could in fact take advantage of the boom in audiovisual techniques. But they still need protection, for technological development is tending to favour some cultural workers and penalize others. The reason is that work opportunities are limited because a single live performance reproduced and relaved through space and time can reach spectators or audiences who could otherwise have been reached only by a whole series of performances or concerts.

Commission departments have just completed preliminary studies on guidelines for satellite and cable television. The Commission is expected to approve these guidelines in the near future.

One of the consequences of technological development is that authors' and performers' work is used internationally. But protective legislation was invariably conceived in a national context. This leaves loopholes in protection, which can be plugged only by legislation covering several countries at once.

• There follow just two examples of tax provisions unsuited to the living and working conditions of cultural workers: since plastic artists are currently exempt from VAT only in Denmark

¹ 'La condition de l'artiste, aperçu général des problèmes de l'emploi et des conditions de travail et de vie' (16.8.1977).

and France, the legislation of the other EEC countries submits them to the same formalities as industrialists and businessmen; for the basis of assessment, a method of calculation which reduces VAT on works of art operates only in France, in the United Kingdom and, for antiques only, in Belgium, Obviously, plastic artists are not organized to cope with complicated formalities. Nor can there be any doubt that if the burden of VAT was lightened throughout the Community, on the one hand sales of contemporary works of art would recover (directly benefiting artists at a time when they are being hard hit by the economic crisis) and on the other there would be less incentive to export valuable antiques to non-member countries.

The Commission would point out that it transmitted to the Council some time ago a proposal for a directive <sup>1</sup> which, while its scope is not exclusively cultural, would none the less constitute an initial step towards adapting VAT to the living and working conditions of plastic artists and to the situation of the art market. The proposal stipulates that:

- for direct sales, plastic artist should be exempt;<sup>2</sup>
- for business transactions involving antiques as well as contemporary works (originals), the tax base should be calculated not on the total sale price but only on the profit margin actual or a flat 30%.<sup>3</sup>

#### National aids

13. There is no question of prohibiting a Member State from giving special aid to any particular branch of culture, even if it is organized industrially, to aid the persons who perform their professional activity there. But the granting of aid must never be subject to a nationality clause.

In one particular cultural industry — the cinema — the Commission believes that aid schemes to encourage the development of national productions may exist, provided thay do not contravene the basic rules of the EEC Treaty.

It is worth noting that in Ireland authors, composers and plastic artists are exempt from income tax.

#### Freedom of movement and establishment

14. The Commission feels that in general terms it is vital for cultural workers to enjoy full

freedom of movement and establishment. The exercise of the rights they share with other workers — whether wage-earners or self-employed — could be facilitated by the proposed Council directive on right of residence for nationals of Member States in the territory of another Member State.

Meanwhile, those who live by their art must be assured that the freedom of movement and right of establishment deriving from the Treaty apply to them.

#### Cultural workers in the regions

15. The member countries of the Community contain a wide cultural and linguistic diversity, which enriches the life of all their citizens. Regional and minority languages must be protected and supported by the Community, especially at a time when they are threatened by the commercial forces of economic and technological change. There is growing recognition of this need among the Member States, and all governments are encouraging less-spoken and minority languages within their frontiers.

Much has been said about regions and regional cultures for some 10 years now. But there has been little mention of cultural workers living in a specific region who are working to preserve and portray a specific regional culture.

How are they faring? Their situation is actually worse than that of cultural workers in general. Competition may be less keen, but opportunities are fewer. Openings for their work are limited.

The best of them leave to seek a living which they cannot find locally.

Something must be done quickly to stop this exodus and assure a definite presence of cultural professionalism in the regions. Regional cultures stand in need of professionalism no less than those with a wider spread. Without professionals they will wither away and the regions will be all the poorer. Added to which, cultural workers

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<sup>&</sup>lt;sup>1</sup> OJ C 26, 1.2.1978 (Proposal for a Seventh Council Directive on the harmonization of the laws of the Member States relating to turnover taxes — Common system of value-added tax to be applied to works of art, collectors' items, antiques and used goods).

<sup>&</sup>lt;sup>2</sup> They may, however, opt to be taxable.

<sup>&</sup>lt;sup>3</sup> Taxable persons remain entitled to opt for the standard scheme.

<sup>&</sup>lt;sup>4</sup> OJ C 207, 17.8.1979; OJ C 188, 25.7.1980; OJ C 292, 11.11.1980.

have the same right as others to 'stay where thay belong'.

As part of specific projects for the economic development of the region concerned, the European Social Fund and the European Regional Development Fund could contribute towards the training of cultural workers in the regions and towards the creation of local employment in the cultural sector.

But the problem is to determine how this aid could be really effective. Since cultural workers in the regions have never had any help whatsoever, it has been necessary to start from scratch. So in 1981 the Commission mounted a pilot project in collaboration with the Royal National Eisteddfod of Wales.

Integrated regional development programmes (especially the Mediterranean programmes now being prepared) would offer a highly appropriate setting for ERDF operations in favour of regional cultural workers.

In general terms, the Commission considers that economic and social measures to assist cultural workers in the regions, who will also benefit from measures planned for other cultural workers, will serve as an effective means of protecting and supporting regional cultures and languages.

#### III - Widening the audience

16. The development of radio broadcasting, television and new reproduction and relaying techniques for sound and vision has led to a substantial increase in the number of people reached by the various forms of cultural expression. This development must, however, be accompanied by specific measures. We cannot be satisfied with a trend which, however favourable, is confined to one — admittedly the major — channel for disseminating culture.

Widening the audience involves offering other types of contact with culture, such as 'live' performances in the theatre and concert hall, and cinema showing of films. In the first case there is a direct rapport between performers and audience and in both cases the work is not put on for one individual but for a group of individuals who, together, form an audience.

'Live' culture must be encouraged not only because of its special role vis-à-vis the public but

also because the constant creation it generates feeds the media with material and supplies them with accomplished performers. As will be seen from Annex III, Community action in the cultural sector is pitched at various levels — beginning with the young — and exploits various resources — including cultural exchanges — to widen the audience. European Music Year, to be held in 1985, should also be decisive in that respect.

A wider audience would offer cultural workers more opportunities for work and thus enhance their earnings.

17. The expansion of the audiovisual media is bound to have social, economic and cultural implications.

The task to be accomplished by Community action here hinges on the social implications, in other words on how audiovisual techniques will affect the earnings of creative artists and the jobs and incomes of performers.

The problems posed by the economic and cultural implications can be overcome only through close collaboration between the Community, the Council of Europe and the Member States.

The main consideration with the economic implications is that the activities of the audiovisual media easily spill over national and Community borders. It is to be hoped, therefore, that the Community and the Council of Europe will pool their efforts and work together on the question how far and on what terms the cultural industries should help to finance the branches of the cultural sector — such as literature and the theatre — from which they take their raw material and whose viability they are reducing by their keen competition. The aim should be some kind of equalization between the profitable and unprofitable branches of the cultural sector.

The cultural implications are clearly more complex.

It is for the Member States to decide how they must — and can — adapt their cultural policies so that wider dissemination does not lower standards and that the expression of the various cultural identities is preserved.

Many of the decisions which must be taken could be prepared in the Council of Europe, which has wide experience of cultural policy and a broader geographical coverage.

The aim of a European audiovisual policy will be to avoid ruinous competition between the media and get them to work together to disseminate European culture, guaranteeing each country its rightful place in the Community and in the international context.

18. The cinema in Europe is facing special problems, from country to country, in holding or expanding its audience. Although many films are shown on television, the only way to appreciate a film is to see it in the cinema.

One of the reasons for the decline in cinemagoing is that despite their quality and attraction, Community-produced films have failed to establish themselves in distribution networks in the face of commercial competition from American-produced films: distribution of European-made films is not yet efficient enough on the world market, on the Community market, and even on individual national markets.

The best way to secure more effective distribution would surely be for Community distributors to establish a European network whose strength would help to balance the American majors.

A start could be made with a trial period in which Community action, consisting mainly of ensuring that a sufficient number of copies are released, will facilitate the distribution of films to be selected at a European Film Festival.

## IV - Conserving the architectural heritage

19. There is no need to dwell upon the cultural justification for conserving the architectural heritage, given the splendour of that heritage in the Community and the value that Europeans attach to it.

The point to stress is rather that the legal basis for the Community's contribution to preserving this heritage lies in the fact that it is a contribution to a rich resource that generates economic activity (tourism, scientific research, art publishing, etc.) and that conservation is itself an economically and socially viable activity for the firms and workers connected with it.

Apart from the fact that each project keeps or creates jobs on a site, a well-preserved architectural heritage is a tourist attraction which helps to raise the living standards in the regions.<sup>1</sup>

20. Community action in the cultural sector is helping to preserve the architectural heritage in more ways than one. Community grants or scholarships are being awarded to training centres for various trades (including the craft trades); young people are being trained in heritage management; voluntary holiday work camps are being encouraged; the use of nuclear conservation techniques, as practised at the Centre d'Études Nucléaires in Grenoble, is being promoted.

These various initiatives — to which the Community must continue to contribute — are now being supplemented by new possibilities for financing conservation projects — loans from the European Investment Bank, at a reduced rate of interest, in line with the appropriation that Parliament inserted in the Community budget.

Solving the problems of selection involved in financing conservation will be made easier by the results of a study to be commissioned on the economic and social viability of conservation projects.

The Commission is also preparing the three operations described in Annex IV.

#### New possibilities for financing conservation

21. Article 130 of the EEC Treaty states that the task of the European Investment Bank shall be to facilitate by means of loans the financing of projects 'for developing less developed regions' and also for bigger projects of common interest to several Member States which are beyond the budgetary resources of any one of them.

The second category of projects covers only constituents of the architectural heritage whose dilapidation would be an irreparable loss to the Community as a whole.

In contrast, projects 'for developing less developed regions' appear more frequently. They sometimes fall into that category because they are a substantial part of a programme to develop the tourist potential of a region, whose economic and social development will benefit.

The Bank has already said that in principle there is nothing to stop it granting conservation loans for certain architectural projects, provided they

<sup>&</sup>lt;sup>1</sup> Supplement 4/82 - Bull. EC, Initial guidelines for a Community policy on tourism.

meet the Bank's criteria and rules concerning eligibility.

Moreover, the appropriation entered in the Community budget will allow interest rates on such loans to be reduced. The Bank's rates are among the most advantageous for loans of this kind, but they are still close to those on the capital markets where the Bank obtains its funds. They may be too dear for promoters of conservation projects. A restored monument does not yield the same profit, out of which the loan can be repaid, as a recently built or expanded factory.

Lastly, the loans from the EIB's own resources and the interest subsidies borne by the Community budget are not the only sources of Community financing. Depending on the project, these loans and interest subsidies might also be supplemented by financial assistance from other Community Funds. A case-by-case assessment should be made to determine whether and to what extent assistance from one or other of these Funds would be possible.

## Economic and social viability of conservation projects

22. When considering the pros and cons of a particular project the public authorities can fairly easily estimate both the cost and the benefit in terms of the number of people employed on the site. But it is hard for them to forecast the spinoff in tourist employment and altogether impossible to gauge in advance other economic and social adventages, such as the impact on regional development and the regional environment.

The Commission will set up a group of experts to work out a method to enable those responsible to carry out a cost/benefit analysis of every intended conservation project.

Clearly, this will simply serve as a pointer to guide the decisions that the national, regional and local authorities will have to take.

## The architectural heritage and the environment

23. In conclusion, it must be remembered that

certain forms of pollution and nuisance are capable of causing irreversible damage to Europe's architectural heritage. For this reason the Commission intends to ensure that the conservation aspect is given its proper place in the action programme on the environment. One of its first tasks will be to list the buildings at greatest risk and to continue studies defining criteria for establishing cause-and-effect relationships for various types of pollution and nuisance.

The Commission proposal for a Council directive concerning the assessment of the environmental effects of certain public and private projects <sup>1</sup> makes provision for all applications for planning permission to contain a description and assessment of effects on the architectural heritage.

#### Conclusion

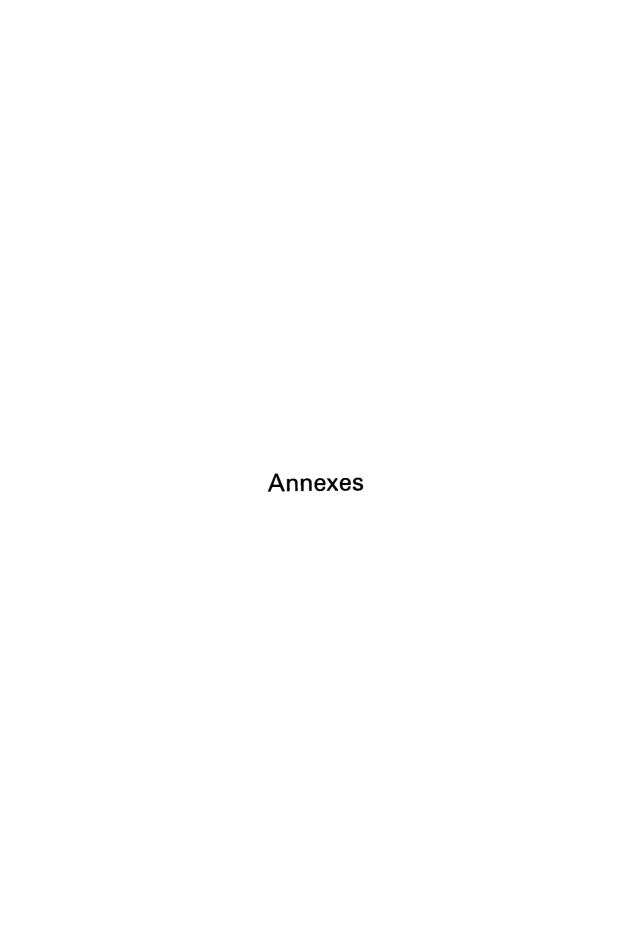
24. There is no pretension to exert a direct influence on culture itself or to launch a European cultural policy; what stronger Community action in the cultural sector means in effect is linking its four constituents — free trade in cultural goods, improving the living and working conditions of cultural workers, widening the audience and conserving the architectural heritage — more closely to the economic and social roles which the Treaty assigns to the Community, to the resources — mainly legislative — that it provides, and to the various Community policies (vocational training, social and regional policies).

The Commission would ask Parliament and the Council to take note of its intentions with regard to stronger Community action in the cultural sector.

It is convinced that Parliament and the Council will make a valuable contribution to the debate it intends to organize.

It will present concrete proposals to the Council in the light of this debate.

<sup>&</sup>lt;sup>1</sup> OJ C 169, 9.7.1980; OJ C 110, 1.5.1982.



#### Record cards for works of art

- 1. It is obviously useful to have a photograph when searching for stolen art works, but it is not enough in itself and must be supported by other means of identification.
- 2. The Commission will instruct a group of experts to compile the list of headings to be put on a form to be used by owners or custodians of works of art.

By filling in this form for each major work that they own or have charge of, they will be able to establish the record card for that work; when combined with the photograph, it will constitute a kind of identity card.

Should the work be stolen, the card can be given to the police and customs and to as many as possible of those people — museum curators, dealers, collectors — whose good faith the thieves or pedlars will try to abuse.

Announcements in the trade press, or in especially serious cases in the ordinary newspapers, and on television will also be possible.

- 3. A general register of thefts will be compiled from all the cards on stolen works. It will be kept in one of the Member States by an office (to be specified) which will make all the necessary arrangements so that those concerned can consult it if they have doubts about the provenance of an item offered for sale to them.
- 4. It should be emphasized that:
- the cards will not give technical details of the kind familiar to art historians, but a simple description that the layman can understand;
- use of the cards will be voluntary and no charge will be made; they will not be compulsory but simply a facility offered in their own interest to owners and custodians of works of art, who will keep their cards to themselves and make them public only after there has been a theft.

#### Annex II

## Improving the living and working conditions of cultural workers — Specific measures

1. The first part of this annex considers in operational terms the principles set out in a number of articles of the EEC Treaty, in particular Articles 117 and 118.

The second part deals with harmonization of taxation both of cultural workers and of culture.

## Harmonization of laws on copyright and related rights

2. The work now being done by Commission departments will result in a 'green paper' which will open a wide-ranging debate on these rights and relevant legislation.

The harmonization of laws will also have to cover the work of creative craftsmen and photographers as well as *droit de suite* for plastic artists.

#### Authors' and performers' rights

3. Because of its impact on employment, technological development has been seen to impoverish those who hold these rights. The general depression of their standard of living is in large part due to the anachronisms of legislation, which is trailing well behind technology. The Court of Justice has already spoken out against 'the breach made in legal systems for the protection of copyright by the increase in the use of reprography'.

Reprography is not the only problem. There is also the problem of private recording by individuals using the latest reproduction techniques, a problem which will grow with the increase in the number of programmes offered in the home: cable networks, local television and, shortly, satellites.

The measures being prepared will modernize the legislation so as to give authors and interpreters better protection against the adverse effects of technological development on their employment and their remuneration.

Case 90/79 Commission v France [1981] ECR 283, at p. 302.

Good care will be taken not to overlook one particular practice which undeniably constitutes a criminal offence — pirating. The Community is duty bound to take action to counter what amounts to theft of the remuneration that authors and interpreters should get from the legitimate use of records, films and books in which they have invested their labour. It goes without saying that any such measures must surely fail if they are applied by each country on a purely national scale.

Two directives are also planned.

The first is specific to composers and playwrights. It takes account of what is in many respects a welcome trend in the financing of concerts and theatres. It often happens that government and local authority pay almost as much in subsidies as the public pays at the box office, and sometimes even more. The composer or the playwright suffers in that his remuneration is still calculated only on box office receipts, whereas those receipts have to meet only the portion of the expense that the grant does not cover and so do not increase very fast, certainly not as fast as the general cost of living. A new method of calculation should be applied so that the benefit of the grants is equitably shared between the three parties involved - the organizer of the concert or performance, who has very heavy expenses, the members of the audience, for whom the grant ensures reasonable prices, and the composer or playwright, who is otherwise unfairly robbed of a share of the actual receipts.

The second is more general in scope. It will replace by a single copyright period followed by a period of collective authors' rights the five different copyright periods still operating in our 10 countries, which raise barriers to trade and distort competition. If nothing is tried before the accession of Spain the Community will eventually have six copyright periods ranging from 50 to 80 years.

#### Protecting the work of creative craftsmen and photographers

4. The importance of this protection is commensurate with the cultural and social role of creative craftsmanship and the wide use to which photographers' work is put.

#### Droite de suite for plastic artists

5. In its 1977 communication on Community

action in the cultural sector the Commission annonced its intention of arranging for the introduction of 'resale rights' (droit de suite (Sheet 2)) in those countries which have not yet done so. The Commission is still convinced that something must be done to remove the inequality between the plastic artists in those countries and their counterparts in countries where the droit de suite assures them and their heirs of a share in the proceeds from successive sales.

#### Studies

6. Until the Commission made a start on its studies on the economic, social, legal and taxation aspects of the world of literature, fine arts, music and the stage, little work had been done in this field in the Member States and none at all by the Community. These aspects with the laws that govern them and the prevailing practices were a kind of uncharted territory.

The studies that have been made have established the contours of the cultural sector. They provide a firm basis for Community action. They also elucidate the various measures to be taken by the ministers with responsibility for culture and by the various circles actively concerned; in both cases extensive use has been made of the studies.

This exploration is, of course, by no means complete; further studies still need to be made.

7. Wishing to have statistics to back up the studies for the sake of complete and reliable information, Parliament called for straight application of the second paragraph of Article 122 of the EEC Treaty, and invited the Commission to instruct the Statistical Office to gather and update statistics on the levels of employment (which really means unemployment), remuneration and social benefits among cultural workers.

An outside institute has already been asked to devise a method of collating and processing the statistics. This work will soon be finished. The Office will then continue by means of successive studies to improve the information on one or other of the main features of the social situation of the cultural sector. The studies will be published as and when they are completed.

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<sup>&</sup>lt;sup>1</sup> The principle and the benefits of collective authors' rights (the public domain associated with the distribution of proceeds from royalties) are explained on Sheet 1 attached to this paper.

#### **Employment**

8. By means of an amendment in the 1982 budget Parliament inserted an article headed 'Promotion of the cultural sector', which it justified as follows: 'The purpose of this article is to contribute towards the financing of a variety of projects and pilot schemes aimed at offering the public a wider variety of forms of cultural expression, thereby reducing the level of unemployment among cultural workers.'

The appropriation under the new article will first be used for experiments to promote the cinema, the theatre and poetry, as well as the plastic arts in the form of the travelling exhibition of 'A hundred and fifty young Community painters' (Sheet 3).

Job creation in the cultural sector is in line with the trend towards developing the tertiary sector. Moreover, the cost of the investment needed to create cultural employment is trivial when compared with the scale of industrial investments. Live performances could give employment, not only to performers, but also to a considerable number of administrators and technicians for lighting, sound, stage management and scenery design, costumes, the making of musical instruments, etc.

#### Initial and advanced training

9. Since unemployment is at one of its peaks in the cultural sector, there are many more reasonably suitable applicants for one and the same job than in any other sector. Competition is such that more than anywhere else employment hangs upon qualifications. On an extremely tight labour market the chances of getting a job are not increased by, but indeed depend on, qualifications.

Qualifications are obviously an individual solution to the employment problem. They are valid only in so far as they are part of the overall solution that national and local authorities can find, notably through cultural investments and the resultant wider audience.

In the matter of qualifications the cultural sector is no exception: cultural workers, like all other workers, get their qualifications through training and retraining.

#### **Training**

- 10. Community scholarships or grants have been instituted. They are awarded to young people who have chosen to follow one or other of the artistic occupations or crafts involved in the conservation of the architectural heritage and to a number of young people who intend to become stringed-instrument makers, instrumentalists, dancers, choreographers or composers, to name but a few.
- 11. Two training problems call for urgent solution.
- The concern for viability sometimes prompts organizers of fee-paying training courses in stage work to accept and keep students whom they know for a fact are not gifted enough to have fair chance of finding work later. Poor training standards not infrequently compromise the future employment of apparently promising students.

Legislative measures should be taken which spell out the moral and educational standards to be required of organizers and teachers giving feepaying courses.

• Of all cultural workers it is dancers, male and female, who have the shortest careers. The problem of retraining them therefore arises much earlier. In some cases the answer could well be to make them ballet-masters or mistresses, assisting the choreographer in directing rehearsals. But nowhere in the Community (or, for that matter, in other countries) does any such specialized course exist.

Ten Community grants a year should be awarded to a dancing school which starts a course for ballet-masters or mistresses.

#### Advanced training

- 12. For advanced training Community action in the cultural sector makes use of either personal contacts (Sheet 4) or multinational activity:
- at the end of their training young cultural workers may go on courses in a Community country other than their own, organized on the basis of Article 50 of the EEC Treaty;
- experienced cultural workers from several Community countries put on various cultural events, to which the Community makes a financial contribution.

The combination of at least two national practices in mounting these productions adds a new dimension to cultural exchanges. They no longer achieve only half their purpose in gratifying the audience. The performers gain from them too. Their skills are raised to the highest pitch by the valuable experience of working together.

The best-known example is the Community Youth Orchestra. It provides full training and practice in ensemble playing and figures prominently on the labour market for young musicians, many of whom owe their subsequent engagement by one or other of our major symphony or opera orchestras to it.

Another project sponsored by the Commission is that of the 'European Rooms' organized by the Norwich Castle Museum (the preparation of which involved the creation of a veritable network of museum curators throughout the Community). Luxembourg has the Wiltz European Festival, which owes its success to the efforts of German, French, Italian and Luxembourg actors, singers and musicians, who will be joined next year by a troupe of Dutch dancers.

## Collective bargaining between employers and workers

13. Collective negotiations should first endeavour to put an end to a practice still all too frequently found. Certain contractual clauses rob the economically weaker party — the author, translator, actor or musician — of one or other safeguard that the law is meant to give him.

If employers and employees in the cultural sector were able to agree on arrangements concerning translators, the Commission would make strict compliance with those arrangements a condition for granting financial assistance to publishers as part of the standing operation 'Aid for literary translation'.

#### Harmonization of taxation

14. In harmonization directives designed first and foremost to establish and operate the common market, due consideration should be given to other exigencies, including those relevant to the production and supply of cultural goods and services.

A closer study should be made of the position of cultural goods and services in the establishment

and operation of the common market, in order to define more precisely the quite substantial role that they play in it.

Harmonization of taxation could have three targets: a tax system kinder to cultural foundations and patronage; the spreading of cultural workers' incomes over several tax years; lower VAT rates on cultural goods and services.

#### A tax system kinder to cultural foundations and patronage

15. Since the scope for cultural foundations and patronage hinges closely on their tax position, the employment of cultural workers likewise depends on it.

A Council recommendation to the Member States could be considered.

#### Spreading cultural workers' incomes over several tax years

16. In some Community countries cultural workers are allowed to spread the taxable income from an exceptionally good year over several tax years. This system could well be applied throughout the Community. It does not constitute a privilege, but simply reflects the specific situation of cultural workers.

The great majority of taxpayers enjoy a broadly stable income from year to year, the only variations resulting from the declining value of money and the normal advance of their careers if they are employees or of their business if they are not. In contrast, cultural workers are rewarded at highly irregular intervals. Their works provide an income only after a long period of gestation, during which they are reduced to living on the proceeds from previous work. Or an actor may get one season's work in between a whole series of seasons when, through no fault of his own but simply because the parts are not available, he finds himself virtually out of a job. Through the effect of the tax brackets a painter may fall into a high bracket for the year of an exhibition which enables him to sell pictures, and he then has a heavy, indeed excessive, tax bill. The same thing happens to an actor in a year full of engagements.

#### Lower VAT rates on cultural goods and services

17. Compounding the difficulties of marketing, high VAT rates restrict openings and consequently employment for cultural workers.

Yet harmonization of VAT on all goods and services generally still covers only the basis of assessment.

So we have to wait for the second stage before

cultural goods and services can be subject to harmonized rates which allow for the needs of cultural workers, what cultural ventures can contribute and the exigencies of the dissemination of culture.

Sheet 1

#### Collective authors' rights

1. The public domain associated with the distribution of proceeds from royalties extends the author's right (first for himself and later for his heirs) by collective authors' rights—for all living authors.

In the Community this system exists only in Italy and, in a slightly different form, in France.

2. Clearly, an author must be paid for his work throughout his life. Likewise, this remuneration should normally go to his heirs during the 50 years after his death. What is wrong, however, is that the only effect of there being no charge thereafter is to boost the disseminator's (publisher's) profit.

As this never results in a lowering of prices, readers and audiences get no benefit from the free public domain. It has no positive effect on the dissemination of culture.

3. General application of collective authors' rights would offer substantial advantages.

The sums collected would swell the social and cultural funds set up by most authors' associations.

The needs of social funds are far from being satisfied.

The lack of resources is preventing the cultural funds from playing their role in promoting works. This means that it is the public authorities which, under their own cultural policies, bear almost the entire cost. If the authors could themselves bear a significant proportion of the burden they would have a fair share of the responsibility of promotion and would thus gain the more definite independence which the democratic countries in which we live cannot grudge them.

4. Initially, collective authors' rights will probably have to be confined to works which appear after the introduction of those rights and be applied for a specific period of, say, 20 years.

But if the intention is to secure resources for really effective action, then these rights must eventually cover all works and remain in effect for as long as there are disseminators to exploit any one of them.

The final objective is unlimited collective rights.

Sheet 2

#### Droit de suite in the plastic arts

1. This consists of payment to the artist or his heirs of a percentage of the price obtained on successive sales of the work following the initial cession.

In this way the artist obtains a financial share in the success obtained by his works throughout their life, and not just when they first appear.

For creative artists in the plastic arts the time-limit applying to the *droit de suite* is of great importance, since it is very rare for their talent to be appreciated immediately: this generally demands a considerable lapse of time.

In the absence of a *droit de suite* any appreciation in value brings no return to the creator or his heirs; however great the profits on each resale (a picture, for example, is often resold several times), they go exclusively to the successive owners and dealers.

2. Although the Member States are all signatories to the Berne Convention on the Protection of Literary and Artistic Works of 9 December 1886, into which the *droit de suite* was introduced by the revision of 26 June 1948, such rights exist *de jure* and *de facto* in only six of them: Belgium, Denmark, France, Italy, Luxembourg and the Federal Republic of Germany.

General application of the *droit de suite* would not only eliminate the socially unacceptable inequality between artists in the various countries of the Community but also a situation which, in so far as it distorts competition on the art market, is inadmissible as regards the functioning of the common market.

Since major sales (high value) tend to be held in countries where costs are lower, those countries where there is no *droit de suite* benefit from a distortion of competition within the meaning of Article 101 of the EEC Treaty.

3. The Intergovernmental Conference on Cultural Policies in Europe organized by Unesco in Helsinki in 1972 recommended that member countries should recognize the copyright of the artists concerned on all public sales of their works.

The droit de suite comes up again in the Recommendation on the Condition of the Artist, adopted by Unesco in 1980.

Sheet 3

#### The exhibition of 150 young Community painters

- 1. In 1983 and 1984 a travelling exhibition will tour nine capitals and, for Germany, the city of Cologne. It will display two canvasses by each of 150 painters.
- 2. 'Young painter' means someone who has not achieved fame but whose talent is recognized by his peers, the critics and the enlightened public.
- 3. These are precisely the painters who
- can offer the public the most striking view of painters in the Community today, and who
- need to have their work exhibited more widely in order to make a decisive stride in their

The Commission has already been concerned with their situation. In the middle of 1981, after a survey and preparation which took almost two years, it published the Handbook for Plastic Artists. Its purpose is to familiarize painters, as well as engravers and sculptors, with facilities to help them in their own countries and in other Community countries in which they wish to work. These include scholarships, prizes, help with their first exhibition, grants for purchasing equipment and studio space.

It had been found that, knowing little of these facilities, artists were not making much use of them. So the Handbook served a purpose — and a social one.

- 3. The selection of painters to be hung in the exhibition will not be on a competitive basis between the Member States. They will be selected in each country by a national committee.
- 4. The originality of this exhibition is worthy of note.

The Council of Europe, for example, from time to time sponsors widely admired exhibitions of outstanding treasures. Would the Commission, in turn, try to vie with it in terms of the prestige and market value of the works exhibited? It decided to aim for something completely different. The exhibition of 150 young Community painters will not be a glamorous collection of renowned pictures. Its great fascination is that it will display the work of artists who will the tomorrow's masters — those who will be painting for the 21st century.

#### Advanced training through personal contacts

1. Finding that personal contacts at seminars, symposia, colloquia and congresses are neither direct enough nor long enough to make any effective contribution to the advanced training of cultural workers, the Commission and the Greek Ministry of Culture and Science have mounted two operations called 'Cultural workers in Greece' and 'Greek cultural workers'. The Commission has also undertaken another project specially intended for actors.

#### 'Cultural workers in Greece - Greek cultural workers'

2. Thanks to a subsidy from the appropriation for Community action in the cultural sector, 50 cultural workers from the other nine member countries representing all the cultural disciplines spent 10 days in Athens from 10 to 20 November 1981.

Within each discipline personal meetings were arranged on the spot by the trade-union and occupational associations representing Greek cultural workers.

3. In October 1982, 50 Greek cultural workers were invited to visit Belgium's Europalia Festival, which this year was devoted to Greek culture. Small groups then each went to one of the other eight countries.

The Europalia Festival was responsible for the whole project, making it one of the major events of its programme.

Personal contacts in each country were arranged, in close collaboration with Europalia, by Cisac (International Confederation of Societies of Authors and Composers), the IAA (International Association of Art — Painting, Sculpture, Graphic Art), the Committee for European Affairs of the FIA (International Federation of Actors) and the FIM (International Federation of Musicians), Fistav (International Federation of Trade Unions of Audio-Visual Workers) and by the European Committee of Trade Unions in Entertainment and Arts.

#### Actors

4. From mid-May to the end of July 1982 a young Italian theatre company made a European tour partially financed from the appropriation for Community action in the cultural sector.

The work put on had been selected as one which could easily surmount the language barrier. It illustrated one of the great European myths, familiar to everyone, and was treated in the style of the *Commedia dell'arte*, which conveys the words through mime, gestures and movements.

It was no ordinary tour. On their journey through five other Community countries the Italian troupe did more than perform. Appearing most of the time at festivals in the Netherlands, London, Avignon and Ajaccio, they were able to meet actors in the host country and went to see the performances of those they had invited to theirs.

5. The objective was also to publicize in several countries the new method of cooperation with the reception structures for stage works that the Office for Artistic Dissemination, responsible for organizing the tour, applies within a specific national framework. Actors would stand to gain much in terms of employment if this method was applied throughout all the countries of the Community.

#### Annex III

#### Widening the audience — Specific measures

1. A number of encouraging factors are emerging on this front: broadening of education and longer duration of studies, a foreseeable extension of leisure time, a keen taste for forms of cultural expression like music or dancing, the attraction of the stage for young people, the growing interest aroused by regional cultures and the development of social intercourse.

Community action in the cultural sector should focus on widening the young audience (young people at school and elsewhere) and on organizing specific events like European Music Year. Collaboration between cultural advisers and cultural institutes in the Member States and cultural exchanges in general all have a role to play.

#### Young people at school

2. It is not enough to repeat that the broader audience of tomorrow must be prepared now and that it is therefore up to the teachers to arouse their pupils' interest in the arts. It is high time we helped them to do this. The most effective means would be to call in playwrights, actors, composers and painters everywhere who would act as their cultural assistants. By demonstrating the practice of each cultural discipline they would be attractively illustrating the imparting of the knowledge for which the teachers are fully qualified.

By applying the methods which have proved their worth for foreign language assistants Community action could promote the presence of cultural workers in the education establishments of Community countries other than their country of origin.

#### Young people out of school

3. It would be well to exploit the results of an experiment to bring young theatre companies before their natural audience. These young companies are particularly suited to young audiences.

The creative contribution that young theatre and dance troupes can make is immeasurable. They are one of the great resources of our culture. But they are more often than not working under very difficult economic conditions.

#### European Music Year

4. When the European Parliament decided that the Community and the Council of Europe would organize European Music Year – 1985, the intention was to celebrate the tercentenary of the births of Bach, Handel and Scarlatti.

But it became clear that, if a wider audience was to be reached, there was little point in sticking to the conventional approach, which often means giving the same concerts to a small audience.

European Music Year will endeavour to enlarge the audience in three directions: music in general, for young people and adults who still have no contact with it; the works of contemporary composers, all too neglected by music lovers themselves; young instrumentalists, whose early careers are often very difficult.

## Collaboration of cultural counsellors and cultural institutes

5. The Commission is glad to see that there has been some response to the suggestions it made in its 1977 communication (organization of regular meetings of cultural counsellors and joint cultural events by several cultural institutes).

Here and there, cultural counsellors are getting together. But though more meetings are being held they still lack a structure comparable with that of the cooperation between commercial and press counsellors posted in non-member countries.

Joint events between several institutes are not without precedent either. But they have hitherto been few and far between and limited in scope. Their spread would not only help to reduce the costs of cultural exchanges for each country concerned (no small advantage in the present economic situation) but would also broaden their impact.

Meetings between counsellors should be more highly organized and cultural institutes should be given the funds they need to mount joint events.

#### Cultural exchanges

6. Community action in this area is based on the following principles:

Annex II, Sheet 4 (second part).

- the events must be designed to enlarge the audience and decentralize culture;
- they must contribute, where possible, to improving the living and working conditions of cultural workers as envisaged in Annex II.

With their European dimension cultural exchanges are a natural area for Community action, the aim being to quicken the will to unite the nations of Europe expressed in the first recital of the Preamble to the EEC Treaty and the last of the objectives set out in Article 2. It will all certainly take time and patience. But gradually cultural exchanges will do away with the stereotypes and prejudices which still deform the image that each people has of the others. They will even go further and reveal the underlying unity of cultural affinities, relationships and resemblances in a diversity that there can be no question of dulling. In this way they should gradually strengthen ties between the peoples of the Community.

This is the path that the Community is following.

An interesting example of an exchange of this kind was the cycle called 'Quartet for Europe' or 'Four-City Concerts' which took place in three Community countries in October 1980. Each of the four cities involved footed the bill for a concert which then toured the other three. In each case the proceeds went to the city in which the concert was given. This experiment proved that it was possible to make cultural exchanges more flexible. It showed that what matters is the cultural value, not the cost.

It is easy to see what can be made of the Four-City Concerts idea if, as the Community's partners would like, a cultural and socio-cultural aspect is included in the next Lomé Convention. Extension of the idea to events of all types would enable us to rebalance the pattern of exchanges.

#### Annex IV

## Conservation of the architectural heritage — Specific measures

1. Community action in the cultural sector could also extend to tax reliefs in connection with conserving the private architectural heritage and to a programme of research on the sulphation of limestone, marble and brick.

It should also be possible to act on Parliament's suggestion that the Community bear the cost of conserving a monument somewhere in the Community each year.

## Tax reliefs on conserving the private architectural heritage

2. Such reliefs are to be considered not from the angle of private interests but from the point of view of financing conservation. The aim would be to release the funds needed for the conservation of buildings so numerous and so different that governments and local authorities would be altogether unable to do the work directly themselves. The private architectural heritage ranges from historic houses (stately homes and mansions, but also rural buildings like mills and farmhouses) to turn-of-the-century industrial buildings, including factories and even workshops and retail shops.

The Commission will present a proposal for a Council recommendation to the Member States. The proposal will spell out the objective, coverage and impact of the recommendation.

The objective would be the general interest of conservation, the need for which calls for a Community response.

The recommendation would concern only sites open to the public. Rare exceptions would apply to those elements of the architectural heritage which might suffer from crowds of visitors.

It would not affect the different rates of tax, involving only establishment of the basis of assessment. Lower bases would be proposed in consideration of what might be called a 'cultural servitude'. The cultural value of a building does not increase but, instead, often lowers its market value. Moreover, in the case of a listed building, right of ownership is limited by constraints imposed by the State in respect of the nature and cost of conservation work.

### Research into sulphation of limestone, marble and brick

3. The worst threat to the architectural heritage comes from atmospheric pollution caused by the use of petroleum products for heating and as a source of power for industry and transport. Most of these fuels are rich in organic compounds of sulphur, and this is the main cause of the damage. The sulphur eats into

the surface of the limestone, gradually changing it into gypsum. Corniches and statuary are gradually destroyed. Even marble, much less porous, can be badly damaged, and so can brick. No remedy has yet been found.

The Community could fund a research programme on the many aspects of sulphation (causes, prevention and treatment), about which little is yet known.

#### Annual conservation operations

4. The operations recommended by Parliament would be yearly projects in the sense that the funds for each would have to come from the budget for one and the same year. But it would clearly take several years to finish each project.

The whole of these annual projects would have

more relevance if instead of being dissimilar they were focused on a major theme, say, 'the Greek and Roman theatres'.

The gradual conservation of these theatres (which would include technical equipment for lighting and sound and improvements to the 'auditorium') might become one of the Community operations planned for the Mediterranean regions.

In more general terms, Community action in the cultural sector has a major economic and social role to play in the integrated development programmes which the Commission is preparing for the Mediterranean regions. These regions sorely need their artists and creative craftsmen, their architectural heritage, museums and festivals, and the tourists they attract, so that their cultural richness can compensate in some way for their poverty in other respects.

## Summary of action and operations

#### Freedom of trade in cultural goods

- Simplification of administrative formalities at Community internal frontiers.
- Introduction of record cards for works of art.

## Improving the living and working conditions of cultural workers

- Compiling and distributing statistics on the social situation of cultural workers.
- Further awards of Community scholarships or grants: training in the various cultural professions, including conservation of the architectural heritage.
- Assistance from the European Social Fund for training cultural workers and creating jobs in the cultural sector.
- Assistance from the European Regional Development Fund for regional cultural workers: training and job creation.
- Cultural measures under the Mediterranean integrated development programmes.
- Exchanges of young cultural workers under Article 50 of the EEC Treaty.
- Equal duration of copyright.
- General application of collective authors' rights.
- Equal duration of performers' rights.
- Adaptation of authors' and performers' rights to technological development.
- Adaptation of dramatists' and composers' rights to the financing of theatres and concerts.
- General application of *droit de suite* in the plastic arts.
- Protection against pirating, particularly in recordings.
- Protection of creative craftsmen's work.
- Protection of photographers' work.

- General application of a specific social security scheme for self-employed cultural workers.
- VAT: exemption for plastic artists; lower basis of assessment for contemporary works of art and for antiques.
- Spreading of cultural workers' incomes over more than one tax year.

#### Widening the audience

- Continuing financial support for cultural events of European interest.
- Promotion of 'live' music and 'live' theatre.
- European Music Year 1985.
- Increased contacts between young theatre or dance troupes and young audiences.
- Travelling exhibition of 150 young Community painters.
- Cultural workers in schools.
- Fostering cooperation between Member States' cultural counsellors and cultural institutes.
- Improved distribution of Community-made films on national, Community and world markets.
- Incentive to develop a European film distribution circuit.
- European Film Festival.
- Tax reliefs for cultural foundations and patronage.

#### Conservation of the architectural heritage

- Lowering of interest rates on 'conservation' loans granted by the European Investment Bank.
- Financial support from Community Funds.
- Tax reliefs on conserving the private architectural heritage.
- Development and application of a method of assessing the economic and social profitability of conservation projects: cost/benefit analyses.
- Research into sulphation of limestone, marble and brick.

**European Communities - Commission** 

#### Stronger Community action in the cultural sector

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The Community must bear the same economic and social responsibilities towards the cultural sector that it bears towards other sectors under the Treaties. Stronger Community action in the cultural sector as proposed by the Commission will be organized along the following four lines: freedom of trade in cultural goods, improving the living and working conditions of cultural workers, enlarging the audience, and conservation of the architectural heritage.