

NONPROFIT ORGANISATIONS AS PROVIDERS OF PUBLIC SERVICES IN THE CZECH REPUBLIC

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NONPROFIT ORGANISATIONS AND THEIR ROLE IN SOCIETY

Nonprofit organisations² fulfil three basic functions in a democratic society: social, political and economic (POTUCEK, 2005). Nonprofit organisations play the roles of creator of social capital that links people to their communities and to others, influencer of the political process and creator of social changes, fulfiller of participant's needs and interests, provider of services, creator of income, jobs and knowledge, as well as economic development. Nonprofit organisations are active in alleviating poverty and promoting and maintaining religious, ideological, cultural, and artistic values and beliefs. (BORIS, 2005).

The main political reason for the support of (private) nonprofit organisations from public sources appears to be the fact that these organisations have been ascribed qualities and characteristics that make them more effective and efficient public service providers than government organisations³. There has been no research, however, carried out to verify this hypothesis on the territory of the Czech Republic. Nor do we have any data about the shares of different types of providers in the various public services and their outputs.

The aim of this contribution is to exemplify the share of nonprofit organisations in the provision of public services in the Czech Republic with data and findings from one field of public services, namely that of culture.

PUBLIC SERVICES IN THE CZECH REPUBLIC

Under the communist regime, all public services were provided by government (public) organisations. Developments after 1989 and the early policy of the state invited private and nonprofit organisations into the system of provision of public

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² "Nonprofit organisations" or "nonprofit sector" means organisations loosely defined on the basis of Salamon and Anheier's "structural-operational" definition (SALAMON and ANHEIER, 1997). A political definition of "non-state non-profit organisations" is a term introduced and used by the Council to the Government of the Czech Republic on Non-State Non-Profit Organisations (Rada vlády pro nestátní neziskové organizace, RNNO, in Czech), a permanent advisory body to the Czech Government. It only includes those organisations that the RNNO wishes to support: foundations, funds, public benefit companies, associations, and non-devotional church-based organisations.

³ http://www.mfcr.cz/cps/rde/xchg/mfcr/hs.xsl/nezisk_organizace.html?year=PRESENT

services. After 1989, it remains one of the tasks of public administration in the Czech Republic to secure an optimum scope and structure of public services for the society, but its role has changed from provision of the services to securing their provision. The state can entrust the tasks in this area to public organisations or other parties, including nonprofit organisations.

The Official Information Budget System (Autorizovaný rozpočtový systém, ARIS RARIS) gives us data about the distribution of public financial resources from public budgets and public funds. From these data it is apparent how much public funding has been allocated to the different types of service providers (according to their legal forms). It is thus possible to calculate the share of nonprofits in these financial transfers, which gives us some indication of the share of nonprofit organisations in the provision of a particular service, even though the non-profit and the for-profit providers that are not recipients of public support are not included.

Public funding for organisations from public budgets and funds in the Czech Republic in 2005

Table 1

| Spheres of public funding | Public funding for organisations | | | | |
|--|----------------------------------|------------------------|---------------|-------------------|----------------------|
| | Non-state Nonprofit (in %) | Other Nonprofit (in %) | Public (in %) | For-Profit (in %) | Total (CZK thousand) |
| Education | 1.11 | 54.32 | 41.97 | 2.59 | 107,826,059 |
| Culture | 16.43 | 0.90 | 78.80 | 3.87 | 13,239,833 |
| Leisure, sports and recreation activities | 56.19 | 9.81 | 21.24 | 12.76 | 6,368,193 |
| Health | 4.81 | 0.26 | 91.76 | 3.17 | 11,860,694 |
| Environment | 7.92 | 3.34 | 57.66 | 31.09 | 2,814,887 |
| Social services | 12.97 | 0.67 | 56.63 | 29.73 | 19,545,516 |
| Research | 0.84 | 36.32 | 44.53 | 18.31 | 15,851,823 |
| Other (justice, defense, infrastructure...) | 0.64 | 1.12 | 51.32 | 46.92 | 114,857,825 |
| Total | 3.81 | 22.78 | 50.15 | 23.25 | 292,364,831 |

Sources: Information system ARIS, Online on WWW: < <http://www.info.mfcr.cz/aris> >

Not all types of public services in the Czech Republic are provided by nonprofit organisations.

Nonprofit organisations are active as providers of educational (55.42 %, but 54.32 % are public universities), cultural (17.33 %), social (13.64 %), health (5.05 %), environmental (10.26 %) services and services in research (37.16 %, but 36.32 % are public universities) and leisure, sports and recreation (66 %).

DATA SOURCES ON INSTITUTIONAL PROVISION OF PUBLIC SERVICES

Data about public services in the Czech Republic are collected in Industrial Statistics, but some of the Industrial Statistics do not capture data about providers (e.g. Environmental Statistics or Labour Statistics).

The Czech Statistical Office (Český statistický úřad, ČSÚ), The Institute for Information on Education (Ústav pro informace ve vzdělávání, ÚIV), The National Information and Consulting Centre for Culture (Národní informační a poradenské středisko pro kulturu, NIPOS) and other public organisations collect and publish statistical information about public services in the Czech Republic. These statistics are very good data sources and include information about providers, but because of the classifications used they do not always make it possible to identify nonprofit providers (or other types/legal forms)⁴.

CULTURAL SERVICES IN THE CZECH REPUBLIC

The share of culture in the total of public funding for public service providers is 4 %, which is 13 239 833 thousand Czech crowns (see Table 1).

The statistics on culture (NIPOS, 2006) present data about theatres, galleries, museums, monuments, historical monuments, musical ensembles, observatories, planetariums and astronomical observation posts, libraries and audiovisual works.

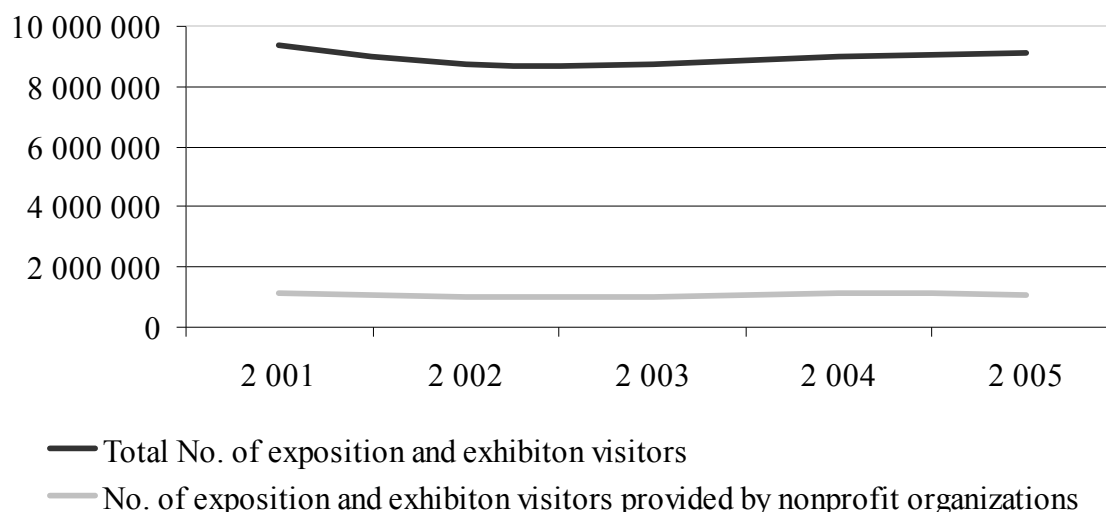


Fig. 1

Development of number expositions and exhibitions of museums and galleries provided by nonprofits organization in the Czech Republic

⁴ To find and clear these data is the goal of a research project “The role of nonprofit organisations as public service providers in the Czech Republic”, supported by Masaryk University.

Share of nonprofit providers in cultural services in the Czech Republic in 2004-05

Table 2:

| Variable | 2004 | | 2005 | |
|--|------------|----------------|------------|----------------|
| | Total | NPOs (in %) | Total | NPOs (in %) |
| Theaters | | | | |
| No. of theatres | 119 | 26.05 | 124 | 27.42 |
| No. of established stages in operation | 134 | 12.69 | 143 | 15.38 |
| Capacity of theatres (number of seats) | 34,115 | 6.29 | 34,863 | 6.51 |
| No. of theatre ensembles | 138 | 18.84 | 141 | 20.57 |
| No. of total productions | 1,921 | 18.58 | 2,011 | 19.34 |
| No. of performances on domestic and host stages in the Czech republic | 23,532 | 11.26 | 24,563 | 11.82 |
| No. of performances abroad | 1,272 | 12.42 | 1,128 | 10.11 |
| No. of theatre employees (recalculated No.) | 7,546 | 2.45 | 7,539 | 2.23 |
| No. of visitors | 5,175,830 | 3.66 | 4,976 022 | 5.57 |
| Galleries, museums and monuments | | | | |
| No. of galleries in operation | 56 | 3.57 | 57 | 3.51 |
| No. of museum in operation | 335 | 9.85 | 337 | 9.20 |
| No. of independent monuments open to the public | 70 | 14.29 | 63 | 17.46 |
| No. of expositions and exhibitions | 5,296 | 1.25 | 5,420 | 1.33 |
| No. of exposition and exhibition visitors | 9,002,582 | 12.78 | 9,132,390 | 11.97 |
| No. of organized lectures | 13,393 | 4.70 | 15,068 | 4.20 |
| No. of visitors to lectures | 1,151,365 | 1.49 | 1,102,169 | 2.12 |
| Observatories, Planetariums and astronomical observation posts | | | | |
| No. of observatories and planetariums | 56 | 17.86 | 51 | 17.65 |
| No. of facilities in the aforementioned | 60 | 16.67 | 56 | 17.86 |
| No. of visitors to the facilities and to organized educational and cultural events | 542,451 | 7.85 | 538,608 | 10.27 |
| No. of members of the aforementioned groups and organizations | 1,261 | 19.19 | 1,044 | 17.05 |
| Historical monuments | | | | |
| No. of castles, chateaus, and other monuments accessible to visitors for a fee | 257 | 12.45 | 269 | 12.64 |
| No. of visitors to the aforementioned monuments | 11,489,601 | 13.54 | 11,796,750 | 14.43 |
| No. of cultural events in historical monuments | 16,776 | 2.78 | 21,457 | 2.71 |
| No. of visitors attending the aforementioned cultural events | 3,283,924 | 3.92 | 3,706,820 | 6.50 |
| Exhibitions of professional graphic and plastic art and architecture | | | | |
| No. of reporting units | 316 | 20.25 | 325 | 19.69 |
| No. of exhibitions organized | 2,946 | 22.10 | 2,914 | 21.07 |
| No. of visitors to exhibitions | 2,596,943 | 22.43 | 2,317,377 | 20.88 |

Source: NIPOS(2006)

The data file on public providers of cultural services is complete, but the data files on nonprofit or for-profit providers are most probably incomplete, since they do not include those providers that have not been in cooperation, communication or contact with the government (i.e. the statistics agency). The data on employment only capture paid employment, not volunteer labour input and temporary employment, which is so typical of nonprofit providers. This explains the low numbers of employees in the statistics.

CONCLUSION

These figures and the figures of other Industrial Statistics in the Czech Republic (PROUZOVA, 2006) confirm the fact that the share of nonprofit organisations in the provision of public services in the Czech Republic is low. Besides, nonprofit organisations do not as a rule offer the full range of services in a particular public service field, they usually provide a few specific services only.

The state has retained a dominant role in the provision of public services. Pospíšil and Rosenmayer's explanation is "Because of the strong dependence of service-providing nonprofit organisations on public funding, the policies of the state, explicit, implicit, or the lack of them, have a decisive influence on the size and scope of the service-providing part of the nonprofit sector". (POSPISIL, ROSENMAYER, 2006)

This contribution tries to explain the share of nonprofit organisations in the provisions of public services on the basis of data from Industrial Statistics, which, however, do not capture all providers, but only those known to the government. Because of the non-existence of a register or a database of public service providers or a register/database of nonprofit organisations it is difficult to identify all the nonprofit organisations that are active in public services, except for those that have been in contact with the government. This suggests that the shares of nonprofit providers of public services must be higher than the statistical figures shown.

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