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Dr Dan Hull

An update on the economic performance of the creative industries

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This paper provides an update on the available statistics indicating the performance of the creative industries, following a previous Assembly research paper on this issue in September 2011. In particular, some indication is provided of the performance of the creative industries through the economic downturn.

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Key Points

- This paper provides an update on statistics indicating the performance of the creative industries, allowing some suggestions to be made of the effects of the economic downturn on the creative industries.
- Previous studies have highlighted the vulnerability of the creative industries to the effects of recession. However, statistics indicate that some sub-sectors within the creative industries have continued to do well throughout the economic downturn.
- Household-facing creative industries have remained strong, whereas business-facing creative industries declined in 2009. For example, the economic contribution of advertising and architecture fell in this year, whereas film, video and photography, music and the performing arts, digital and entertainment media, and designer fashion all increased.
- For Northern Ireland, figures published by DCAL in October 2011 indicate that there were 31,000 people in creative employment in 2009, or 4.1% of total employment. There were 2,200 business units in Northern Ireland in 2010, or 3.2% of the total. In 2008, GVA for the creative industries was £737 million. This is equivalent to 4.2% of Northern Ireland's total GVA, and around £23,774 per creative employee.
- Comparing the number of businesses in Northern Ireland in 2008 and 2010, it is possible to see that many industries have sustained a consistent number of units, with architecture and design appearing to grow markedly. However, film, video and photography, music and the visual and performing arts, as well as TV and radio have all declined slightly in terms of the number of businesses in existence.
- In terms of the relative performance of the creative industries in Northern Ireland compared with the rest of the UK, Northern Ireland has consistently held a 1.5% share of the UK-wide figures for the number of businesses. This is somewhat lower than Northern Ireland's population share which stands at 2.9%.
- Northern Ireland has a disproportionately large number of architecture businesses, of digital and entertainment media businesses, and of art and antiques businesses.
- Comparisons with Ireland are difficult as the Irish government does not categorise or collect data for the creative industries in the same way as the UK. However, a report on the Irish TV and film industry suggests that its economic contribution to the Irish Exchequer fell markedly in 2009, as did the total number of FTE jobs.
- Looking beyond the UK and Ireland, UNCTAD figures suggest that at the worldwide level most forms of creative goods have held their own in terms of import and export activity heading in to the recession. There has been growth in areas such as video games, but 2009 was a tough year for 'creative services' in many countries. Some began to show a marked recovery in 2010 with Brazil, Canada, Germany and the United States growing particularly strongly.

Executive Summary

This paper provides an update on statistics indicating the performance of the creative industries. These figures allow some suggestions to be made of the effects of the economic downturn on the creative industries.

Previously, it was established that the creative industries rose rapidly in UK terms from 1997 to 2007, growing by 5% over that ten year period, compared to 3% for the economy as a whole. An additional 2.3 million creative jobs came into existence between 1997 and 2008, and the creative industries accounted for 5.6% of Gross Value Added in the UK.

In Northern Ireland, there was a 24% growth in creative employment throughout this period compared with an 11% increase in jobs as a whole. Growth was particularly marked here in video, film and photography, as well as software, computer games and electronic publishing, though fashion and design declined.

However, the creative industries in Northern Ireland contributed just 2% to GVA, compared with 5.6% for the UK as a whole. In the Republic of Ireland, there were 95,649 creative jobs in 2006, contributing €5.7bn (or 3.5%) to GVA.

In December 2010, a NESTA/Work Foundation report highlighted the vulnerability of the UK creative industries to the effects of the recession. It was assumed that the creative industries are generally pro-cyclical, meaning that they are prone to growing faster than average in an upturn and swinging more quickly downwards when the economy slows or recedes.

However, subsequent statistics have indicated that some sub-sectors within the creative industries have continued to do well throughout the economic downturn. Household-facing creative industries have remained strong, whereas business-facing creative industries declined in 2009. For example, the economic contribution of advertising and architecture fell, whereas film, video and photography, music and the performing arts, digital and entertainment media, and designer fashion all increased. Indeed, during the downturn, household demand for creative goods has shown greater resilience than other household goods.

For Northern Ireland, figures published by DCAL in October 2011 indicate that there were 31,000 people in creative employment in 2009, or 4.1% of total employment. There were 2,200 business units in Northern Ireland in 2010, or 3.2% of the total. In 2008, GVA for the creative industries was £737 million. This is equivalent to 4.2% of Northern Ireland's total GVA, and around £23,774 per creative employee.

Comparing the number of businesses in Northern Ireland in 2008 and 2010, it can be seen that many industries have sustained a consistent number of businesses, with architecture and design appearing to grow markedly. However, film, video and

photography, music and the visual and performing arts, as well as TV and radio have all declined slightly in terms of the number of businesses.

In terms of the relative performance of the creative industries in Northern Ireland compared with the UK, Northern Ireland has consistently held a 1.5% share of the UK-wide figures for the number of businesses. This is somewhat lower than the proportion of the population at 2.9%.

Northern Ireland has a disproportionately large number of architecture businesses, of digital and entertainment media businesses, and of art and antiques businesses. This could imply that Northern Ireland has particular strengths in these areas. Comparison with similar figures from 2009, 2010 and 2011 would imply that the level of creative businesses for most sub-sectors has been sustained reasonably well throughout the downturn.

Comparisons with Ireland are difficult as the Irish government does not categorise or collect data for the creative industries in the same way as the UK. However, in headline terms, such industries had been performing well prior to the downturn, with €5.7bn (or 3.5% of total) GVA in 2006. This compared with 5.6% of GVA for the UK and 2% of GVA for Northern Ireland.

However, figures collated by the United Nations Conference on Trade and Development (UNCTAD) suggest that although Ireland's creative economy continued to do reasonably well through the economic downturn, 'personal, cultural and recreational services' fell consistently from 2008 to 2010. A 2010 report on the Irish TV and film industry suggests that its economic contribution to the Irish Exchequer fell markedly in 2009, as did the total number of FTE jobs.

Looking beyond the UK and Ireland, UNCTAD figures suggest that at the worldwide level, most forms of creative goods have held their own in terms of import and export activity heading in to the recession, though audio-visual goods (such as films) have suffered some turbulence. There has been growth in areas such as video games, but 2009 was a tough year for 'creative services'. In 2010, the creative industries have begun to show a marked recovery in some countries, with Brazil, Canada, Colombia, Germany and the United States all showing strong levels of growth.

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1 Wider creative industries update

1.1 Creative industries summary update

A previous research paper in 2011 summarised the overall economic significance of the creative industries¹. The creative industries rose rapidly in UK terms from 1997 to 2007, growing by 5% over the ten years, compared to 3% for the economy as a whole. An additional 2.3 million creative jobs came into existence between 1997 and 2008, and the creative industries accounted for 5.6% of Gross Value Added in the UK.

In Northern Ireland, there was a 24% growth in creative employment compared with an 11% increase in jobs as a whole. Growth was particularly marked here in video, film and photography, as well as software, computer games and electronic publishing, though fashion and design declined.

However, the creative industries in Northern Ireland contributed just 2% to GVA, compared with 5.6% for the UK as a whole. In the Republic of Ireland, there were 95,649 creative jobs in 2006, contributing €5.7bn (or 3.5%) to GVA.

This paper provides an update on the available statistics indicating the performance of the creative industries since the previous Assembly research paper in September 2011. In particular, some indication is provided of the performance of the creative industries through the economic downturn.

1.2 Worldwide picture

Figures collated by the United Nations Conference on Trade and Development (UNCTAD) suggest that most forms of creative goods have held their own in terms of import and export activity heading in to the recession, though audio-visual goods (such as films) have suffered some turbulence². Growth rates for creative services have continued to grow throughout the period 2006–2010, though not at the same rate as for 2002–2006. Growth has been particularly marked in areas of new media, such as video games. In terms of trade in creative services, the UNCTAD figures show that 2009 was a tough year for many countries, although some began to show a marked recovery in 2010. Countries such as Brazil (where even the audio-visual industry has shown growth), some of the newer EU member states (such as Bulgaria and Hungary), Canada, Colombia, Germany and the United States have all shown strong levels of growth.

The UNCTAD figures suggest that Ireland's creative economy has performed well throughout the economic downturn, especially in areas such as advertising, though

¹ Research and Information Service Research Paper. 5.9.11. *The Creative Industries: Background, Definitions and Recent Policy Development*. NIAR 412-11: <http://nia1.me/sj>

² United Nations Conference on Trade and Development (UNCTAD). 'Creative economy': <http://nia1.me/vc> Figures derive from the period 2002 to 2010.

'personal, cultural and recreational services' have fallen consistently from 2008 to 2010. For the UK, the data available is incomplete, but the suggestion is that it has not performed as strongly in some areas, particularly compared with the USA, for example.

A key report on the UK creative industries in 2010 warned of the vulnerability of the UK's strength in the creative industries to both international markets and government complacency³. The growing strength of such industries in, for example, south-east Asia is cited, particularly in the context of generally lower levels of financial turbulence there.

1.3 UK

For the UK creative industries, a report was published in December 2010 by the Work Foundation and the National Endowment for Science, Technology and the Arts (NESTA). The report, entitled *A Creative Block?*, is a follow-up assessment to their earlier *Staying Ahead* report, and provides some important observations of the effects of the economic downturn on the creative industries. In particular, *A Creative Block?* analyses the effects of the recession on the different sectors within the creative industries, pointing out that the creative industries were particularly vulnerable to the effects of recession, partly because it has a large number of small businesses which are less likely to withstand financial shocks. For example, unemployment within the creative industries approximately doubled, from 43,445 in April 2008 to 83,660 in April 2009.

Up until mid-2010, the two sectors hit the hardest in terms of job losses were advertising, which sustained a 15% drop in employment between June 2008 and June 2010, and programming and broadcasting where there was a drop of 23% over the same period. Taking the example of advertising, the *Creative Block?* report states that there had been some recovery as of July 2010, but that business confidence was taking some time to recover. An analysis of the situation by Experian in 2009 forecast that the creative industries would see a 10% drop in employment in the UK from its peak, and that 'it would take until 2020 to recover its 2008 employment level'.

The previous Work Foundation/NESTA paper, *Staying Ahead*, drew attention to the 'pro-cyclicality' of some of the creative industries, meaning that they are prone to growing faster than average in an upturn and swinging more quickly downwards in downturns. The advertising, design, architecture and software industries have previously been particularly susceptible to this⁴. However, a more detailed look at the recent performance of the creative industries indicates that some sub-sectors have in fact continued to do well throughout the economic downturn.

In December 2011, the Department for Culture, Media and Sport (DCMS) published the latest of its creative industries statistical updates. These figures seem to indicate the

³ Reid, B, Albert, A & Hopkins, L. 2010. *A Creative Block? The Future of the Creative Industries*. The Work Foundation: p43.

⁴ The Work Foundation & National Endowment for Science, Technology and the Arts. 2007. *Staying Ahead: The Economic Performance of the UK's Creative Industries*. NESTA: p21.

relative resilience of household-facing creative industries and relative weakness of business-facing creative industries in 2009⁵.

Advertising GVA fell by 16.3% and architecture fell by 9.9% in 2009, where film, video and photography, music and performing arts and digital and entertainment media, and designer fashion all increased. However, this overall impression belies a significant degree of variation at sub-sectoral level. For example, in 2009 there was a large reduction in spending on advertising in the UK by almost 15% in real terms. There has since been a tentative recovery, with a 2.7% increase in advertising expenditure in 2011, though confidence within this sector remains low⁶.

For architecture, a survey by the Royal Institute of British Architects (RIBA) of architectural practices had indicated consistently low levels of confidence from January 2009 onwards, though there are some signs that architectural practices are beginning to feel more confident⁷.

However, there are indications that at the UK-level advertising has begun to recover while architecture continues to struggle. Creative industries' GVA data for 2010 have not yet been published, though DCMS employment data shows that employment was already increasing in advertising, but levelling off in architecture, in 2010.

For software, the latest estimates are that the sector shrank by over 3% in 2009, but returned to positive growth in 2010. The public sector is the biggest buyer of UK software (at around 20% of total market) so continued austerity in this sector is likely to be holding back growth⁸.

In terms of household-facing goods, annual UK cinema admissions increased by 1.4% to 171.6 million in 2011, the third highest total of the decade. The gross value of the box office was £1.040 billion, up by 5%⁹. Films produced in the UK had 17% share of global box office in 2011, up from 14% in 2010.

The video games sector was also resilient in the earlier part of the recession, though has suffered somewhat more recently. The UK spending on games, video and music fell by 3.3% to £4.8 billion in 2011¹⁰.

The music industry has experienced a more difficult period, partly because of structural changes as a result of increasing digitisation. UK music industry revenues fell by 4.8% to £3.8 billion in 2010, with both recorded and live music seeing significant declines¹¹.

⁵ Department for Culture, Media and Sport. December 2011. *Creative Industries Economic Estimates*: <http://nia1.me/y8>; especially table 1.

⁶ Advertising Association. 2012. Expenditure Report: *Executive Summary* <http://expenditurereport.warc.com/ExecutiveSummary.aspx>; IPA. *UK Advertising Statistics: Overview of UK adspend trends* <http://www.ipa.co.uk/Page/UK-Advertising-Statistics>

⁷ Royal Institute of British Architects. 2012. *Future Trends Survey: Memorandum*: <http://nia1.me/y9>

⁸ Intellect UK. 2012. *State of the UK Technology Sector 2011*: <http://www.intellectuk.org/publications/intellect-annual-reviews>

⁹ British Film Institute. 2012. *The UK Box Office in 2011*: http://www.bfi.org.uk/filmtvinfo/stats/UK_box_office_2011.pdf

¹⁰ Entertainment Retailers Association. 2012. 'Games overtakes video as UK's biggest entertainment category in 2011, but video is fighting back': <http://nia1.me/ya>

Indeed during the downturn, household demand for *creative* goods have shown greater resilience than other household goods. For example, while household final consumption expenditure *fell* in real terms by 5.3% between 2008Q1 and 2011Q4, household spending on recreation and culture actually *increased* by 4.4% between 2008Q1 and 2011Q4¹².

2 Northern Ireland

In 2011, DCAL published the latest set of figures regarding the Gross Value Added (GVA) contribution of the creative industries, the number of creative businesses, and the number of creative employees. These figures are derived from UK-wide figures, and rely on the Standard Industrial Codes (SICs) defined as being applicable to the creative industries by the Department for Culture, Media and Sport.

The 'headline' figures from this publication are that in Northern Ireland there were 31,000 people in creative employment in 2009, or 4.1% of total employment¹³. There were 2,200 business units in Northern Ireland in 2010, or 3.2% of the total. In 2008, GVA for the creative industries was £737 million¹⁴. This is equivalent to 4.2% of Northern Ireland's total GVA, and around £23,774 per creative employee. GVA across each of the creative sub-sectors is as follows:

Sector	GVA at basic prices £million	Proportion of total Northern Ireland
Advertising	85	0.5%
Architecture	149	0.9%
Art and antiques	*	–
Design	20	0.1%
Designer fashion	*	–
Film, video and photography	*	–
Music and visual and performing arts	27	0.2%
Publishing	110	0.6%
Software and electronic publishing	312	1.8%
Digital and entertainment media	*	–
TV and radio	19	0.1%
Total GVA for creative industries	737	4.2%
Total GVA for all industries	17,470	–

Table 1: Gross Value Added (GVA) of the creative industries in Northern Ireland in 2008¹⁵

¹¹ PRS for Music. 2011. 'Economic Insight: Adding up the UK music industry for 2010': <http://nia1.me/yb>

¹² Office for National Statistics. 2012. 'Consumer trends Q4 2011': http://www.ons.gov.uk/ons/dcp171778_261546.pdf

¹³ DCAL. 2011. *Creative Industries Economic Estimates for Northern Ireland: Experimental Statistics 2011*.

¹⁴ DCAL. *A Collaborative Framework*: p6.

¹⁵ This data was published by DCAL in October 2011 and derives from the Northern Ireland Annual Business Inquiry 2008; *=data suppressed to avoid disclosure; the sources states that it is not possible to measure GHVA for the craft sector.

Similar figures published by the Arts Council of Northern Ireland in 2010 aggregated several sub-sectors together making comparisons with these latest figures difficult. Furthermore, some of the sub-sector categories are now listed differently, with computer games no longer considered along with software and electronic publishing. However, some sub-sectors can be compared, and these provide an impression that at least some of the creative industries were still experiencing growth in 2008.

	2006 £m	2007 £m	2008 £m
Architecture	60	80	149
Music and the visual & performing arts	37	20	27
Total	97	100	176

Table 2: A comparison between creative industries sub-sectors in 2006, 2007 and 2008¹⁶

In terms of the number of businesses operating in the creative industries in Northern Ireland, DCAL has provided figures for 2010 as follows:

Sector	Number of reporting units	As a percentage of creative industry reporting units	As a percentage of all reporting units
Advertising	195	8.9	0.3
Architecture	425	19.3	0.6
Art and antiques	70	3.2	0.1
Design	220	10.0	0.3
Designer fashion	15	0.7	0.0
Film, video and photography	125	5.7	0.2
Music and visual and performing arts	195	8.9	0.3
Publishing	140	6.4	0.2
Software and electronic publishing	740	33.6	1.1
Digital and entertainment media	0	0.0	0.0
TV and radio	70	3.2	0.1
Total GVA for creative industries	2,200	100.0	3.2
Total GVA for all industries	69,670		

Table 3: Number of businesses in the creative industries, 2010¹⁷

Comparing these figures with 2008, it can be seen that many industries have sustained a consistent number of businesses, with architecture and design appearing to grow markedly. However, film, video and photography, music and the visual and performing arts, as well as TV and radio have all declined slightly in terms of the number of businesses.

¹⁶ These figures are drawn from *Digest of Arts Statistics Northern Ireland 2010* (for 2006 and 2007), and DCAL *Creative Industries Economic Estimates 2011* (for 2008).

¹⁷ This data was published by DCAL in October 2011 and derives from the Inter-Departmental Business Register, March 2010. Figures have been rounded to the nearest five and so may not add to totals. A 'reporting unit' is the head office location that reports for all the individual sites in a business: a business that has more than one site may only be included once in the table.

Sector	Number of reporting units	
	2008	2010
Advertising	180	195
Architecture	160	425
Art and antiques	50	70
Design	20	220
Designer fashion	(two categories combined)	15
Film, video and photography	150	125
Music and visual and performing arts	210	195
Publishing	140	140
Software and electronic publishing	720	740
Digital and entertainment media	–	0
TV and radio	80	70
TOTALS	1710	2195

Table 4: Number of creative enterprises in Northern Ireland in 2008 and 2010¹⁸

In terms of the number of employee jobs in the creative industries, the latest DCAL publication describes the following:

	Number
Employees in the creative industries	16,000
Employees doing creative jobs outside creative industries	8,000
Self-Employed in creative industries	5,000
Self-employed doing creative jobs outside creative industries	3,000
Total creative employment	31,000
Creative employment as a percentage of all employment	4.1%

Table 5: Number of people in creative employment in Northern Ireland, 2009¹⁹

The 2009 figure of 31,000 for total creative employment compares with 32,900 for 2007, and 30,700 for 2005. However, since overall employment in Northern Ireland also fell between 2007 and 2009, the proportion of creative employment of total employment remained similar: creative employment accounted for about 4.2% in 2007, and 4.1% in 2009.

There are various measures which could be used to compare the performance of the creative industries in the UK as a whole with Northern Ireland specifically. One up-to-date measure which could be used is an analysis of local business units by region. Such a comparison for 2011, using DCMS figures, is as follows:

¹⁸ The figures for 2008 were published in the Arts Council of Northern Ireland's *Digest of Arts Statistics Northern Ireland 2010*, and the figures for 2010 were published by DCAL in *Creative Industries Economic Estimates 2011*; the figures describe business reporting units and not necessarily all local branches of a business.

¹⁹ This data was published by DCAL in October 2011. The figures are estimates made by DCAL produced using Census of Employment and Labour Force Survey.

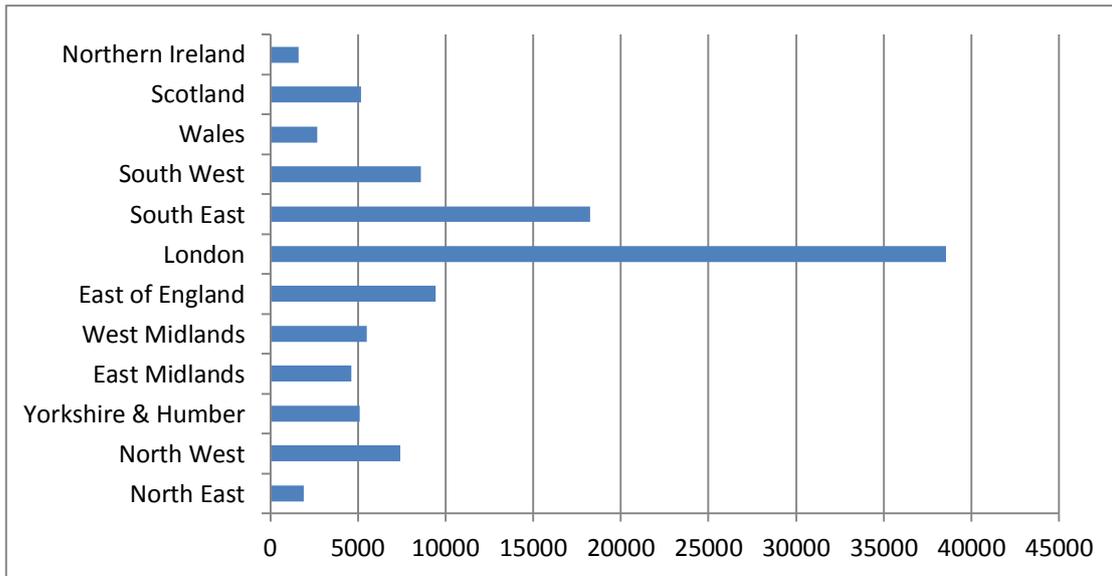


Figure 1: Number of creative local business units by region of the UK

A more detailed examination of the number of local businesses per creative sub-sector is presented in Annex 1. This shows that in 2011, Northern Ireland held 1.5% of registered businesses in the creative industries – somewhat lower than its population proportion of 2.9%. It can be deduced from these figures that for some sub-sectors, Northern Ireland holds a disproportionately high number of businesses, and for others a lower number of businesses:

Sub-sector	Proportion of total UK local business units		
	% 2009	% 2010	% 2011
Advertising	1.32	1.32	1.28
Architecture	3.61	3.61	3.55
Art & Antiques	2.29	2.29	2.56
Crafts			–
Design	1.53	1.53	1.54
Designer Fashion	1.05	1.05	2.02
Film, Video & Photography	1.3	1.3	1.37
Music & Visual & Performing Arts	0.67	0.67	0.65
Publishing	2.07	2.07	1.80
Software/Electronic Publishing	0.51	0.51	0.55
Digital & Entertainment Media	3.03	3.03	2.44
TV & Radio	1.25	1.25	1.33
NI's proportion of all creative local units	1.50%	1.50%	1.50

Table 6: Northern Ireland's creative sub-sectors as a proportion of UK creative businesses, 2011²⁰

²⁰ It should be noted that these figures are 'local units' (ie including branches of a business in addition to head office); the figures will be slightly different to the

For example, Northern Ireland has a particularly high number of architecture businesses, of digital and entertainment media businesses and of art and antiques businesses. It also has a disproportionately low number of software/electronic publishing businesses, and an especially low number of music and visual and performing arts businesses. For music and the visual and performing arts, the table in Annex 1 highlights the extent to which London dominates businesses in this sub-sector with all regions of the UK lagging behind their average proportion. However, some regions can be described as 'holding their own', with Wales in particular doing much better than Northern Ireland in terms of the number of businesses for these creative sub-sectors.

Although Northern Ireland's overall proportion of creative businesses within the UK has remained approximately unchanged at 1.5%, it can be seen from these figures that some sub-sectors have fluctuated in the years 2009, 2010 and 2011.

The above table also highlights some recent changes through the economic downturn. For example, in Northern Ireland advertising and architecture have sustained their number of businesses surprisingly well, designer fashion has performed well, art and antiques have risen in number, TV and radio have risen, and film, video and photography have risen slightly. These rises in proportionate terms have been at the expense of digital and entertainment media, for which the number of businesses has fallen, and publishing which has also fallen slightly.

3 Scotland

The Scottish creative industries strategy summarises the recent economic performance of Scotland's creative industries sector. The sector accounted for 63,000 employee jobs in Scotland in 2008²¹, equating to around 15.5% of total employment²². In 2010, there were 9,010 registered businesses in Scotland, or around 6% of all businesses. In 2007, GVA for the creative industries in Scotland was £2.4 billion in that year. This equates to £41,600 per employee²³.

Scotland's creative industries account for a higher proportion of registered businesses than in Northern Ireland, and creative employees produce £41,600 per head, compared with £23,774 per employee in Northern Ireland.

The Scottish creative industries strategy stated the case for a Scotland-specific economic assessment of the creative industries. Creative Scotland indicated recently that it has conducted such an analysis and intends to publish results of this soon²⁴.

²¹ Scottish Government. *Growth, Talent, Ambition*: p7.

²² Scottish Government. 'Key sector statistics' :
<http://www.scotland.gov.uk/topics/statistics/browse/business/keysectors/database>

²³ Scottish Government. 2009. *Creative Industries Key Sector Report*:
<http://www.scotland.gov.uk/Publications/2009/11/24133819/6>

²⁴ A brief resumé of the Creative Scotland research was presented to CAL Committee members during a visit to Scotland on 15 June 2012.

This study has highlighted, for example, the nature of the craft sector in Scotland (which the DCMS analyses have consistently been unable to identify). It has also involved a much closer sub-regional assessment of the performance of different industries throughout Scotland highlighting, for example, the performance of the creative industries outside Glasgow, Edinburgh and Dundee in places like the Highlands and Islands, and in the Scottish Borders.

4 Ireland

The Irish government does not categorize and collect data for the creative industries in the same way as the UK, so like-for-like comparisons between the jurisdictions are difficult. Indeed, previous descriptions of the creative sector in Ireland have indicated that a slightly wider definition of the creative industries is used, including the wider arts and cultural sectors, and presumably including additional categories such as cultural heritage.²⁵

However, in headline terms creative and cultural industries in Ireland contributed €5.7bn (or 3.5%) to GVA in 2006. This compared with 5.6% of GVA for the UK and 2% to GVA in Northern Ireland.

Previous estimates have placed the total number employed in Ireland's creative industries at 60,855 in 2006, generating a total Gross Value Added (GVA) of nearly €5.5bn in 2006 – approximately 3% of total Irish employment and 3.5% of total Irish GVA²⁶. A wider interpretation of creative employment, including total creative jobs in all industries, produced a total of 95,649 jobs for 2006.

A report on the economic impact of the arts in Ireland produced a number of important indicators, although for the arts sector alone rather than the wider cultural or creative industries²⁷. This report estimated that in 2008 the total GVA of the arts sector to the national economy was approximately €782m, accounting for 0.5% of total national GVA. The largest sub-sector in terms of its contribution to arts is publishing and literature which accounted for €437m in 2006. Film and video contributed €71m in GVA, while libraries, archives, museums and other cultural activities contributed €75m. An attempt was also made to calculate the total economic impact of the arts sector using a multiplier figure. This produces a figure of 26,519 jobs supported by the wider arts sector, with a total GVA of €782m.

Figures collated by UNCTAD suggest that Ireland's creative economy has performed well throughout the economic downturn, especially in areas such as advertising, though

²⁵ Irish Government. 2008. *Building Ireland's Smart Economy: A Framework for Sustainable Economic Renewal*: <http://nia1.me/yc>

²⁶ Indecon International Economic Consultants. 2010. *Assessment of Economic Impact of the Arts in Ireland: Submitted to the Arts Council*.

²⁷ Indecon. 2008. *Assessment of the Economic Impact of the Arts in Ireland*: Submitted to the Arts Council by Indecon International Economic Consultants.

'personal, cultural and recreational services' have fallen consistently from 2008 to 2010²⁸.

These figures are consistent with a 2010 report on the Irish TV and film industry which concluded that the net gain to the Irish Exchequer in 2009 was €11.8m, a reduction to pre-2005 levels²⁹. Although non-Irish funding for TV and film production stood at its highest ever levels in 2009, the level of Irish funding had seriously reduced. Furthermore, the number of FTE jobs in that sector declined from 1735 in 2007, to 1631 in 2008, and 1368 in 2009.

²⁸ United Nations Conference on Trade and Development (UNCTAD). 'Creative economy': <http://nia1.me/vc> Figures derive from the period 2002 to 2010.

²⁹ IBEC Audiovisual Federation. 2010. *Film and Television Production in Ireland*: pp63–68.

Annex 1: Creative businesses by sub-sector across the UK

	North East	North West	Yorkshire & Humber	East Midlands	West Midlands	East of England	London	South East	South West	Wales	Scotland	Northern Ireland	UK Total
Advertising	350	1650	940	770	1000	1540	4820	2950	1240	290	620	210	16360
Architecture	290	1020	710	640	800	1110	2920	1900	1070	380	1100	440	12380
Art & Antiques	100	340	280	230	280	320	500	540	410	160	260	90	3510
Crafts													
Design	330	1080	870	880	950	1460	4300	2560	1210	340	700	230	14900
Designer Fashion	20	70	60	60	60	100	280	170	80	20	50	20	990
Film, Video & Photography	140	570	350	290	360	730	5280	1660	730	280	440	150	10970
Music & Visual & Performing Arts	390	1610	1160	1040	1170	2540	13460	5160	2330	710	1120	200	30880
Publishing	140	510	390	400	450	880	2380	1540	830	230	470	150	8350
Software/Electronic Publishing	30	140	110	100	140	210	360	430	150	40	100	10	1830
Digital & Entertainment Media	10	30	10	20	20	40	110	100	30	10	20	10	410
TV & Radio	90	400	220	200	270	520	4120	1250	530	240	310	110	8240
Total	1890	7400	5100	4610	5510	9450	38530	18260	8590	2690	5180	1600	108820
Proportion of all creative local units	1.70%	6.80%	4.70%	4.20%	5.10%	8.70% ¹	35.40%	16.80%	7.90%	2.50%	4.80%	1.50%	100%

¹ Data taken from Department for Culture, Media and Sport. December 2011. *Creative Industries Economic Estimates*: <http://www.culture.gov.uk/publications/8682.aspx>