Cultural & Creative Industries (CCIs): Fulfilling the Potential

Creating Creative Jobs
Parallel Session B1
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Discussion Note
Table of contents

Creating Creative Jobs .................................................................................................................. 3
  Why does it matter? .................................................................................................................... 4
  What are current trends and challenges? ................................................................................. 5
  What are the key areas for policy to consider? ...................................................................... 5
  Further Reading ...................................................................................................................... 7
Creating Creative Jobs

Summary

The Cultural and Creative Industries (CCIs) have become a significant part of the economy. Their output value is rising over time, and they account for increasing job creation. It is estimated that CCIs employ approximately 30 million people across the world.

CCIs face several challenges. First, a high degree of precariousness of employment and informality, in both developed and emerging economies. Due to the often precarious nature of jobs in the sector, ‘creative workers’ often hold multiple jobs to secure against employment instability. Thus, creative jobs, even if paid and formal in nature, are often not the primary jobs. However, secondary jobs often drop out from the national accounting systems. As a result, the true contribution of creative employment to the overall employment in the economy is probably underestimated.

Second, skills in the sector are underdeveloped. There is a gap between the industry requirements and skills of the workers. There is also a need to enhance the entrepreneurship skills of self-employed creatives to help them launch and succeed in their entrepreneurial ventures.

Questions for discussion

- How can our understanding of the skills needs of cultural and creative industries be improved?
- How to adapt the educational provisions to best address the skills needs of the industry? Which local strategies can help address the mismatch between skills supply and demand?
- How to inject entrepreneurial learning in Arts and Humanities faculties and build entrepreneurship skills of self-employed creatives?
- How can an integrated approach involving public and private stakeholders tackle the precariousness of creative jobs?
Why does it matter?

Cultural and Creative Industries (CCIs) have a significant economic weight. In the EU, the cultural economy accounts roughly for above 3% of GDP and 5% of Employment (Figure 1.1). CCIs are diversifying our economies, contributing to well-being, strengthening local cultural identities and generating employment. Cultural employment includes those employed in the CCIs and working as creative and non-creative/support staff and also, those who are employed in creative occupations in industries other than the CCIs (ESSnet-Culture, 2012[2]).

Figure 1.1 Size of the cultural economy in the European Union

![Graph showing the size of the cultural economy in % of GDP, 2015](image)

Source: Eurostat

Those working in these industries play a major role in generating the economic or market value of creativity. This $2 trillion industry employs 30 million people across the globe and as it keeps on expanding, this number is expected to rise (UNESCO, 2013[1]). The visual arts sector employs most people (6.73 million), which is followed by the music industry (3.98 million) and the publishing industry (3.67 million). It is an industry that has employed a higher share of workers with tertiary education. Although the situation varies from country to country, in general the CCIs tend to create more jobs for the youth than other sectors. For example, in Europe, CCIs in 2016 employed the greatest number of people in the age group of 15-29 years. CCIs have also been regarded inclusive as they tend to employ more women compared to some other industrial sectors, especially in developing countries (Ernst and Young, 2015[2]).

The job creation potential of cultural and creative industries entails a special discussion and analysis, one which identifies and enhances the specificities of this sector in order to further strengthen their role in the economy at national and sub-national level.
What are current trends and challenges?

**Quantitative estimate of the level of employment in CCIs suffers from an underestimation.** Very often, many of the creative jobs take the form of ‘secondary’ paid work and because some national accounting systems often drop out the secondary jobs, there can be an underestimation of the full size and amplitude of the contribution of the CCIs to the economy. Apart from a fair remuneration for the labour expended, for a great proportion of creative workers, intrinsic motivation and personal satisfaction from the completion of their creative tasks are important drivers of their work. As a result, this translates into other important forms of work that are not captured by the national accounting systems such as volunteer work and amateur work. Such volunteers or hobbyists are sometimes included in the cultural participation statistics and not categorised as creative workers (OECD, 2007[3]).

**Because of their nature (non-repetitive tasks) creative occupations are less affected by automation.** As the CCIs are gaining more and more ground and consequently, the creative jobs too, it is not expected to take the form of ‘jobless’ growth where technology and digitisation cause a major displacement of creative workers. NESTA’s report titled “Creativity vs. Robots” shows that creative jobs remain at an extremely low risk of displacement due to the increased digitisation anticipated in the future. They also predict that digitisation of the economy will actually lead to more demand for creative skills (NESTA, 2015[4]).

**There is a rise in the preference given to contractual work and other non-standard forms of work.** This tendency has also affected the CCIs as it has affected other industries in the economy. Over and above this, scholars have also highlighted the precariousness of employment in the CCIs and argue that lack of employment security and income instability is increased due to reliance on multiple and often temporary roles (Hennekam, 2017[5]). Added to this is the closely related issue of the informality of creative employment. While it is more widely spread in the developing countries, in the highly structured labour markets of the global North, informality in certain creative jobs (such as handicrafts) also exists (UNESCO, 2013[1]).

**At the same time, there are important concerns related to the enhancement of skills of the creative workers.** There is a gap in the skills of those about to enter and ones who have just entered the creative labour market and the industry requirements. Creative employers report problems in recruiting new talent and addressing the lack of skills of their employees even in regions with strong educational endowment including art and design schools, university computing departments, and a vocational training in key craft areas.

**There has been a rise in the number of self-employed creative professionals.** However, the problems they face still needs to be addressed. A lot of creatives are forced to be self-employed due to the precarious nature of creative jobs. Many do not have the market knowledge and struggle to sell the result of their labour. They often can not access business support and finance schemes which are not adapted to their needs, and also have no safety nets which tends to make them underprepared to face any financial shocks.

What are the key areas for policy to consider?

The creative economy relies on creative talent as the primary source of value and the demand for skilled creative workers is strong and rapidly evolving, both in cultural and
creative industries and also the wider economy. Given the ongoing trends and the challenges that creative jobs in the CCIs face today, there is a need for a comprehensive policy response that is formulated and efficiently executed not just at the national level but also the regional and local level. Key areas for policy consideration include:

- **Skill enhancement of creative workers:** There is a lack of training imparted to students of arts and culture to help them to orient their skills towards the demand in the market. Due to a gap between the skills and the industry requirements, they are not able to develop industry specific human capital that would have enabled them to secure stable employment opportunities. Aspiring and young creative minds instead end up choosing a creative job as a secondary source of income or in some cases, just pursue it as a hobby while working at another job where they are unable to optimally utilise their creative knowledge. Policy must aim at training the creative minds to be market-ready in a way that matches the industry requirements.

- **Supporting entrepreneurial ventures:** Entrepreneurial skills, ability to work on cross-sectoral multi-disciplinary projects, project and network management and leadership skills are skills that need to be imparted alongside the creative knowledge and skills those students of art and culture work on. Efforts lack in providing aspiring and practicing creative workers with knowledge that increase their understanding of the industry context, practices and trends and skills to manage projects, create and maintain a network and lead their entrepreneurial ventures.

- **Tackling the precariousness of creative jobs:** With the rise in contractual forms of work, holding of multiple jobs, non-institutional support to certain creative forms such as handicrafts, the precariousness of creative jobs needs to be addressed. The intrinsic motivation that a creative worker utilises to create creative output needs to be seen as a starting point and there should be mechanisms that orient such motivation and consequent creative output towards the market so that creative workers are fairly remunerated and enjoy rights they deserve as any other formal worker in other industries of the economy.

- **Developing data capacities at national and sub-national level:** A common methodology to develop data and cross-country comparisons has been developed by the ESSnet or the European Statistical System (ESS) Network. It recommends the use of the ‘creative trident approach’ developed by Cunningham and Higgs (2009). While this approach theoretically considers creative workers outside the creative sectors as well, it demands the use of extremely detailed classifications in the National Accounting systems and correspondingly robust data. There is a need to enhance the data collection and keeping mechanisms across OECD member states and at the same time work towards the same goal at the sub-national levels also.

- **Diversifying the pool of creative workers:** Sociological research tends to question the degree to which social mobility is possible within the CCIs. Brook et al. (2018) use the England and Wales longitudinal data and show that “absolute social mobility is declining in these occupations” and that evidence does not correspond to the general idea that the employment in the CCIs is meritocratic. The role of policy must be to make creative occupations more...
inclusive and diverse and to democratise the transmission of educational skills and cultural education to realise this goal.

Further Reading


Ernst and Young (2015), Cultural times: The first global map of cultural and creative industries. [2]


Higgs, P., S. Cunningham and H. Bakhshi (2008), Beyond Creative Industries: Mapping the Creative Economy in the UK. [6]


OECD (2007), International Measurement of the Economic and Social Importance of Culture. [3]

UNESCO (2013), Creative Economy. [1]