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Statistical Analysis of the Situation of the Cultural and Creative Sector in Slovenia 2008–2017

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Link to the research: <https://czk.si/gradiva/statisticna-analiza-kks-20082017/>

Additional sources: **Cultural Creative Imperative** <https://czk.si/gradiva/kulturno-kreativni-imperativ/>, edited by dr. Barbara Predan)

In 2020 the **Centre For Creativity, Slovenia**, launched the first extensive research analysis of the creative sector in Slovenia called - ***Statistical Analysis of the Situation of the Cultural and Creative Sector in Slovenia 2008–2017***. Analysis included **35,212 individuals** working in creative professions and **24,062 registered organizational units** in the field of activities in CCS. Extensive analysis provides insight into the dimension and potential of the sector and provides a basis for further research and policy recommendations in the field of CCS in Slovenia.

1. In general **creative economy** employs **7% of all employees in Slovenia**. The term "employees" in the survey refers to employees in an employment relationship and self-employed persons (including the self-employed in culture), who are also compulsorily social on this basis insured, regardless of whether they have a full-time or part-time job.
2. **CCS in the entire economy of Slovenia** occupies **10.5%** of all **registered organizational units**, and among economic entities it includes **8.4% all active companies in the Slovenian economy**.
3. In 2017, the entire CCS in Slovenia **generated EUR 2,964,164,438.53 sales revenue**. This is **2.7%** of revenues generated in the entire Slovenian economy. CCS generated more revenue than the chemical industry, and at the same time the share is comparable to the revenue generated by the electrical appliance industry this year.
4. Companies operating in CCS contributed **3.5% to the total gross value added (GVA) in Slovenia**. **GVA per employee in CCS amounted to EUR 45,527 and was higher than the average of the economy (EUR 43,210)**.
5. In the field of **employment and generated GVA**, CCS is more important than the chemical industry or the production of computers, electronic and optical products, and is comparable to the automotive industry in several respects.
6. **4.7% of all employees in Slovenia are employed in creative professions**. If we add other (support) professions that are employed in CCS to the creative professions (employees in CCS and outside CCS), we find that the power on the part of CCS is even greater - in the so-called **creative economy** there are as **many as 51,934 individuals employed in Slovenia**. , **this is 7% of all employees**.
7. In the Slovenian economy, the **cultural and creative sector** accounts for **10.5% (24,062)** of all registered **organizational units and is comparable in number to construction**. In terms of **employment, compared to all industries in Slovenia**, CCS occupies approximately the same share as the production of electrical appliances and financial and insurance activities, and at the same time a larger share than the chemical and automotive industries.
8. In the term of **growth in the field of CCS**, the **software and games industry** and the profession of software developer stand out. Since 2008, the number of units in the industry has doubled, and the number of software developers has almost doubled. The **software and games industry** also has the largest share of companies with more than 10 employees (7%).
9. **Share of registered organizational units in individual branches of CCS, 2017** - 16% Software and games; 10% Advertising; 10% Design and visual arts; 9% Architecture; 5% Video and film; 4% Cultural and artistic education; 1% Music; 1% Radio and television; 3% Archives, libraries and cultural heritage.

10. One of the main characteristics of CCS companies is their small size. 97% of companies from CCS in Slovenia employ up to 9 employees, while 80% of companies employ only 1 person. This feature is not only a Slovenian specialty, but a situation that is completely comparable to the EU. Even there, as many as 95% of companies in CCS employ up to 9 employees, of which 70% of companies employ only 1 person, 9 and it should be emphasized that with appropriate support, small size is not an obstacle to further development. However, for the further development of the potential, additional empowerment of the cultural and creative sector is essential.
11. The structure by legal organizational forms shows that in Slovenia the field of CCS is dominated by independent entrepreneurs and limited liability companies. The share of sole proprietors in the field of CCS is **56% is more than in the rest of the economy, where this share is 43%**. As well as a significant share is occupied by the self-employed in culture (12%).
12. In the entire economy, CCS accounts for **8.4% of all companies with income or employees**. According to the company's business performance indicator, companies in CCS generated EBITDA of 256.3 million in 2017.¹⁵ This represented 3% of the total EBITDA generated in Slovenian companies. In 2017, the cultural and creative sector in Slovenia generated a total of 3.5% of total gross value added (GVA), 16 generated in Slovenian companies. GVA per employee in CCS amounted to EUR 45,527 and was higher than the average of the economy (EUR 43,210).

In order to provide a comprehensive data for the *Statistical Analysis of the Situation of the Cultural and Creative Sector in Slovenia 2008–2017* in 2018, the **Institute for Economic Research (IER)**, commissioned by the **Centre for Creativity**, requested access to 3 different databases

1. the Statistical Office of the Republic of Slovenia (Slo - SURS);
2. the Register of Employment (Slo - SRDAP),
3. the Statistical Business Register Slovenia (Slo - SPRS) and microdatabases from final company accounts.

The combination of data from all 3 databases and different methodological approaches enabled an in-depth assessment of the scope of the cultural and creative sector (CCS) in Slovenia: creative and reverse intensities, the structure of CCS according to professions and industries, trends and regional distribution of CCS in Slovenia and partly also comparison of results with the EU. The results of the analysis of individual databases are presented in more detail in individual chapters of the monography *Statistical Analysis of the Situation of the Cultural and Creative Sector in Slovenia 2008–2017*.

We measured the:

1. The results of the **analysis of occupations** prepared for Slovenia on the basis of an analysis of the database called the Statistical Register of Employment (SRDAP) show that in 2017, 35,212 people were employed in creative occupations in Slovenia. which accounted for 4.7% of all employees. The analysis of CCS industries for Slovenia was performed on the basis of two different databases.
2. The first is the database of microdata from the **annual accounts of companies**, managed and maintained by SURS. For the purpose of the analysis, we created a database of companies and sole proprietors from the basic database, which includes all companies obliged to submit annual accounts, which showed either income or employees in the year under review. The analysis showed that in 2017 CCS comprised 9,552 companies or 8.4% of active enterprises in the total economy and employed 3.3% of all employees. It generated EUR 2.4 billion or 2.5% of all sales revenues generated in the economy, but only 1.5% (EUR 561 million) of all revenues of Slovenian companies generated by sales on foreign markets.
3. The second database, which also provided a basic analysis of the CCS industries, is the **Statistical Register of Slovenia (SPRS)**. **The main added value of this database** in terms of analysis CCS is that it means the most complete inventory of all registered organizational units in Slovenia (including independent creators, NGOs, institutes and other organizations), which is available for research purposes. It is because of maintaining this advantage of the base, then completeness of the review, we included all registered organizational records in the analysis of the SPRS database units, not just those that show revenue or employees. In 2017, otherwise 10% all registered organizational units in CCS that

did not even show revenues nor employees, which means a significantly lower share than in the rest of the economy (18%). The results of the SPRS analysis show that in 2017 the CCS is in the entire Slovenian economy accounted for 10.5% of all registered organizational units and in all registered units employed a total of 27,777 people, which means 3.6% of employees in all industries. Most individual legal organizational forms in CCS are strongly dominated by independent ones sole proprietors (56%).

4. Arguments about the importance of CCS are further supported by the **merging of professional and industry views on the scope of CCS**. From this point of view, the methodology of the **creative trident is important** (Higgs et al., 2005, NESTA, 2013a), according to which the assessment of the CCS oz. employment in the creative economy take into account all three groups: those in the CCS employees in creative professions (specialists), those who are employed in CCS in other professions (support), and also those who are employed in other professions in creative professions (built-in). Using such an approach, employment in the creative economy of Slovenia in 2017 we estimate at 51,934 employees, which means 7% of the total workforce.
5. **Creative and backward intensity** The concept of creative intensity also combines the analysis of professions and the analysis of CCS industries; this represents the share of employees in a particular branch of CCS who perform creative profession. The calculation of creative intensity for Slovenia showed that the creative intensity of the entire CCS is 43%, in almost all individual industries that we have defined as part of the CCS, however, is higher than that; it is highest in performing arts and artistic creation (62%). In addition, in Slovenia we also have quite a few podpans where creative intensity far exceeds the proposed limit of 30% (NESTA, 2013), however were not identified as central branches of the CCS. Most of them otherwise belong to fashion industry, which is also ranked by the EC (2016) among the CCS, but outside the core industries CCS, and treats it as a separate group. Among the creatively high-intensity sub-gamma outside the CCS are also some industries related to product repairs, and furniture-related industries. On the other hand, the concept of backwardness and tension shows us the share of employees in a particular creative profession who are employed within the CCS industries. Of all the employees in the professions that were defined as creative, it is in Slovenia, 36% of those employed within the CCS branches. There are very big differences between individual creative professions in reverse intensity, as this stretches from as many as 95% (actors and announcers on radio, television and other media) to only 1 % in the case of carpenters.

However, overall National Culture Program 2022-2029, prepared by **Ministry of Culture RS**, was just confirmed and in National Culture Program 2022-2029 where CCS is mentioned on 1 page chapter called Architecture, design and the cultural and creative sector. There following development goals are defined:

- Support activities and financing of projects for **young designers** within the support programs for the cultural and creative sector.
- Priority support for sustainable projects and projects involving traditional industries (eg wood processing, textile, blacksmithing and glass industry), preserve and revive traditional crafts and other traditional knowledge and processes, according to the principles of circular economy and transition to a carbon-free society, in cooperation with other line ministries (Ministry of Economic Development and Technology and the Ministry of the Environment and Spatial Planning).
- Establishment of criteria and incentives for promoting the quality of the built environment (quality label, competitions...), especially for all public and publicly funded facilities.
- Interdepartmental support for cultural and artistic education projects that raise awareness of children and young people and the general public about the importance of architecture and quality built space for the quality of our lives and the green transformation of society. • Caring for the culture of design and the built environment, taking into account heritage, limited natural resources and changing environmental and social conditions.
- Promotion and development of the cultural and creative sector on the basis of integration with other departments, which can provide additional financial and other forms of support and thus adequately enable the development of the field.

The general goal is to increase the level of education in the field of spatial culture (architecture, landscape architecture, urbanism) and in the field of design (industrial, graphic and unique design and visual communications), to popularize them at all levels, from education to research and presentation of good practices. increase their visibility in the domestic and international environment.

The industrial strategy of the **Ministries of the Economy of the Republic of Slovenia** includes CCS and Centre for Creativity as an important actor for the development of innovation in Slovenia, but without concrete financial measures.

Beside mentioned, at the moment Slovenia does not have any other designated or more specific policy programs for CCS that would define chosen priorities. Centre for Creativity is continuing research on CCS in Slovenia and preparing analysis of the sector in Slovenia, together with international benchmark and policy/or activity/measurement for the development of CCS recommendations.

CCS in Slovenia are still not being understood as combination of different CCS sectors, not only architecture and design. We are still waiting for results of our CCS analysis, but would say that the goals are not responding to the needs of the sector and the development of CCS policies in EU level and other EU countries.

We do not have this data about the relatedness of the chosen CCS with other industries existing in the region.

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