

The economic importance of the cultural sector in Poland in 2008–2015

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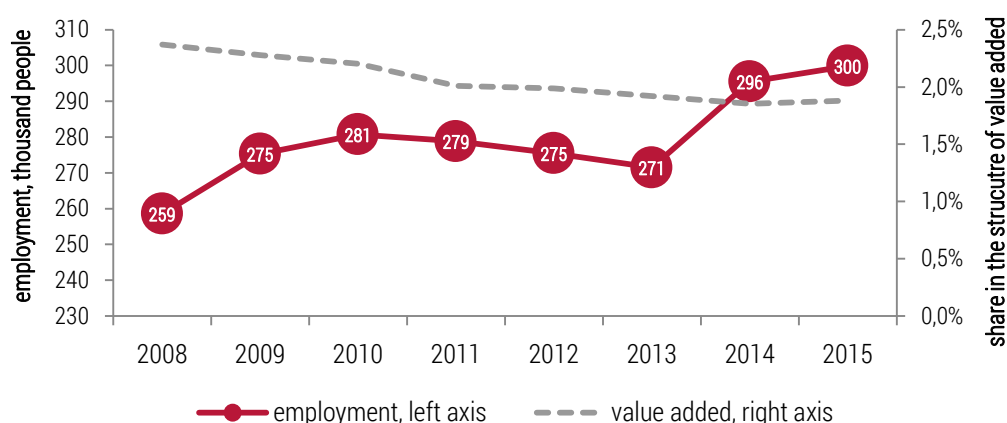
The cultural sector plays an important social role, but there are few estimates concerning its economic importance. IBS aims to fill this gap in our report *The economic importance of the cultural sector in Poland in 2008–2015*, which presents an estimate of economic importance of the cultural sector based on two most common measures: employment and value added generated¹ by the sector.

In 2015, the cultural sector employed 300,000 people. This comprised 1.9% of the total employment in the Polish economy. In turn, the value added generated by the cultural sector amounted to PLN 30 billion, which corresponded to 1.9% of the value added in the entire economy and 1.7% of the GDP.

The cultural sector has been gaining importance in terms of employment, but losing it in terms of value added. Between 2008 and 2015, employment in the cultural sector showed an upward trend. In 2008, it amounted to 259,000 people, which, compared to 300,000 employed in 2015, which meant an increase by 41,000 people. Since the employment growth was quicker than the employment growth in overall economy, the cultural sector increased its share in the employment structure by 0.2 pp.

The value added generated by the cultural sector virtually did not change. In 2008, it amounted to almost PLN 31 billion, whilst it reached PLN 30 billion in 2015 (in 2015 prices). However, at the same time the overall economy grew fast, which resulted in the rapid decrease of culture's share in value added for the economy as a whole: from 2.4% in 2008 to 1.9% in 2015.

Figure 1. Changes in the economic role of culture in 2008-2015



Source: Baran, J. & Lewandowski, P. (2017).

¹ Value added is the value of goods and services produced by the sector less the value of indirect goods and services used in the production process. In the public sector, value added is calculated as the sum of employee wages and salaries.

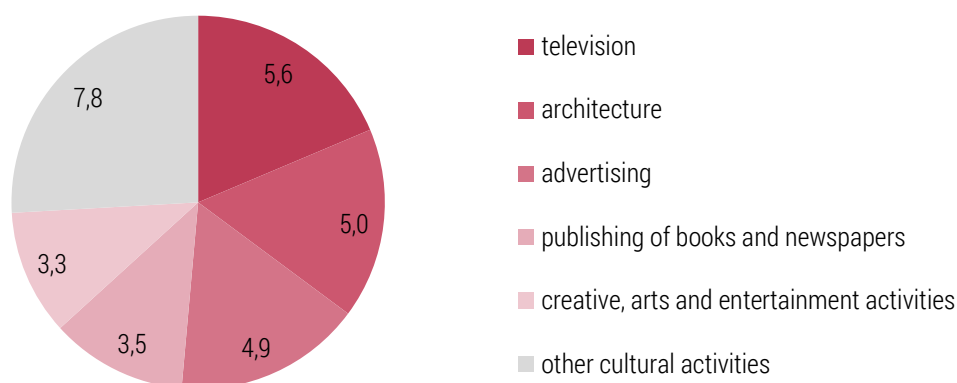
Culture is a rather small sector of the economy. In the largest one, the manufacturing sector, employment and value added are 10 times greater than in the cultural sector. Yet culture is not insignificant: its economic importance is comparable to that of the mining sector.

The cultural sector is extremely diverse. According to the definition proposed by the working group of the European Statistical System Network on Culture (ESSnet-Culture), it encompasses: creative, arts and entertainment activities, operation of arts facilities, publishing of books and newspapers, motion picture and television programme production, publishing computer games, sound recording, broadcasting (radio and television), architectural activities, advertising, information service activities, photographic activities, retail sale of books and journals, translation and interpretation services, specialised design activities and cultural education.

The cultural industry which employs the most people is *creative, arts and entertainment activities*. In 2015, it employed 75,000 people, which corresponded to ¼ of the total employment in the sector. Architectural activities came second with 37,000 employees (i.e. one in eight persons in the cultural sector), and advertising third with 30,000 employees (i.e. one in ten persons in the cultural sector).

In terms of generated value added, television is the most significant. Its value added was estimated at PLN 5.6 billion in 2015, which means that this industry is responsible for almost one in every five zloty of the sector's value added. Activities associated with architecture and advertising came second and third, respectively, in terms of generated value. Architectural activities generated PLN 5.0 billion in value added, while advertising – PLN 4.9 billion.

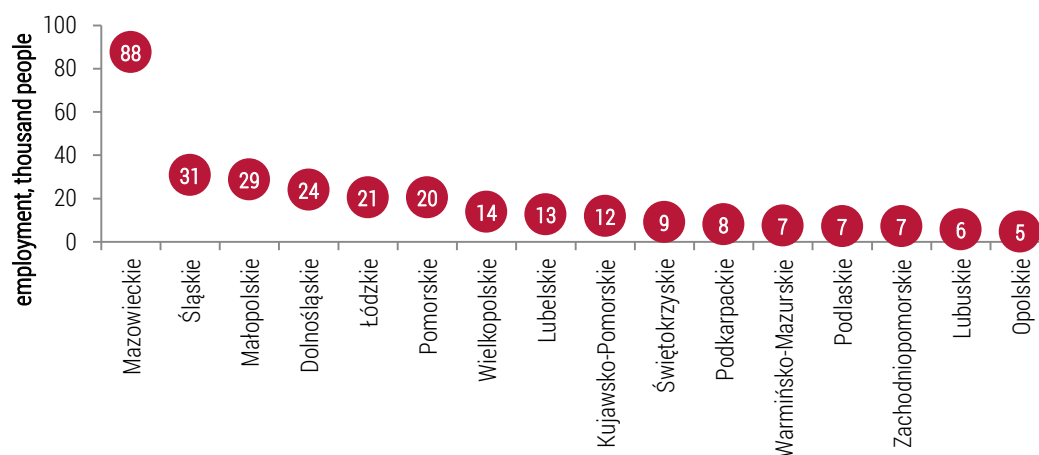
Figure 2. The structure of value added in the cultural sector, PLN billion, 2015



Source: Baran, J. & Lewandowski, P. (2017).

Cultural activity is strongly focused in the Mazowieckie Province, with 29% of the sector's employees. This percentage is higher than what would result from the share of the province's inhabitants in the total population. Consequently, this region may boast the highest share of culture in total employment, which is 3.2%. Value added is also strongly focused in the Mazowieckie Province: 37% of value added in the cultural sector is generated here.

Figure 3. Employment in culture broken down by province in 2015



Source: Baran, J. & Lewandowski, P. (2017).

The complete results of our research are published in Polish in the report:

Baran, J. & Lewandowski, P. (2017). *The economic importance of the cultural sector in Poland in 2008-2015*. Warsaw.
http://ibs.org.pl/app/uploads/2017/11/IBS_Report_01_2017_pl.pdf

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