Economic Significance and Potential of the Crafts Sector in Ireland

Report

For

The Crafts Council of Ireland

Prepared By

Indecon International Economic Consultants

Indecon

www.indecon.ie

November 2010

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Introduction

This report is prepared for the Crafts Council of Ireland (CCoI) by Indecon International Economic Consultants. The report concerns an independent research project to evaluate the economic significance of the craft industry in Ireland.

Background and Understanding

The crafts industry in Ireland, as in other countries represents a range of diverse businesses and activities across a spectrum of industrial classifications. For example, a craftsperson working on stained glass has little in common with an employee manufacturing double glazing although both may be classified under glass making. Equally, textile felting or weaving is very different to the large-scale manufacture of cloth although both may fall under textiles in national statistics. Therefore, the nature and definitional boundaries associated with crafts across Ireland make it a challenging industry to accurately define and measure.

To develop rigorous estimates of the scale and prevalence of the craft sector requires a different kind of approach in terms of its estimation than that used in some other industries. Indecon addresses this issue by taking account of the division between craft and non-craft activities. This requires a detailed selection of potential craft areas under the industrial classifications, a breakdown of these areas into specific craft activities and the estimation of craft within each of the sectors. It is important to note that the categories and sectors used in this economic report are aligned with official statistical sources and differ from categorisation used by the Crafts Council of Ireland.

Another aspect of crafts which is important in understanding the industry is its market structure and industry features. Irish crafts primarily involve micro-businesses which are typically highly labour intensive. These craft businesses form an important part of many rural and local economies. There are also some craft businesses of scale and both are relevant to the evaluation of the economic impact and potential of the sector. A key issue in defining crafts relates to the skill involved and crafts workers are sometimes defined as those applying skills in practical arts.

Assessment of Economic Significance of the Craft Industry

As part of our assessment of the craft industry, Indecon has produced a number of rigorous new estimates on key economic indicators for the sector including employment, gross value added, and productivity. In all cases we have utilised prudent assumptions in order to ensure that the figures do not overestimate the economic significance of the sector. Our analysis indicates that the craft sector makes an important contribution to national and local economic development in Ireland.

Employment

Indecon estimates that there are between 5,771 – 11,415 persons employed in the crafts sector in Ireland depending on the definition of the sector used. The range in the estimates is due to different methodological approaches used and is critically dependent on how wide a definition of the sector is utilised. Interestingly, the figures indicate a higher number of persons engaged in the craft sector in Ireland than was previously assumed.

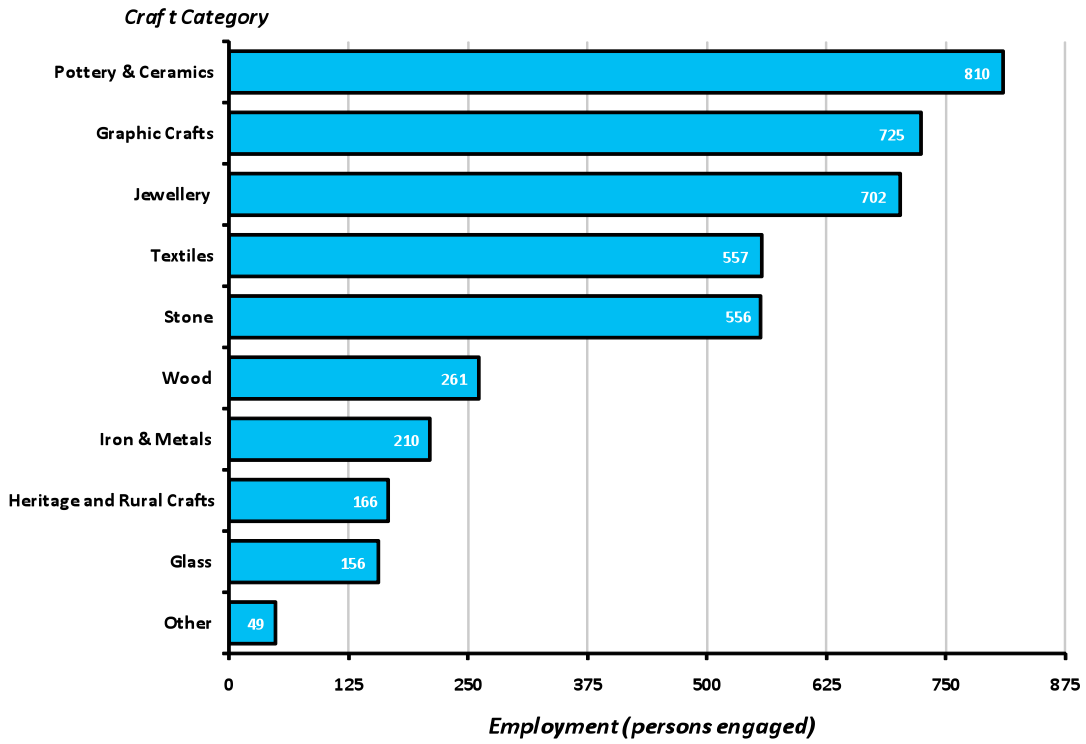
Estimated Range of Employment Numbers in Irish Craft Sector

	Estimate Based on Selected Sectors in Census of Industrial Population and CCoI Data	Estimate Based on Census of Population
Employment	5,771	11,415

Source: Indecon Estimates

In our base case estimate we use the more restricted definition of crafts, which suggests employment of 5,771. Of this figure of 5,771, Indecon estimates that there are 4,191 persons engaged in craft in enterprises employing 3 or more people. Within this, the highest employing sectors are pottery and ceramics, jewellery, graphic crafts, textiles and stone. Also of importance is the fact that there are 1,787 students studying craft in plc and IoT courses, which represents an important skill base for the sector.

Estimation of Craft Employment - Enterprises Employing 3 or More



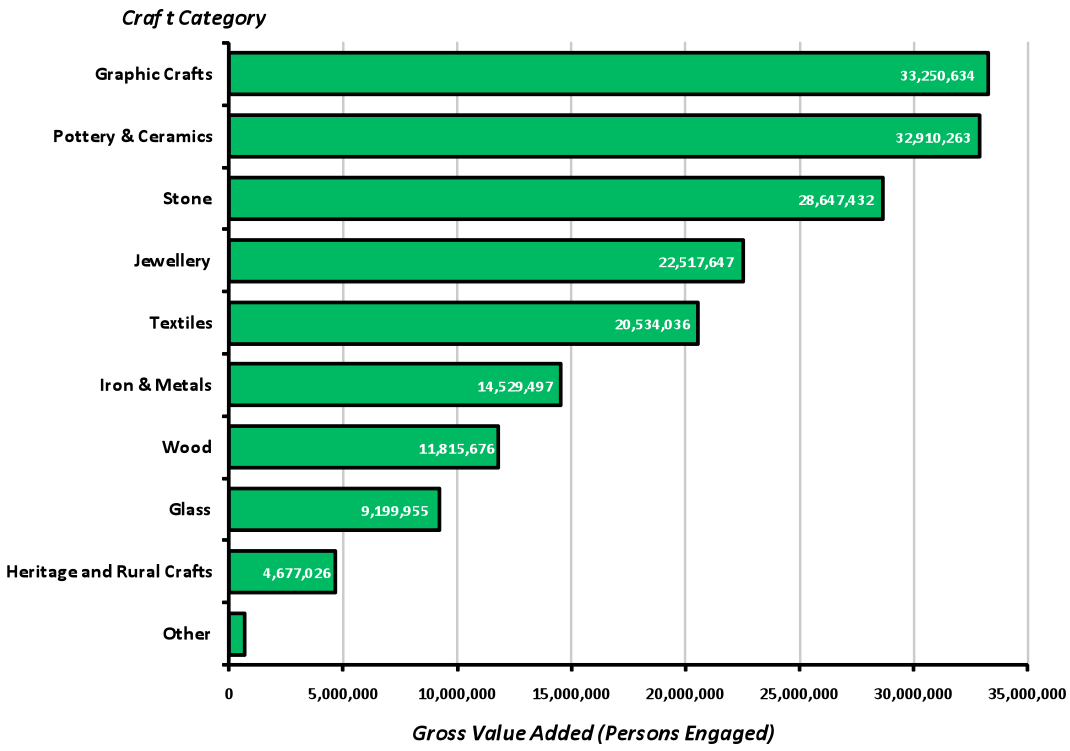
Source: Indecon analysis

Gross Value Added

Gross Value Added (GVA) is one of the most widely used and reported indicators of economic activity. It is defined as the difference between the value of goods and services produced for any given sector and the cost of intermediate inputs and consumption used in the production process. In other words, GVA is the difference between output and intermediate consumption or the difference between the value of goods and services produced and the cost of raw materials and other inputs. Gross domestic product or GDP is a related national measure of the total economy and is the sum of the value added of all sectors or all activities in the economy. As part of this study, Indecon has for the first time in Ireland derived an estimate for GVA for the craft sector.

Indecon estimates that Gross Value Added in the craft sector in Ireland employing 3 or more persons amounted to €178 million. The highest levels of GVA are in the following sectors: pottery and ceramics, graphic crafts, textiles, stone and jewellery. This number, however, underestimates the total GVA as it excludes the contribution of the numerous smaller craft businesses, although Indecon believes that the estimate is likely to account for the majority of GVA in the sector.

Estimation of Gross Value Added - Enterprises Employing 3 or More

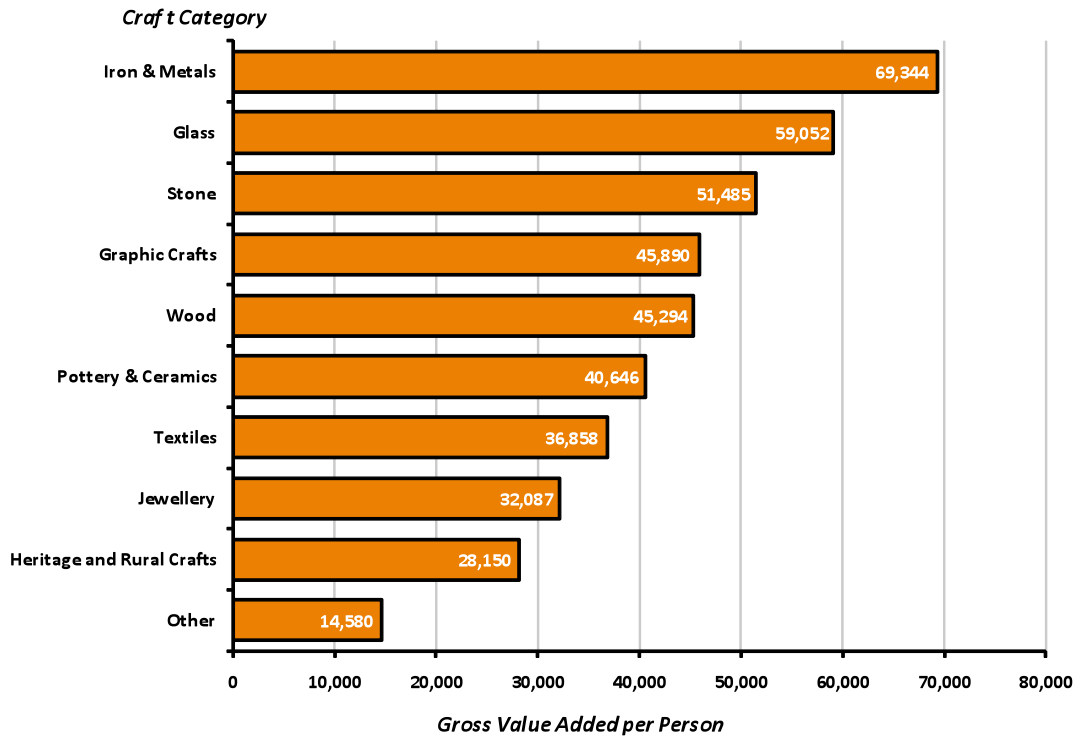


Source: Indecon analysis
Note: The 'other' craft category has a total gross value added of €713,053 per person engaged

Productivity

Indecon also has prepared estimates of productivity in the sector, which is defined for this purpose as the ratio of Gross Value Added per employee. This aggregate measure of productivity suggests that productivity per person in the craft industry is €42,339. While there are some differences reflecting specific sectoral features including the level of capital investment, the productivity per employee is within a fairly narrow range. The estimates are consistent with the labour intensive nature of craft activity.

Estimation of Productivity - Enterprises Employing 3 or More



Source: Indecon analysis

A summary of the key measures of direct economic contribution of the Irish craft sector is presented in the table below.

Direct Economic Contribution of the Craft Sector

Estimated Value of Output	€498m
Estimated Employment	5,771
Value of Exports	€124.5m
Value of Irish Market Sales	€373.5m

Source: Indecon Analysis

In addition, the craft sector has indirect and induced economic impacts on the Irish economy. When these factors are taken into account, the direct, indirect and induced impacts are estimated to facilitate 17,994 jobs. Indecon would point out that every sector contributes more than its initial value added but it is useful to consider the wider economic impacts of the sector.

Potential Opportunities

Because of the underlying skill and talent of craft workers in Ireland and the positive market reputation for Irish crafts, Ireland has a comparative advantage in this sector. While there are major challenges facing the industry there is also potential for growth and for the sector to expand exports, output and employment. Market research undertaken by The Research Perspective also suggests that the sector believes there is potential for significant further growth.

In particular, the sector believes that with appropriate supports there would be potential to secure a 63% increase in sales.

If one utilises Indecon's lower estimate of employment in the sector based on the more restricted definition of crafts, it is possible to derive some indicative estimates of the employment potential, if the expectations of the sector were realised. This, however, is based on an assumption of the availability of adequate supports to assist the sector to grow and represent medium term potential for the sector. In the current economic environment, many craft businesses who are dependent on domestic demand, are likely to face very difficult market conditions.

Indecon, however, believes that there is very unlikely to be a one to one relationship between sales and employment growth in the craft sector although we accept this will in part be dependent on the rate of growth in sales.[1]

In line with the prudent approach taken throughout this study, our analysis assumes that only 65.5% of expected sales growth will be realised. In other words, sales will only increase by 41.26%. We also assume that this will only result in a corresponding growth in employment of 31.5%. In our analysis we examine three different scenarios for sales potential as follows:

Scenario A: Assumed growth in employment is aligned with the judgement of the sector for sales growth i.e. 63%.

Scenario B: Assumed growth in employment represents only 50% of that implied in Scenario A.

Scenario C: Where only 20% of the implied growth in employment in Scenario A is realised.

The implications of the above growth scenarios for employment in the sector are presented in the table below. This suggests a potential increase in employment in the craft sector of the order or range 727 – 3,636. This is of course a matter of judgment and the numbers are illustrative only. However in our base case we use a prudent figure of 1,818 for potential increase in employment. This is only 50% of what would be realised if sales growth was aligned with the expectations of the sector and if there was a one to one relationship between output and employment.

[1] See Gray, A. W., Employment Potential in Manufacture. Published by The Irish Trade Board, 1993.

Employment Potential in the Irish Craft Sector

	Potential Employment	Potential Increase in Employment
Scenario A	9,407	3,636
Scenario B	7,589	1,818
Scenario C	6,498	727

The figures suggest that there is potential to significantly increase employment and sales growth in the sector. An analysis of the overall potential is outlined in the table below. This highlights the fact that the sector employs 5,771 under our base case but this could potentially increase to as high as 7,589. The figures also indicate that exports from the craft sector amount to nearly €125 million and there is potential for these to increase to over €175 million. There is also potential for an increase in domestic sales of crafts if Irish crafts gain a greater share of the domestic market.

Potential for Craft Sector

	Existing	Increase	Potential
Value of Output in Firms Employing 3 or More	€361.65m		
Total	€498m	€205.5m	€703.5m
Employment	5,771	1,818	7,589
Value of Exports	€124.5m	€51.4m	€175.8m
Value of Domestic Sales	€373.5m	€154.1m	€527.6m

Key Conclusions

- Our analysis has demonstrated that even using a narrow definition of the craft sector, the sector is a significant source of skilled employment and makes an important contribution to output and exports. The sector employs a larger number of people than was previously assumed.
- The number of students graduating from Post Leaving Certificate, Institute of Technology or other third level colleges in craft related subjects represents an important resource for the sector. Unless opportunities are created for some of these students it would represent a potential waste of the investment in these skills.
- The design sector is an important component of the craft industry both in Ireland and internationally and an integration of supports for the wider craft and design sector would have value.
- The sector is facing a challenging market environment but there is potential for an increase in the number of full time jobs in the sector if craft businesses are facilitated to secure an increased share of the Irish market and to develop existing and new export markets. This would, however, require on-going supports and Indecon believes this potential could only be realised over the medium term.

Acknowledgements and Disclaimer

Indecon would like to acknowledge the valuable advice and assistance provided by the Crafts Council of Ireland in preparing this study. In particular, thanks are due to Laura Magahy, Chairman, Úna Parsons, Chief Executive and other members of the executive team within CCoI. We would also like to thank Ronan Bradley from The Research Perspective and the valuable inputs provided by the Central Statistics Office, Fáilte Ireland and representative organisations in other countries. Thanks are also due to Enterprise Ireland for helpful comments on a presentation of our findings.

The usual disclaimer applies and the analysis in this report remains the sole responsibility of Indecon.

1 Introduction

1.1 Introduction

This report is prepared for the Crafts Council of Ireland (CCoI) by Indecon International Economic Consultants. The report concerns an independent research project to evaluate the economic significance and potential of the craft industry in Ireland.

1.2 Methodological Approach

A key issue in evaluating the craft sector relates to how to define the industry. An overly rigid adherence to a specific definition will result in excluding craftspeople who work within more broadly defined industrial categories such as textiles, wood or stone working. Another methodological issue concerns the sources and approaches used to derive estimates for key variables such as employment, GVA and productivity.

As part of our methodology, we utilise a range of different sources including data on the CCoI Register of craft businesses and also new survey work as well as official statistics. We also for the first time in an Irish context estimate the gross value added significance of the craft sector by utilising national official statistics. In many cases, these involve examining a set of industrial sectors which involve craft activity. For each potential area of craft we estimate what percentage of any sector's activity is likely to relate to craft businesses. This is based on utilising comparative data for the UK and applying a scaling method, which allowed for a quantification of Irish craft.

The definition of what is included in each of the craft categories is discussed in the methodological annex to this report and is based on categorizations used in official statistics. We would also note at this juncture that, for the purposes of our assessment of craft activity in industries with three or more persons, the 'other' craft category relates primarily to the repair of craft goods and the area of taxidermy.

1.3 Structure of Report

This report is structured as follows:

- Section 2 presents a brief profile of the craft sector primarily utilising data from the CCoI Register of craft businesses. This material represents an overview of the background to the detailed research presented in the study;
- Section 3 provides rigorous new evidence for employment in the Irish craft sector;
- Section 4 analyses demographics and skills;

- Section 5 reviews elements of the demand for crafts;
- Section 6 presents detailed evidence on the economic impact of the craft sector; and
- Section 7 considers the potential of the industry.

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2 Profile of the Crafts Industry

2.1 Introduction

This section provides summary background analysis on the profile of the crafts industry in Ireland.

2.2 Geographical Breakdown

Table 2.1 outlines the numerical breakdown of craft enterprises across the counties of Ireland. The analysis demonstrates a wide geographic dispersion of craft enterprises and also highlights a growth in the recent number of craft enterprises included in the CCoI Register. The table also shows that the number of craft enterprises in the Republic of Ireland has grown by 13%, reaching 1,696 in 2009.

Table 2.1: Selected Breakdown of CCoI Registered Craft Enterprises by County in the Republic of Ireland, 2008 and 2009*

County	Craft Enterprises (2008)	Craft Enterprises (2009)	Growth (2008 - 2009)
Dublin	298	332	11%
Cork	203	225	11%
Galway	86	106	23%
Kilkenny	84	94	12%
Kerry	65	78	20%
Wicklow	71	78	10%
Wexford	57	66	16%
Waterford	57	65	14%
Clare	57	63	11%
Donegal	59	63	7%
Mayo	53	62	17%
Kildare	45	49	9%
Meath	36	46	28%
Tipperary	38	43	13%
Louth	41	41	0%
Sligo	33	37	12%
Offaly	31	35	13%
Limerick	24	34	42%
Westmeath	24	32	33%
Carlow	29	31	7%
Leitrim	28	29	4%
Laois	21	24	14%
Monaghan	17	22	29%
Cavan	16	18	13%
Roscommon	12	14	17%
Longford	11	9	-18%
Total	**1,496**	**1,696**	**13%**

Source: Indecon analysis of the Crafts Council Register and the Annual Report 2008

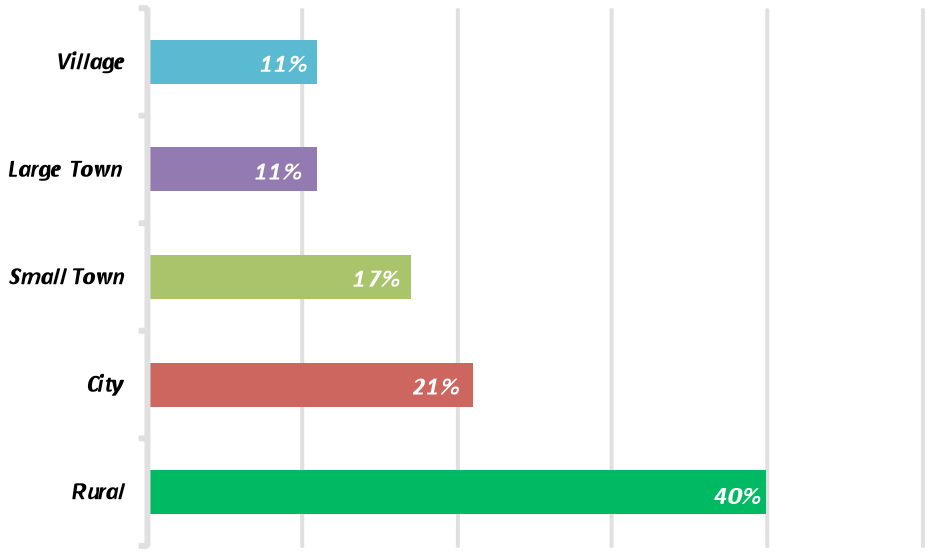
** These figures refer to data on the CCOI register as at 1/12/2009. Only those enterprises on the Register who specified their location (ROI) are included in the analysis. A small minority of enterprises did not provide details on location and therefore the total does not represent all enterprises in the Republic of Ireland.*

There are a significant number of craft businesses in cities, such as Dublin and Cork. This is, however, low relative to population.[2] This contrasts with other counties such as Kilkenny, which accounts for only 2% of total population but represents a much higher share of total craft enterprises.

There were 1,696 craft enterprises in the Republic of Ireland included in the CCoI Register in 2009. The main hubs for enterprise activity were Dublin (332) and Cork (252), which were followed by Galway (106) and Kilkenny (94). In addition, the geographic breakdown shows a strong representation in regionally less populated counties.

Figure 2.1 shows a geographical breakdown of craft enterprises in terms of the type of location.

Figure 2.1: Geographical Distribution of Craftspeople by Location Type



Source: The Research Perspective Survey data

The analysis shows that Irish crafts workers are very well represented in rural areas with almost 40% of the craftspeople surveyed compared with only 21% for cities. Overall 68% of craft people were employed in villages, small towns or rural areas.

[2] According to the CSO census 2006, the combined populations of Dublin and Cork are approximately 39% of the total Irish population but only account for 22% of craft businesses.

2.3 Activity Breakdown

Table 2.2 outlines analysis of craft enterprises in Ireland. The majority of enterprises are concentrated in a number of key categories, notably in textile making, ceramics and jewellery. These three craft disciplines comprise 54% of craft businesses on the Crafts Council of Ireland Register. There is, however, a very wide range of craft activities operating in Ireland.

Table 2.2: Selected Breakdown of Craft Enterprises by Industry in the Republic of Ireland

Industry	Craft Enterprises - Number
Textile Making	365
Ceramics	296
Jewellery	250
Woodworking	151
Glass Making	158
Furniture Making	122
Metal Working	64
All Other Industries/NES	289
Total (ROI)	**1,696**

Source: Indecon analysis of the Crafts Council of Ireland Register

Table 2.3 provides data on the size distribution of enterprises active in the crafts industry in Ireland (2010) by employment. It is clear from the table that the vast majority of crafts enterprises in Ireland are micro businesses with up to 10 employees and a very high percentage of these employ less than 5 people. At the bottom of the table estimates are provided of the level of concentration in the crafts industry in Ireland using a technique for estimating the concentration ratio in the case of grouped data.[3] It is seen, for example, that the five largest crafts enterprises in Ireland account for an estimated 10% of gross employment in the industry, while the top 100 enterprises account for an estimated 43% of gross employment. This analysis illustrates the fragmented nature of the crafts industry in Ireland.

[3] McCloughan, P. and Abounoori, E. (2003) 'How to Estimate Market Concentration given Grouped Data', *Applied Economics*, Vol. 35, pp. 973-83. See also McCloughan, P. (2004) 'Construction Activity Concentration: Evidence from Britain 1971-1999', *Construction Management and Economics*, Vol. 22, pp. 979-90 and McCloughan, P. (2005) 'What's been Happening to Concentration in Irish Industry 1991-2001', *The Economic and Social Review*, Vol. 36, pp. 127-56.

Table 2.3: Size Distribution of Enterprises Active in the Crafts Industry in Ireland – Gross Employment (2010)

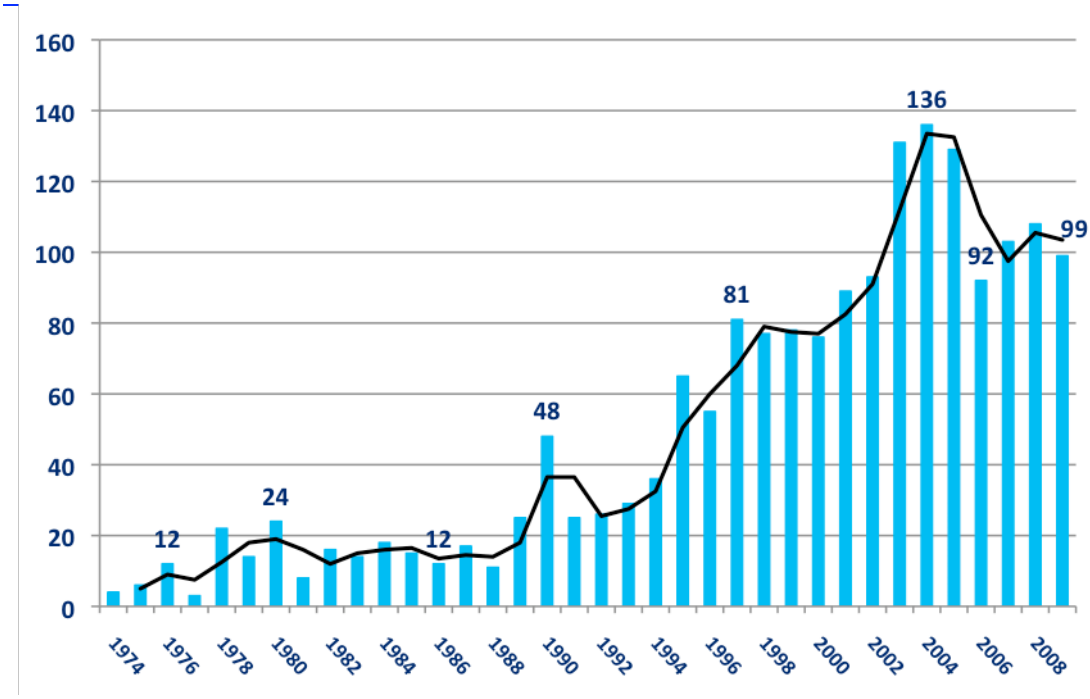
No. of employees*	Frequency	% of Enterprises by Size Category	% of Estimated Employed
0 to 1.5	1,092	68%	30%
2 to 2.5	244	15%	13%
3 to 5.5	188	12%	19%
6 to 10	54	3%	11%
10+	38	2%	27%
Estimated Top 5 Firm Concentration Ratio			***10%***
Estimated Top 10 Firm Concentration Ratio			***14%***
Estimated Top 20 Firm Concentration Ratio			***19%***
Estimated Top 50 Firm Concentration Ratio			***31%***
Estimated Top 100 Firm Concentration Ratio			***43%***

Source: Indecon analysis of survey data obtained from the Craft Council of Ireland.

**Including owners*

The growth in the number of craft enterprises discussed previously reflects the evolution of craft enterprises. Data on this from the CCoI Register is presented in the chart below. These figures however should not be interpreted as suggesting that the number of new start ups has grown from 12 in 1976 to 136 in 2004 as the numbers simply refer to the number of new registrations on the CCoI Register. The figures therefore represent only a snap shot of the enterprises joining the CCoI Register.

Figure 2.2: Evolution of Craft Enterprises in Ireland – Number of New Registrants per Year – 35 Year Trend



Source: Indecon analysis of the Crafts Council of Ireland Register

The craft sector in Ireland is not only a significant source of employment but represents a key sector for emerging small enterprises. The sector is also an important contributor to regional and local economies.

3 Employment in the Irish Craft Sector

3.1 Introduction

In this section we present estimates of employment in the crafts industry in Ireland.

In estimating employment numbers in the craft sector there are three main approaches which can be utilised as outlined in the table below. We also summarise some of the issues which are relevant to each of these approaches. Data is also available from the quarterly National Household Survey on the trends in selected sub categories of the craft industry. However because of the small number of sub sectors examined this is not used to estimate total craft employment numbers. We have, however, considered this data in order to examine the trends in employment in certain sub categories later in this section.

Table 3.1: Potential Approaches to Estimating Employment in Irish Crafts Sector

Approach	Issues
1. Survey Data / CCoI /Industry Register	• *This is an approach which has traditionally been utilised.* • *May underestimate employment if some craft businesses are not covered in register / survey work.* • *May underestimate craft related employment in sectors where only a percentage of employees are craft workers.*
2. Census of Population	• *Comprehensive authoritative source of employment.* • *Significant challenge to align occupational classifications used in census with definitions of craft sector.*
3. Census of Industrial Production	• *Authoritative source of comprehensive data.* • *Only includes enterprises employing 3 or more persons and would exclude significant parts of craft sector.* • *Significant challenge to align classifications with definitions or craft sector.*

Source: Indecon

3.2 Results from Survey / CCoI Register Data

Previous estimates of employment in the Irish craft sector were based on results from the CCoI register of craft workers or by surveying a number of craft industries and businesses. This however may significantly understate employment if some craft businesses are not covered in the register. It may also underestimate craft related employment in sectors where only a percentage of employees are craft workers.

It is however interesting to review employment numbers of craft businesses which are included in the CCoI Register. The figures presented below indicate that there are approximately 3,622 craft workers included in the CCoI register.

Table 3.2: Numbers Employed in Selected Craft Businesses Included in CCoI Register, 2009 – Republic of Ireland

No. of Employees*	Count	%	Total Employment
0 – 1.5	1,092	68%	1,092
2 – 2.5	244	15%	488
3 – 5.5	188	12%	678
6 – 10	54	3%	393
10+	38	2%	971
Not Recorded	80	-	
Total	1,696		3,622

Source: CCoI Register (1st December 2009)

**Including owners*

Note: According to the latest CCOI Register data there are a total of 1,696 enterprises in the ROI (there are also an additional 32 enterprises which do not specify any location and we exclude these enterprises from the analysis). Of the ROI enterprises, 80 do not record total employment data. Therefore, the employment analysis in this table reflects only those enterprises which specify a location (in the ROI) and for which there is available employment data.

This level of total employment equates to between 2,089 – 2,642 full time equivalents (FTE) in the Republic of Ireland, as shown in Table 3.3. The full time equivalent totals assume owners are full time. A corrected total employment is also calculated based on survey results.[4]

[4] *We utilise the approach taken by The Research Perspective. 57% are full time and on average part time craft workers spend 33% of their time on craft. Therefore, a corrected estimate can be calculated on the basis that the average FTE for a given owner is 71%.*

Table 3.3: Full Time Employment Equivalents in Selected Craft Business Included in CCoI Register – Republic of Ireland

Number of FTE	Count	%	Total Employment	Corrected Total Employment
Total	1,696		2,642	2,089

Source: CCoI Register (1st December 2009)

Census of Population

A more comprehensive and authoritative source of employment data is the National Census of Population prepared by the CSO. This is designed to include all individuals in Ireland on the night of the Census. Of specific relevance to this study is the question in the census on "what is (was) your occupation in your main job?" This is asked of all individuals who were working for payment or profit, were unemployed or were retired.

Table 3.4 presents a comparative analysis of the most recent Irish Census of Population and the most recent Labour Force Survey in the UK. The sub categories analysed are those which were judged by Indecon to be primarily related to craft occupations.

Table 3.4: Comparative Analysis: Irish Census of Population UK and the Labour Force Survey

Occupation	ROI	UK
Textile and Craft Workers	**5,247**	**35,492**
Weavers, Knitters, warp preparers, bleachers, dryers and finishers	696	n/a
Sewing machinists, menders, darners and embroiderers	2,702	n/a
Shoe repairers and other leather makers	455	n/a
Tailors, dressmakers, clothing cutters, milliners etc	851	n/a
Other textiles, garments and related trades not elsewhere specified	427	n/a
Other	n/a	n/a
Manufacturing Crafts Workers	**6,255**	**62,154**
Cabinet makers	4,055	-
Selected Other woodworking trades not elsewhere specified	1,051	30,047
Glass product and ceramics makers, finishers and other operatives	2,825	16,750
Other craft and related occupations	2,,379	15,357
Bookbinders and Printing Craft Workers	**2,938**	**15,358**
Bookbinders, print finishers and other printing trades not elsewhere specified.	2,938	15,358
Instrument Makers and Other Craft Workers	**1,758**	**16,348**
Precision instrument makers, goldsmiths, silversmiths and precious stone workers	1,758	16,348
Smiths / Forge Workers		
Smiths, forge /metal plate workers and shipwrights	539	-
Total	**16,737**	**129,378**

Source: Indecon Analysis of Census of Population 2006 and UK Labour Force Survey 2009

The figures in Table 3.5 suggest that employment occupation numbers in the craft sector in Ireland could be as high as 16,737 and 129,378 in the UK. However Indecon believes that this overestimates the numbers employed as some of the categories identified may include 'non-craft' workers and some of the respondents are unemployed or retired and are referring to their last job. There is however also the possibility that the numbers may underestimate aspects of employment of craft workers as the definitions used excludes certain categories of occupation which are likely to include some craft workers such as upholsterers, coach trimmers and artists in addition to graphic and clothing designers.

In order to ensure the numbers do not overestimate employment Indecon has therefore scaled down the employment numbers based on ratios applicable in the UK. The figures in Table 3.5 indicated a figure for the UK of 129,378 and this compares to previous estimates in the UK[5] which suggested employment in the craft sector was 88,250 or 68.2% of the figures included in the Table 3.2.

We have therefore scaled down the estimates for Ireland to 68.2% of the figures included in the table. This would suggest an overall estimate of employment in Irish crafts of approximately 11,415.

3.3 Census of Industrial Production

The Census of Industrial Production also provides an authoritative source of comprehensive employment data. This source, however, only includes enterprises employing three or more persons.

The difficulty in using this source of data to estimate employment numbers in the craft sector is that the level of aggregation of the sectoral classifications is not aligned with the definition of craft businesses.

This issue was also considered previously in the UK and very detailed micro research was undertaken to estimate what percentage of different industry classifications related to craft employees. As part of this study Indecon has undertaken a detailed analysis utilising the ratios identified in the previous UK research and applying this to Irish data. To estimate this Indecon has constructed estimates for craft broken down into ten specific craft activities.

Table 3.5 presents Indecon's employment estimates across the ten craft activities. The estimates suggest that there were 4,191 persons engaged in craft activities in 2010 in enterprises employing more than 3 employees.

Table 3.5: Employment Estimates in Craft Enterprises - Employing 3 or more

[5] The Creative and Cultural Skills – A UK Sector Skills Council

Broad Craft Section	Base Case Scenario	% of Total
Pottery & Ceramics	810	19%
Graphic Crafts	725	17%
Jewellery	702	17%
Textiles	557	13%
Stone	556	13%
Wood	261	6%
Iron & Metals	210	5%
Heritage and Rural Crafts	166	4%
Glass	156	4%
Other	49	1%
Total Craft	**4,191**	**100%**

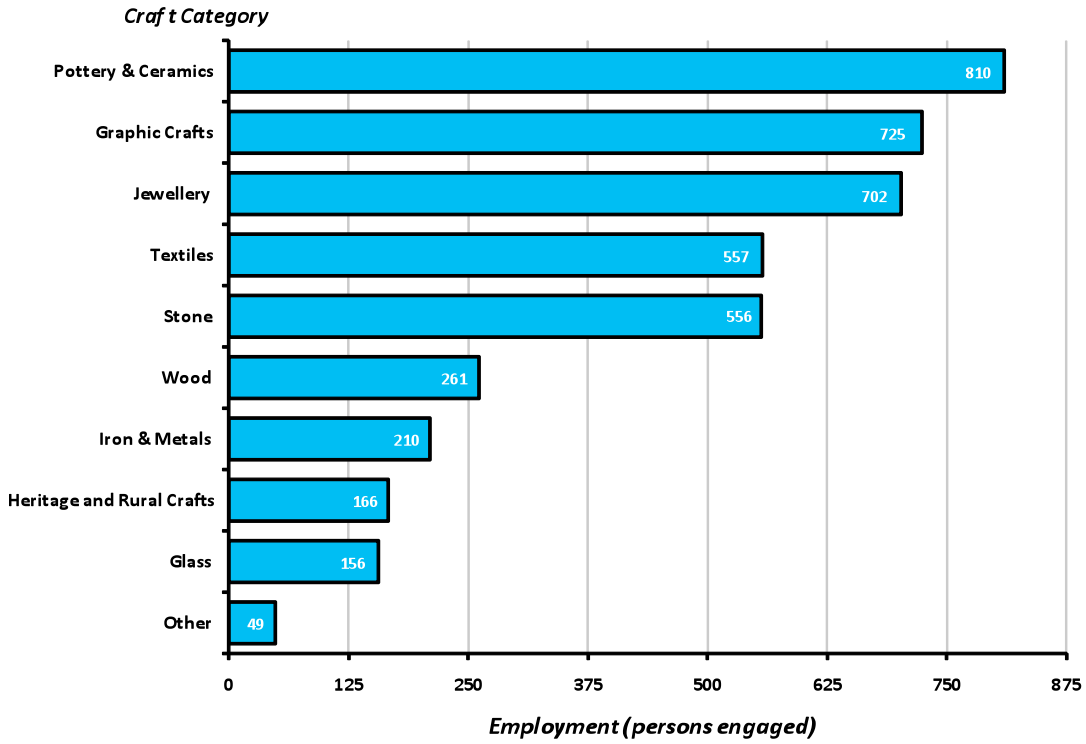
Source: Indecon analysis. ONS ABI 2008. ONS ABI 2007. CSO COIP 2007. CSO ASI 2007. CSO QNHS. CSO Census of Building and Construction 2006. Creative and Cultural Skills' Council (UK) - The UK Activity Skills Council for Crafts

** In the case of Jewellery, estimates were based on CSO Quarterly National Household Data (QNHS) and UK ONS Labour Force Survey (LFS). Category chosen was 'precision instrument makers, goldsmiths, silversmiths and precious stone workers'*

*** Employment is based on the numbers of persons engaged*

Figure 3.1 provides an illustration of the employment in craft enterprise employing 3 or more persons, broken down into the ten craft activities in such enterprises. The craft activities with the highest levels of craft employment were pottery and ceramics, graphic crafts, jewellery, stone and textiles. Details of what is included in the official data sources are presented in the annex.

Figure 3.1 Summary of Employment Estimate in Craft Enterprises Employing More Than 3 Persons



Source: Indecon analysis

The above estimates however only include employment in craft enterprises employing three or more persons. If one adds to this number the estimated number of employees in craft businesses employing less than three included in the Crafts Council of Ireland register this suggests an additional employment of 1,580. This indicates an overall estimate of employment in the craft sector of 5,771 or approximately 6,000. Given that it is unlikely that all craft employees in businesses of less than 3 persons will be on the Crafts Council of Ireland register, and the possibility that this approach may not include all relevant craft categories, the estimates represent a lower estimate of total employment in the sector.

3.4 Trends in Craft Employment

Introduction

This section considers the evolution of craft employment over time. Additionally, the section examines the trend in employment between 2002 and 2006, based on Census of Population data. We also provide an analysis of the changes in craft employment based on the Quarterly National Household Survey (QNHS).

In utilising the QNHS data we examine an illustrative selection of craft occupations as follows:

- Precision instrument makers
- Sewing machinists, menders, darners & embroiderers
- Cabinet makers
- Glass product & ceramics makers
- Other craft & related occupations

In terms of its comparative merits with other sources, the QNHS provides a more detailed breakdown and is more recent than other sources. However, its main drawback is that there are some craft occupations which are not provided separately in the QNHS and others where data is withheld for confidentiality reasons.[6]

Trends in Employment – Overview

Table 3.6 outlines the changes in occupation between 2002 and 2006 in a selection of craft related sectors as included in the Census of Population. This includes the current and last occupational category for respondents.

[6] In those quarters where data was unavailable for confidentiality reasons, we assume a constant growth rate.

Table 3.6: Trend Analysis: Irish Census of Population 2002 and 2006 - % Changes in Narrow Craft Categories

Occupation	2006	2002	% Change
Textile, clothing and leather workers			
Weavers, knitters, warp preparers, bleachers, dyers and finishers	696	897	*-22.4%*
Sewing machinists, menders, darners and embroiderers	2,702	2,310	*17.0%*
Shoe repairers and other leather makers	455	531	*-14.3%*
Tailors, dressmakers, clothing cutters, milliners and furriers	851	868	*-2.0%*
Other textiles, garments and related trades n.e.s.	427	408	*4.7%*
Other manufacturing workers			
Cabinet Makers	4,055	3,750	*8.1%*
Selected other woodworking trades not specified elsewhere	1,051	797	*31.9%*
Glass product and ceramics makers, finishers and other operatives	2,825	2,658	*6.3%*
Other craft and related occupations	2,379	2,784	*-14.5%*
Chemical, paper, wood, rubber, plastics and printing workers			
Bookbinders, print finishers and other printing trades n.e.s.	2,938	6,210	*-52.7%*
Engineering and allied trades workers			
Precision instrument makers, goldsmiths, silversmiths and precious stone workers	1,758	1,671	*5.2%*
Smiths/Forge Workers			
Smiths, forge /metal plate workers and shipwrights	539	488	*10.5%*
Grand Total	**20,676**	**23,372**	*-11.5%*

Source: Indecon Analysis of CSO Census of Population 2006

The figures show considerable variability among different occupational categories. In total, there were 20,676 in the identified sub-sectors of craft areas in 2006 which was less than in 2002. These numbers however include individuals who would not be strictly classified as craft workers. These changes in employment numbers may be a reflection of market trends or the availability of other opportunities for employment in an economy which at that stage was experiencing rapid growth. The decline in the category bookbinders, print finishers and other printing trades may also have reflected technology developments.

Table 3.7 outlines an overview of employment in the selected craft areas as included in the QNHS. The figures show volatility in employment position for certain sub sectors of employment.

Table 3.7: Evolution of Employment in Selected Craft Occupations, 2004 - 2009

Craft Occupation	2004	2005	2006	2007	2008	2009
Precision instrument makers	1,425	1,700	1,400	1,700	1,675	1,200
Sewing machinists, menders, darners & embroiderers	1,975	1,900	1,600	1,575	1,700	1,450
Cabinet makers	3,450	3,625	4,325	4,450	4,425	3,350
Glass product & ceramics makers	1,975	1,350	1,200	1,250	1,775	1,450
Other craft & related occupations	2,975	2,600	2,000	2,075	1,875	2,600
Total	**11,800**	**11,175**	**10,525**	**11,050**	**11,450**	**10,050**

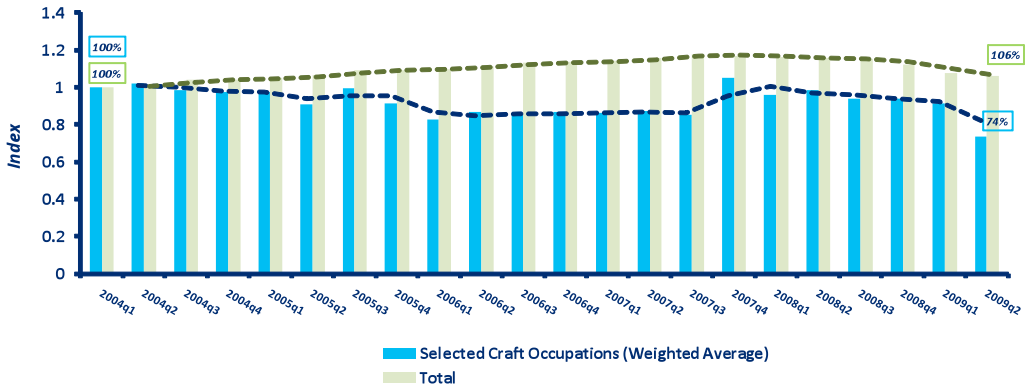
Source: Indecon analysis of Quarterly National Household Survey (QNHS)

**The above estimates for each craft activity are constructed by averaging the employment in the four quarters of that year.*

Trends in Employment - Indexed Trends in Occupations

Figure 3.2 shows the relative quarterly changes in employment in selected craft occupations[7] compared with total occupations since 2004. This analysis provides an indicator of craft employment relative to economy-wide employment over the period by considering the percentage changes in craft employment and total employment where 2004 is taken as the base year (in 2004, index = 1.00).

Figure 3.2 Comparison Employment Index in Selected Craft Occupations and Total Occupations over Time, 2004 – 2009



Source: Indecon Analysis of Quarterly National Household Survey (QNHS)

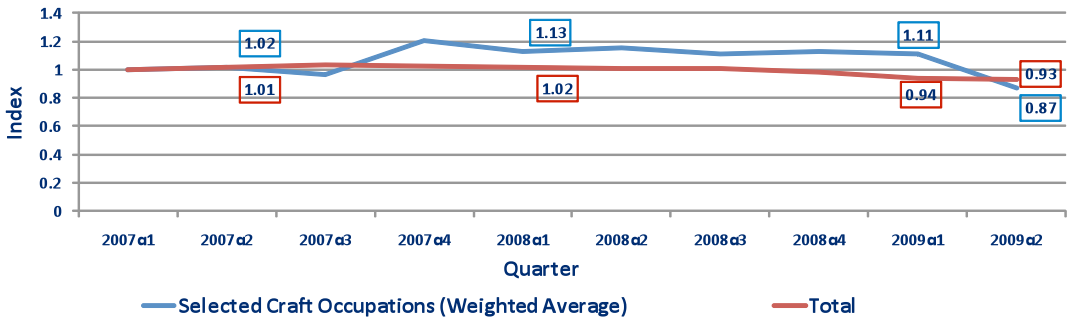
Over the period, employment in the selected craft sectors examined showed a more volatile trend than that of total employment. For example, craft employment saw a gradual decline throughout 2004 and 2005 after which the index remained approximately stable up until 2007. Interestingly, craft employment increased during 2007/2008 when the economy-wide labour market was seeing considerable decline.

The data suggests that craft employment in quarter two 2009 was 74% of 2004 employment levels.

[7] Craft occupations is defined as the total selection given in the introduction

Figure 3.3 considers a similar employment index but this time over a shorter time horizon, specifically during the recent recessionary period after quarter one 2007.

Figure 3.3: Comparison Employment Index in Craft Occupations and Total Occupations during Recession, 2007 Q1 – 2009 Q2

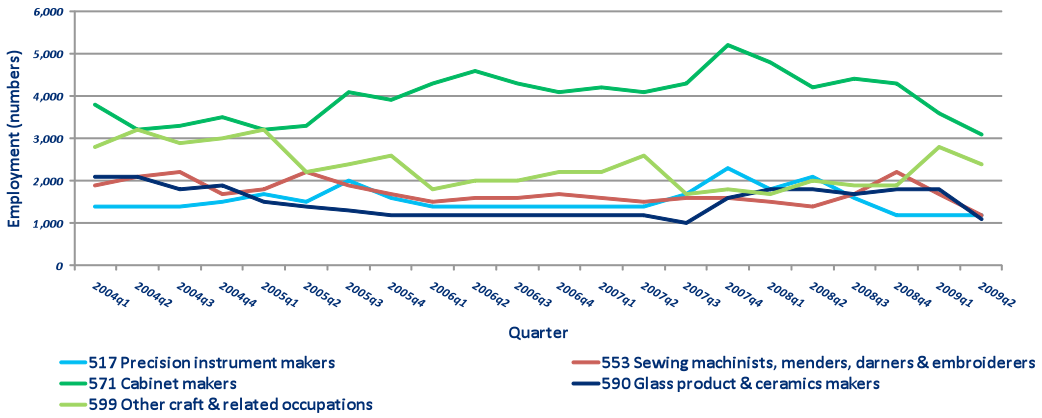


Source: Indecon Analysis of Quarterly National Household Survey (QNHS)

It is noteworthy that craft related employment in the sectors included in the QNHS outperformed total Irish employment trends between 2007 quarter one and 2009 quarter one. At the start of 2008, employment in the craft sector had outperformed total Irish employment by 11% based on 2007 levels and at the start of 2009 that same gap had increased to 17%. However, the data indicates that craft employment experienced significant decline in quarter two 2009 which may have been related to the difficulties being experienced by the tourism sector and the negative consumer sentiment which had a major impact on Irish retail demand during this period.

Figure 3.4 presents the trends in selected craft occupation levels since 2004. The analysis traces the quarterly employment trajectory levels since 2004 in terms of the numbers employed. In general, employment in craft occupations experienced increases in the numbers employed during 2006 and 2008 while virtually every occupational craft category experienced a fall in employment between 2008 and 2009. This fall is due in large part to the dramatic decline in economic activity arising from the recession that hit Ireland after 2007.

Figure 3.4: Trends in Selected Craft Occupation Levels, 2004 – 2009



Source: Indecon Analysis of Quarterly National Household Survey (QNHS)

Overall, the analysis indicates that there were 11,415 persons engaged in craft activities as broadly defined and even if one utilises a narrow definition of the craft sector employment levels amount to 5,771. Indecon notes that even this lower estimate is much higher than previously assumed and indicates the employment significance of the sector. In recent years there has been significant volatility in craft sector employment and important sub-categories such as bookbinders have shown significant declines. This highlights the market challenges facing the sector.

4 Skills and Demographics Characteristics

4.1 Introduction

This section presents analysis on education, training and skills in the craft sector. It also provides an examination of the demographic characteristics of Irish craft.

Two areas of relevance in the formal educational sector where students are obtaining training in crafts are Post Leaving Certificate (PLC) courses, the Institutes of Technology (IoT) and the National College of Art & Design (NCAD). In addition, training is provided by numerous specialist craft focused organisations and by organisations such as FÁS as well as specialist courses provided by CCoI.

4.2 Methodology

As craft workers may benefit from a wide range of artistic, technical and other training there are no precise definitions of the number of students involved in craft education. However, it is possible to provide indicative estimates.

In the case of the Institutes of Technology, students studying 'craft courses' are likely to be studying aspects of 'craft skills'. Students who were studying 'courses related to craft' were deemed to be studying both 'craft skills' and 'design'. The source for this information was the Higher Education Authority (HEA). The data included all full-time undergraduate students by field of study at 1 March 2009.

In the case of plc courses, craft courses were selected by those courses which had 'craft courses' in the title. Courses deemed to be 'courses related to craft' were chosen as those which had craft as one of the course's subjects. For plc courses, the number of students per course is estimated based on the average number of students in creative and craft courses. The source for this information was careersportal.ie and QualifaX National Learners Database which provides updated information on plc courses in Ireland.

4.3 Skills and Educational Attainment

Some indication of the levels of education and qualifications in craft and craft-related areas in Ireland can be obtained by reviewing the Post Leaving Certificate (plc) Courses and courses provided in the Institutes of Technology (IoT) and the National College of Art & Design (NCAD).

This, however, does not represent the totality of education or skills as 'on the job training' is also significant in the craft sector as is the role played by specialist courses or training outside of the formal educational sector.

In addition, it is often the case that craftspeople have educational qualifications in other areas as well as in craft-related disciplines.

Table 4.1 outlines the numbers of plc courses in Ireland and the relative significance of the artistic and creative and courses of which craft is a subset.

Table 4.1: Significance of Artistic and Creative Courses in Context of Overall plc Courses

Subject Area	No. of Courses	% of Total
Artistic and Creative Courses	376	14.5%
Total plc Courses	2,601	100%

Source: Indecon analysis

The craft area is a subset of the wider 'artistic and creative' area. There are 376 courses in the artistic and creative category and this area comprised 14.5% of total plc courses.

An analysis by Indecon of the artistic and creative courses suggests there are 225 'art, craft and design' courses, 100 'courses related to craft' and 51 'craft courses'. We estimate that these 51 craft courses would be associated with approximately 1,377 students studying craft plc courses.

Table 4.2: Students Studying Craft and related courses in plc Courses

Artistic and Creative Courses	Number of Courses	Number of Students (e)	*Artistic and Creative PLC Courses - % of Total*	*Total PLC Courses- % of Total*
Total	376	10,152	*100%*	*14.50%*
Art, Craft & Design	225	6,075	*59.80%*	*8.70%*
Courses related to Craft*	100	2,700	*26.60%*	*3.80%*
Craft Courses**	**51**	**1,377**	***13.60%***	***2.00%***

Source: Indecon analysis

In addition to those studying plc courses, a significant number of students are studying craft skills or design at Institutes of Education.

Table 4.3: Students studying *Craft Skills or Design* at IoTs

Category	Male	Femal	Tota
Ordinary			
Full-Time	18	20	39
Part-Time	1	4	5
Tota	18	21	39
Occasional Study			
Full-	0	0	0
Part-	1	4	17
Tota	1	4	17
All			
Full-Time	48	81	1,30
Part-Time	1	7	22
Total *Crafts Skills or Design* at	**50**	**82**	**1,32**

Source: Indecon analysis of HEA data - as of 1 March 2009

A more narrow definition of craft training relates to those students who were only studying craft skills. Data on this is available for IoT students. As can be seen from the data in Table 4.4, there were 95 students studying craft skills *only* at Institutes of Technology.

Table 4.4: Breakdown of Students studying *Craft Skills* at IoTs

Category	Male	Femal	Tota
Ordinary			
Full-Time	49	1	50
Part-Time	6	1	7
Tota	55	2	57
Occasional			
Full-Time	0	0	0
Part-Time	27	1	38
Tota	27	1	38
All Students			
Full-Time	49	1	50
Part-Time	33	1	45
Total *Crafts Skills* at IoTs	**82**	**1**	**95**

Source: Indecon analysis of HEA data; as of 1 March 2009

Training in crafts at specialist colleges such as the National College of Art and Design (NCAD) also represents a significant source of qualifications and skills for the crafts sector in Ireland. This type of education in craft may not be accurately reflected in official education statistics which only provide figures on more aggregated course data. Table 4.5 overleaf provides details on the breakdown of students studying craft and related subjects at NCAD in 2010. The data indicates that there may be as many as 315 students studying craft and other related subjects at NCAD.

Table 4.5: Specialist Institutions – Students studying Craft and related subjects at the National College of Art and Design (NCAD), 2010

Craft Related Subjects by Department	Number
Total - Ceramics, Metals and Glass	**66**
which includes:	
Ceramics	22
Metals	29
Glass	15
Total - Fashion and Textiles	**120**
which includes:	
Fashion	80
Textiles	40
Total - Industrial Design	**80**
Printmaking	49
Total Students studying Craft and related subjects	**315**

Source: Indecon analysis of NCAD data

Table 4.6 shows the total estimated number of students studying craft related courses and craft courses in Ireland. The data indicates that there were 1,787 students studying craft subjects in Ireland. The majority of this cohort comprises students who are studying craft courses in plc courses.

Table 4.6: Estimation of Total Educational Base in Irish Crafts – plc and IoT Courses

Course Type	Number of Students
plc Courses	
Courses related to Craft	2,700
Craft Courses	1,377
IoT Courses	
Courses related to Craft	1,329
Crafts Courses	95
NCAD	
Craft and Related	315
All Courses	
Courses related to Craft	4,344
Crafts Courses	1,787

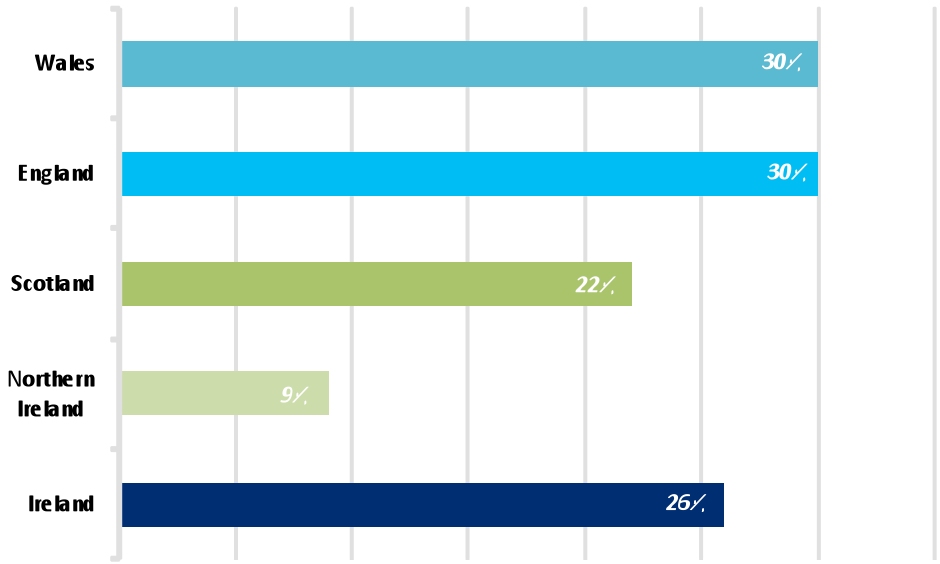
Source: Indecon analysis of HEA data

The above aggregated figures on education in craft related areas do not provide a full insight into the variety and size of courses provided. It is however useful as an illustration of the nature and diversity of education in crafts in Ireland.

There are a wide range of craft related courses organised under the CCoI professional development programme covering themes such as selling and marketing of crafts, managing craft business finances and innovation in the craft sector as well as specialist sectoral craft skills such as ceramics design. There are also numerous specific craft courses organised by many specialist organisations, e.g. County Enterprise Boards. An illustration of the range of training courses can be seen in the newsletters and website of the Crafts Council of Ireland and covers areas such as knitwear, rug making, weaving, jewellery making, basket weaving, bronze casting, sculpture, art dolls, silk paper making, textiles, furniture making, stained glass and fusing, woodwork, pottery and ceramics, painting on glass, bone carving, letter cutting, digital design, photography, printmaking, book binding and woodcarving. As a result, figures for full time education in the formal education sector only represents one component of the training and education provision in the sector.

Figure 4.1 outlines the percentages of craft enterprises in different countries which have 20 years of experience or more. The data indicates that Ireland has a strong and established craft base with 26% of craftspeople with more than 20 years experience in the industry.

Figure 4.1: Crafts Workers with More than 20 Years Experience

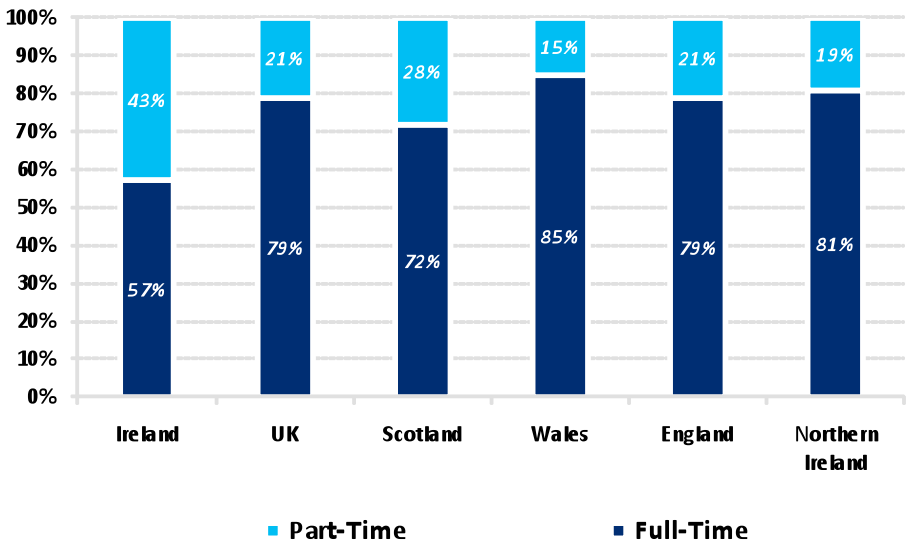


Source: Indecon analysis of UK Cultural and Creative Skills and The Research Perspective survey data

4.4 Demographic Profile

The section provides an overview of crafts workers in terms of age distribution, the percentage of full-time and part-time craft workers and gender breakdown. Where feasible, this is benchmarked against the existing craft demographic profiles of selected other countries including Northern Ireland, Scotland, Wales and England. Figure 4.2 presents the data of full-time and part-time crafts workers in Ireland with other countries.

Figure 4.2: Full-Time and Part-Time Breakdown



Source: Indecon analysis of UK Creative and Cultural Skills and The Research Perspective survey data

According to survey data carried out by The Research Perspective, 57% of craft workers in Ireland are employed on a full-time basis. According to the survey data, females comprised 59% of craft workers in Ireland. These may, however, reflect differences in the definition of craft sectors. In this context, it is interesting to note that alternative census of population data show a marked difference in the gender profile by different occupational categories within the craft sector. This is evident in the data in Table 4.7 below.

Table 4.7: Gender Analysis of Employment in Selected Crafts Sectors

Occupation	Total	Male	% Male of Total	Female	% Female of Total
Textile, clothing and leather workers					
Weavers, knitters, warp preparers, bleachers, dyers and finishers	696	410	58.9%	286	41.1%
Sewing machinists, menders, darners and embroiderers	2,702	442	16.4%	2,260	83.6%
Shoe repairers and other leather makers	455	295	64.8%	160	35.2%
Tailors, dressmakers, clothing cutters, milliners and furriers	851	303	35.6%	548	64.4%
Other textiles, garments and related trades n.e.s.	427	234	54.8%	193	45.2%
Spinners, doublers, twisters, winders and reelers	116	63	54.3%	53	45.7%
Other manufacturing workers					
Other woodworking trades n.e.s.	1,051	899	85.5%	152	14.5%
Glass product and ceramics makers, finishers and other operatives	2,825	1,970	69.7%	855	30.3%
Other craft and related occupations	2,379	1,824	76.7%	555	23.3%
Chemical, paper, wood, rubber, plastics and printing workers					
Bookbinders, print finishers and other printing trades n.e.s.	2,938	1,870	63.6%	1,068	36.4%
Engineering and allied trades workers					
Precision instrument makers, goldsmiths, silversmiths and precious stone workers	1,758	1,445	82.2%	313	17.8%
Grand Total	**16,198**	**9,755**	**60.2%**	**6,443**	**39.8%**

Source: Indecon Analysis of CSO Census of Population 2006

4.5 Summary

The analysis in this section indicates that there are very significant levels of educational training in Ireland in craft related areas which provide an important source of talent for the sector. There are also high levels of qualifications among craft workers and extensive experience in the sector.

A key challenge for policy is to provide suitable opportunities for the significant number of students completing full-time education in craft and craft related subjects. This provides an important talent base and resource for the development and expansion of the craft sector.

5 Demand for Irish Crafts

5.1 Introduction

An analysis of demand for Irish crafts is useful in evaluating the economic potential of the sector. It is outside the scope of this economic analysis to consider specific market research on demand for individual craft products but it is appropriate to review the main components of demand for Irish crafts.

The demand for Irish crafts can usefully be classified into (i) export sales, (ii) purchases by Irish households and by the Irish corporate sector, and (iii) purchases by tourists to Ireland. In the section that follows, we provide an analysis of each of these.

5.2 Analysis of Demand for Crafts - Exports

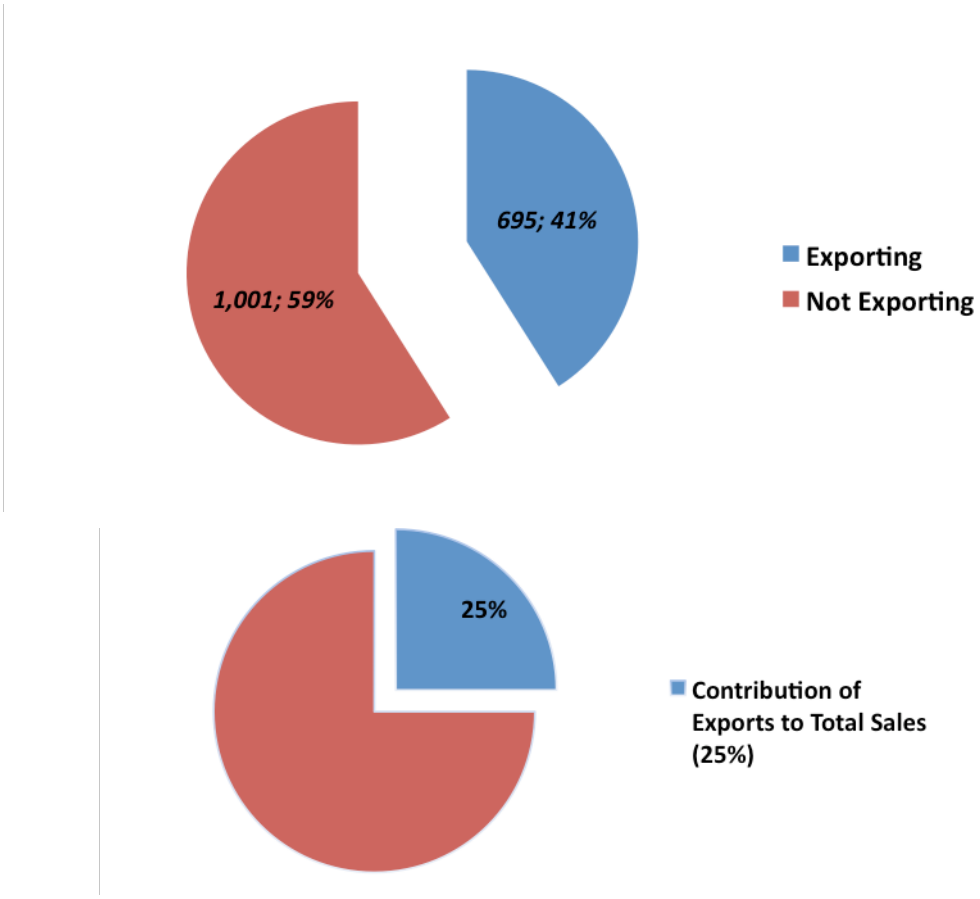
Figure 5.1 provides a breakdown of the percentages of exporting enterprises in the Irish crafts sector. It also shows the contribution of export sales as a percentage of total sales.

41% of industry participants are engaged in exporting craft products according to survey data conducted by The Research Perspective. This suggests that there are a total of 695 exporting craft enterprises in the Republic of Ireland[8]. Among exporting firms, exports contributed approximately 25% of total sales.

The survey data also explored the percentage of industry participants who exported craft products to various regions. The findings from the survey show that 64% of industry participants exported craft products to the UK, 59% to the US and 43% to both Europe and Asia. The average number of markets that exporters had sales in was 1.9 in 2009.

[8] Based on the Crafts Council register data there were 1,696 craft enterprises in 2009

Figure 5.1: Exporting Craft Enterprises



Source: Research Perspective survey data – industry participants

5.3 Analysis of Household Demand in Ireland

It is useful to review expenditure by Irish households on craft and related products. Data on selected elements of household expenditure in Ireland is presented in Table 5.1. The table outlines average weekly household spend based on a survey of 6,884 households in Ireland. While the household budget survey does not indicate expenditure on crafts, it outlines details on expenditure on a wide range of products which implicitly include craft related areas. These are outlined in Table 5.1.

Table 5.1: Irish Household Purchases on Selected Craft Products – Average Size of Weekly Household Expenditure (€)

Description	Urban Areas	All Rural Areas	State
Jewellery - all types	2.37	2.20	2.31
Cases, bags, trunks	0.47	0.50	0.72
Handbags	0.58	0.41	0.52
Glassware (ex. mirrors)	0.24	0.21	0.23
Musical instruments - all types	0.15	0.06	0.11
Non-upholstered furniture	0.12	0.03	0.09
Wallets	0.06	0.04	0.05
Crockery & glassware	0.56	0.7	0.61
Table linen & napkins	0.12	0.15	0.13
Stationery paper	1.56	1.45	1.52
Total Clothing and Footwear	43.98	37.00	41.31
Household Expenditure on Craft Selection	50.21	42.75	47.60
Total (est = 45%) - Craft related Products	**22.59**	**19.24**	**21.42**
Total Household Expenditure - All products	*819.11*	*735.16*	*787.12*

Source: Indecon analysis of the CSO Household Budget Survey 2004/2005

For the purposes of this expenditure analysis, we have selected a narrow set of product categories from the Household Budget Survey which are related to craft products. Within this selection, if we assume a conservative estimate of 45% of these purchases being related to craft products, there would be €1.63 billion spent on craft-related products by Irish households. We would, however, stress that there is no evidence on what precise percentage of these expenditure items represents crafts and this is a judgement based indicative estimate and the actual number could be in a wider range, for example, 25% - 70% depending on definitions used. This, however, is not a key issue in our analysis. In our base case estimates we assume that domestic demand on crafts amounted to around €1,600 million.

Table 5.2: Irish Household Purchases in Potential Craft Areas – Analysis of Permanent Households and Annual Spending (€)

Description	State
Households	
Number of Permanent Irish Households	1,462,296
Weekly Analysis	
Total Spending in All Areas	1,151,002,428
Total Expenditure on craft related products	31,322,380
Annual Analysis	
Total Spending in All Areas	59,852,126,231
Total Spending on craft related products	***1,628,763,777***

Source: Indecon analysis of the CSO Household Budget Survey 2004/2005

This includes household spending on imported crafts, however it excludes spending by overseas tourists and the corporate sector who are not included in Irish household data.

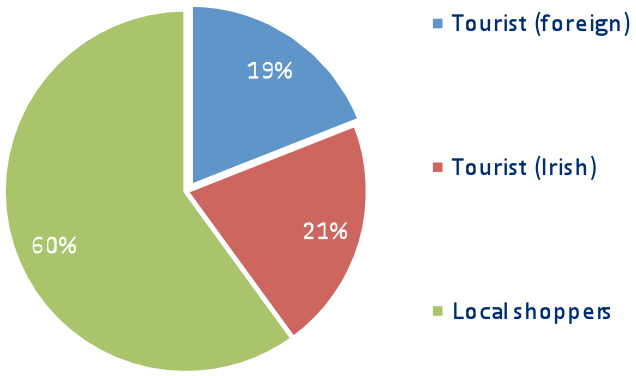
However as it is not possible to precisely delineate craft from the potential craft area we have used this figure of €1,600m as a broad indicator of demand for crafts in Ireland although only a share of this is won by Irish craft enterprises.

5.4 Relationship between Crafts and Tourism

The Irish craft sector has close linkages with the tourism industry. The presence of a vibrant craft industry can be a factor in enhancing visitor experience. Tourism also provides an important source of revenue which underpins the viability of the Irish craft industry.

Market research undertaken for the Crafts Council of Ireland by The Research Perspective is outlined below and indicates that retailers in Ireland surveyed provided estimates of the importance of the different components of Irish demand for the craft sector. The figures suggest that foreign tourists account for 19% of craft purchases in Ireland and Irish tourists for an additional 21%.

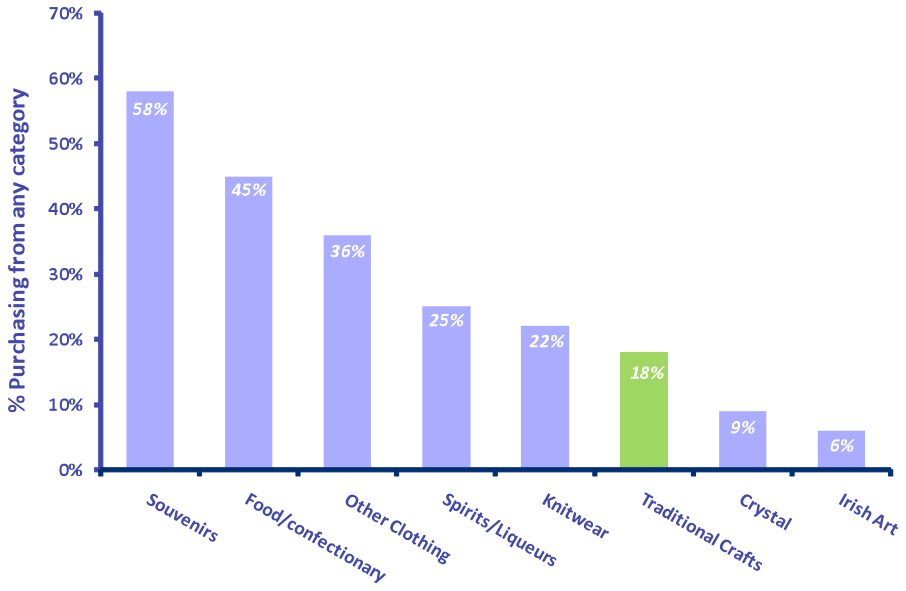
Figure 5.2: Analysis of Craft Purchases in Ireland – Craft Consumers by Type



Source: Research Perspective 2010 Survey of Retailers

Figure 5.3 overleaf outlines the purchase of 'Irish Crafts' by tourist in 2008.

Figure 5.3: Purchase of Crafts by Tourists, 2008



Source: Indecon analysis of Fáilte Ireland data

The data indicates that craft purchases 'knitwear', 'traditional Irish craft' and 'crystal' purchases are particularly popular among tourists and account for 22%, 18% and 9% of purchases respectively of tourist purchases. In 2008, they were ranked as the 5th, 6th and 7th most popular purchase by tourists.

The tourism sector is an important component of domestic demand and foreign and Irish tourists are estimated to account for craft purchases of the order of €149m per annum. This is based on survey results on the percentage of craft sales to this group.

There is also an important niche market for craft related courses. These are provided both by craft enterprises and other training providers. An indication of the scale of these is presented in the table below which shows that 288 craft enterprises included in the CCoI Register provide craft courses.

Table 5.3: Craft Enterprises running Craft Courses in the Republic of Ireland, 2009

	Craft Enterprises running craft courses - Number	Craft Enterprises running craft courses - % of Total Enterprises
Republic of Ireland	**288**	**18%**

Source: Indecon analysis of Crafts Council Register data

Figures only include employment among those respondents who specified their location as being in the Republic of Ireland

The economic analysis of demand for crafts suggests that there is an Irish market for crafts of around €1,600m. Currently it is estimated that Irish Craft Enterprises have obtained a share of this market equal to €373.5m. Of this tourism accounts for approximately €149m.

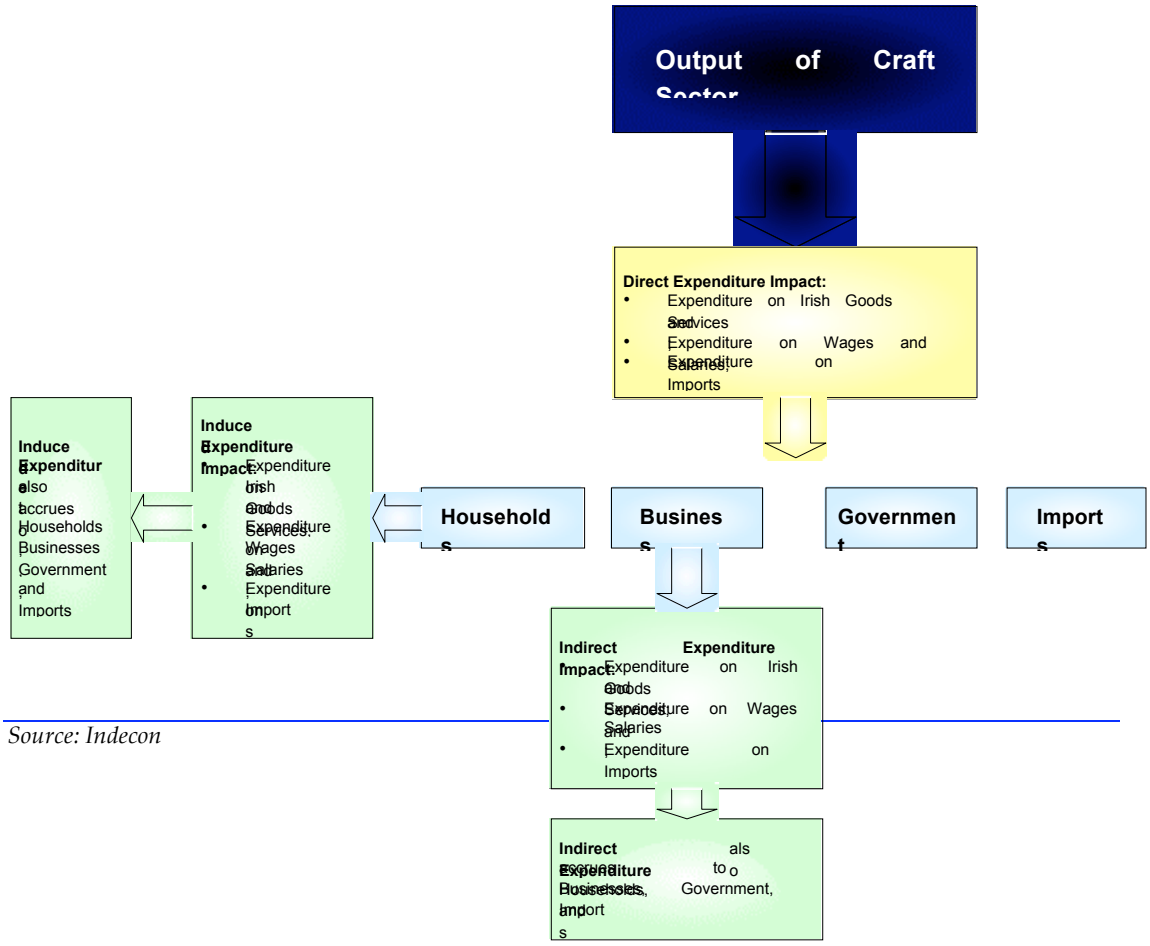
6 Economic Impacts

6.1 Introduction

This section provides estimates of the economic outputs of the Irish craft sector. These include estimates of Gross Value Added (GVA), turnover, production value, intermediate value, and the costs of materials.

An important economic contribution of the craft sector is as a source of employment and this was considered previously in this report.

Figure 6.1: Channels of Economic Impact of Craft Sector in Ireland



Source: Indecon

6.2 Estimation of Gross Value Added (GVA)

Gross Value Added (GVA) is one of the most widely used and reported indicators of economic activity. It is defined as the difference between the value of goods and services produced for any given sector and the cost of intermediate inputs and consumption used in the production process. In other words, GVA is the difference between output and intermediate consumption or the difference between the value of goods and services produced and the cost of raw materials and other inputs. Gross Domestic Product or GDP is a related national measure of the total economy and is the sum of the value added of all sectors or all activities in the economy. As part of this study, Indecon has for the first time in Ireland derived an estimate for GVA for the craft sector.

Indecon estimates that Gross Value Added in the craft sector in Ireland employing 3 or more persons amounted to €178 million. The highest GVA sectors are pottery and ceramics, graphic crafts, textiles, stone and jewellery. This number, however, underestimates the total GVA as it excludes the contribution of the numerous smaller craft businesses, although Indecon believes that the estimate is likely to account for the majority of GVA in the sector.

An analysis of the GVA by different sub-sectors within the craft business is presented in Table 6.1.

Table 6.1: Gross Value Added (GVA) Estimates in Enterprises Employing 3 or More

Broad Craft Section	Base Case Scenario	*% of Total*
Graphic Crafts	33,250,634	*18.6%*
Pottery & Ceramics	32,910,263	*18.4%*
Stone	28,647,432	*16.0%*
Jewellery	22,517,647	*12.6%*
Textiles	20,534,036	*11.5%*
Iron & Metals	14,529,497	*8.1%*
Wood	11,815,676	*6.6%*
Glass	9,199,955	*5.1%*
Heritage and Rural Crafts	4,677,026	*2.6%*
Other	713,053	*0.4%*
Total	**178,795,219**	***100%***

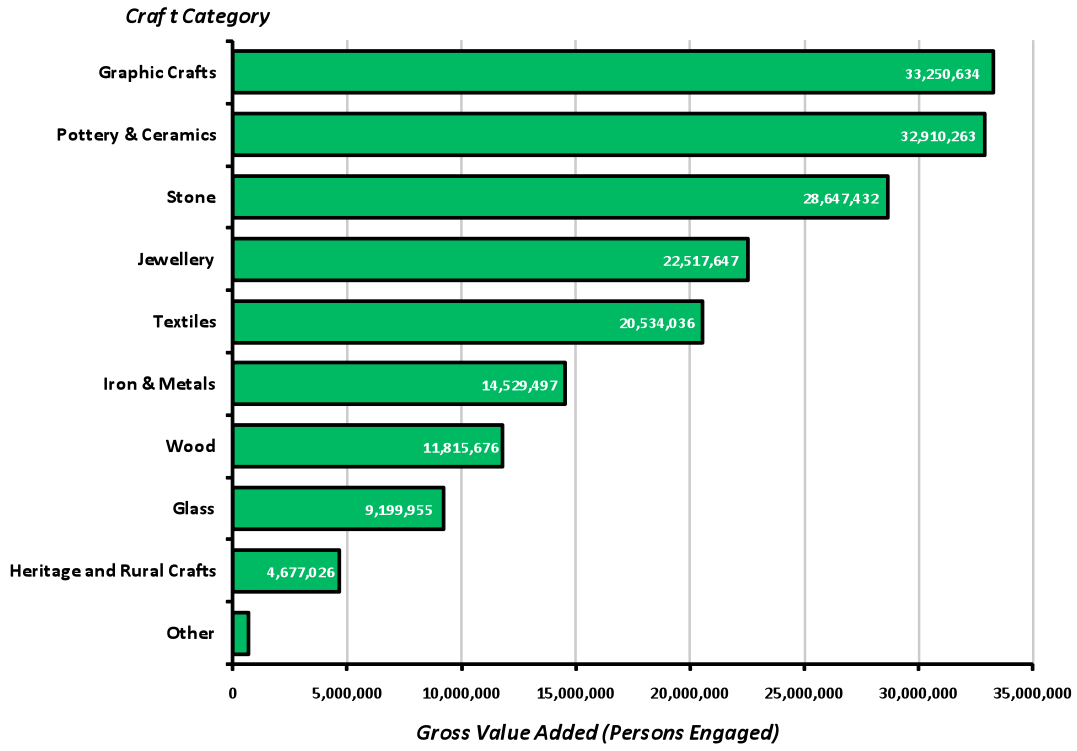
Source: Indecon Analysis. ONS ABI 2008. ONS ABI 2007. CSO COIP 2007. CSO ASI 2007. CSO QNHS. CSO Census of Building and Construction 2006. Creative and Cultural Skills Council.

**** Jewellery in the ABI 2007 is defined as 3350 (2007), 3622 (2001 - latest available figure) and 3661 (2005 - latest available figure). In the Irish case, we assume that GVA per person is €30,000 and utilise employment in jewellery to find a GVA figure*

Note: GVA is taken at basic prices

Figure 6.2 shows a summary of estimates of craft GVA in Ireland of the ten craft activities, stone, pottery, ceramics and graphic crafts had the highest levels of contribution to Gross Value Added.

Figure 6.2: Estimation of GVA in Enterprises Employing 3 or More

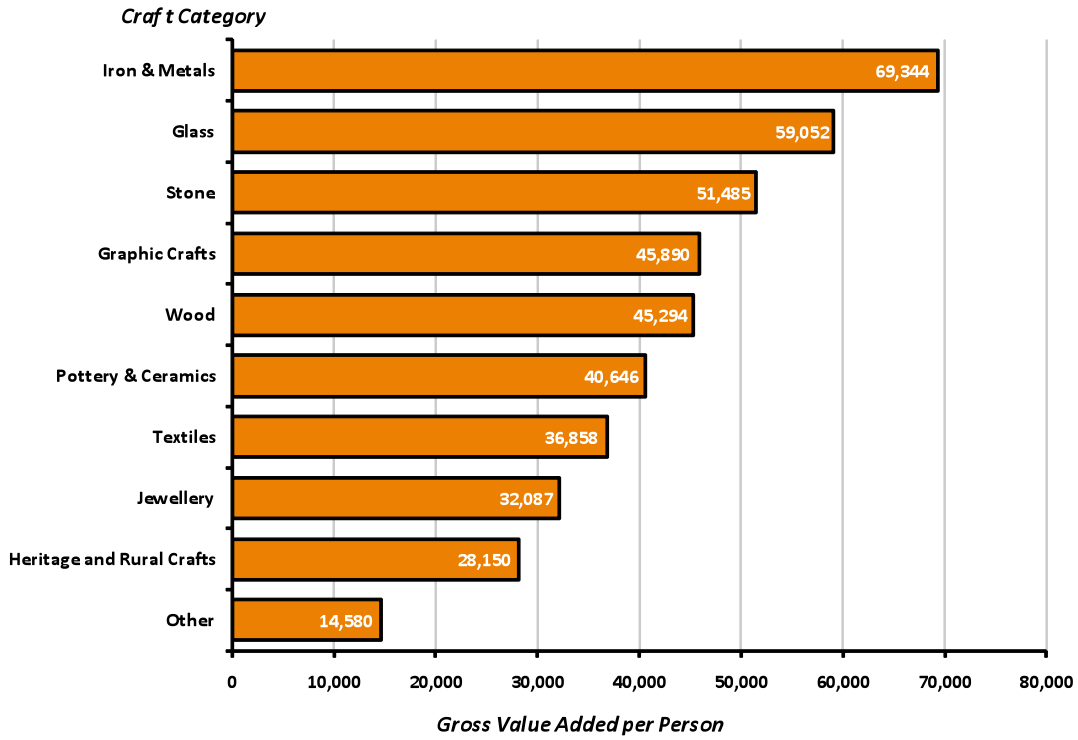


Source: Indecon analysis

6.3 Productivity

Indecon has also prepared estimates of productivity in the sector, which is defined for this purpose as the ratio of Gross Value Added per employee. This aggregate measure of productivity suggests that average productivity per person in the craft industry is €42,339. While there are some differences reflecting specific sectoral features including the level of capital investment, the productivity per employee is within a fairly narrow range. The estimates are consistent with the labour intensive nature of craft activity.

Figure 6.3: Estimation of Productivity per Person in Enterprises Employing 3 or More



Source: Indecon analysis

**Productivity is defined as the Gross Value Added (GVA)/Employment*

6.4 Estimation of Turnover

This section provides the results from our estimation of turnover in the Irish crafts industry. The figures indicate that pottery and ceramics, stone, graphic crafts, textiles, iron & metals and jewellery are important sources of turnover in the sector.

Table 6.2: Estimated Turnover Estimates in Enterprises Employing 3 or More

Broad Craft Section	Base Case Estimate	% of Total
Pottery & Ceramics	83,804,665	20.8%
Stone	68,770,732	17.1%
Graphic Crafts	61,161,031	15.2%
Textiles	54,715,573	13.6%
Iron & Metals	36,708,780	9.1%
Jewellery	33,776,471	8.4%
Wood	31,953,025	7.9%
Glass	22,044,527	5.5%
Heritage and Rural Crafts	8,558,771	2.1%
Other	1,756,485	0.4%
Total Craft	**403,250,061**	**100%**

Source: Indecon Analysis. ONS ABI 2008. ONS ABI 2007. CSO COIP 2007. CSO ASI 2007. CSO QNHS. CSO Census of Building and Construction 2006. Creative and Cultural Skills' Council (UK)

** Jewellery is calculated in the same way as for gross value added*

***For each of the ten craft activities, turnover estimates were based on the proportion of GVA that was considered to be craft*

6.5 Estimation of Production Value

This section shows the results from our estimation of production values in the Irish crafts industry. Table 6.3 shows the estimates for production value in the different craft activities.

Table 6.3: Estimates of Production Value in Enterprises Employing 3 or More

Broad Craft Section	Base Case Estimate	% of Total
Pottery & Ceramics	79,862,013	22.1%
Stone	75,998,621	21.0%
Graphic Crafts	59,706,198	16.5%
Textiles	48,628,607	13.4%
Iron & Metals	35,970,689	9.9%
Wood	29,968,055	8.3%
Glass	21,855,896	6.0%
Heritage and Rural Crafts	8,621,558	2.4%
Jewellery	n/a	n/a
Other	1,041,713	0.3%
Total Craft	**361,653,349**	**100%**

Source: Indecon Analysis. ONS ABI 2008. ONS ABI 2007. CSO COIP 2007. CSO ASI 2007. CSO QNHS. CSO Census of Building and Construction 2006. Creative and Cultural Skills' Council (UK)

6.6 Estimation of Costs of Materials

Table 6.4 provides the estimations for the purchases by craft enterprises in other words the cost of materials. The data indicates that the total purchases by craft enterprises amounted to approximately €194 million. These purchases provide indirect employment for other sectors in the economy.

Table 6.4: Estimates of Costs of Materials in Craft Enterprises in Ireland Employing 3 or More

Broad Craft Section	Base Case Estimate	% of Total
Pottery & Ceramics	51,867,407	26.7%
Textiles	34,445,846	17.8%
Graphic Crafts	28,023,761	14.4%
Iron & Metals	22,579,317	11.6%
Wood	20,531,926	10.6%
Stone	18,294,643	9.4%
Glass	13,557,106	7.0%
Heritage and Rural Crafts	3,619,248	1.9%
Jeweller	n/a	n/a
Other	1,041,713	0.5%
Total Craft	**193,960,967**	**100%**

Source: Indecon Analysis. ONS ABI 2008. ONS ABI 2007. CSO COIP 2007. CSO ASI 2007. CSO QNHS. CSO Census of Building and Construction 2006. Creative and Cultural Skills' Council (UK)

6.7 Multiplier Analysis

In considering the wider economic impact of crafts it is useful to estimate the multiplier impact of the craft sector. A multiplier is a coefficient which, when applied to a direct economic impact (such as employment contribution), enables the estimation of economy-wide impacts. Multipliers are derived through input-output analysis of the relationships between sectors in an economy.

The approach applied in arriving at the economy-wide impacts of the crafts industry is based on the application of input-output analysis, which forms the basis for derivation of the national accounts for the Irish economy in line with internationally recognised conventions. Specifically, this section utilises the supply and use and input-output tables for the Irish economy developed by the CSO.[9] The analysis is undertaken through the development and application of *multipliers* for output and employment which are derived from these tables.

The CSO's supply and use and input-output tables for the Irish economy include output multipliers at a sectoral level based on the published Leontief inverse matrix (Table 5 in the CSO's publication). The published tables do not include the Type 1 employment multiplier or Type II multipliers. For the purposes of this study, Indecon has developed a framework of Type II output and employment multipliers which permit the estimation of economy-wide impacts at sectoral level arising from the operations of foreign-owned enterprises in the Irish economy. These multipliers have been developed based on an expansion of the existing CSO framework to include interactions with the household sector.[10]

In general, there are two types of multiplier which are relevant in the context of assessing economic impact, namely:

- Type I multipliers; and
- Type II multipliers.

Type I multipliers enable the estimation of the economy-wide impacts arising from the *direct plus indirect impacts* associated with changes in activity that occur in backward-linked industries due to an increase in demand from the directly affected industry.

[9] CSO, *Supply and Use and Input-Output Tables for Ireland*, 2005

[10] The derivation of Type II multipliers requires the re-calculation, through matrix operations, of the Leontief Inverse matrix to include the household sector.

Type II multipliers are an expansion of the Type 1 construct but include *direct, indirect and induced impacts*. Induced impacts arise through the additional consumption that takes place as a result of the additional employment incomes created through the indirect impacts. In other words, Type II multipliers include the household as an additional sector in the economic relationships that make up the input-output framework.

Type I and Type II Multipliers for each sector and the weighted average for each selection are shown in the table below.

Table 6.5: Construction of Craft Multipliers - Based on Indecon Industry Multipliers

Multipliers	Employment Multiplier Type I	Income Multiplier Type I	Output Multiplier Type I	Employment Multiplier Type II	Income Multiplier Type II	Output Multiplier Type II
Multipliers - Set A						
Textiles	3.34	3.72	1.30	4.91	5.50	1.85
Wood and wood products (excl furniture)	2.83	2.85	1.67	3.38	3.40	2.13
Recreation	1.05	1.05	1.39	1.07	1.07	1.98
Weighted Average	2.41	2.54	1.45	3.12	3.32	1.99
Multipliers - Set B						
Textiles	3.34	3.72	1.30	4.91	5.50	1.85
Leather and leather products	10.32	12.63	1.51	14.96	18.42	1.96
Wood and wood products (excl furniture)	2.83	2.85	1.67	3.38	3.40	2.13
Recreation	1.05	1.05	1.39	1.07	1.07	1.98
Weighted Average	4.39	5.06	1.47	6.08	7.09	1.98

Source: Indecon analysis

Once constructed, it was possible to select sectoral multipliers relevant to crafts. Two selections were chosen, namely, multiplier A and multiplier B. Multiplier A is based on textiles, wood and wood products (excl furniture) and recreation. Recreation is simply used as an illustration of a labour intensive services sector that has some similarities with aspects of crafts. Multiplier B is based on textiles, leather and leather products, wood and wood products (excl furniture) and recreation.

Table 6.6: Craft Multiplier Analysis - Economy-Wide Impacts - Direct, Indirect and Induced

Multipliers	Employment Multiplier Type I	Income Multiplier Type I	Output Multiplier Type I	Employment Multiplier Type II	Income Multiplier Type II	Output Multiplier Type II
Multiplier - Set A	2.41	2.54	1.45	3.12	3.32	1.99
Multiplier - Set B	4.39	5.06	1.47	6.08	7.09	1.98

Source: Indecon analysis

Economy-Wide Impacts

This section considers the issue of the wider economy-wide impacts arising from the direct economic impacts of craft activity throughout the Irish economy. Economy-wide employment is assessed under two multipliers; multiplier A and multiplier B, which are constructed based on sectors which are closely aligned with craft activity.

It must be noted, however, that there are significant difficulties and challenges with using a multiplier approach in terms the overall impact of a sector on the Irish economy. These concerns were highlighted by Durkan:

> *"It is commonplace that every sector contributes heavily to the economy - much more than its initial value added; that every sector is responsible for much greater employment than its own direct employment; that every sector is making a contribution to public revenue greater than the direct expenditure on the sector by the State, and so on. It is for these reasons that economic impact studies must be treated with caution. The fundamental weaknesses in these studies derive from the assumption that in the absence of the sector, those involved in the activity would be doing nothing. This is implausible. Economic impact studies also suffer from the attempts to estimate the net budgetary effects of public expenditure in the area…. State expenditure …. can be justified in relation to market failure. The issue is the extent of market failure and the degree to which it should be corrected; it is not a valid argument to determine State expenditure in terms of the net budgetary implications. If this were the case it would be sufficient to find that sector with the greatest net budgetary impact and concentrate Government expenditure in that area. Economic impact studies are concerned with estimating the linkages on the production side between a sector and other sectors in the economy. All sectors exhibit these linkages to one degree or another."*[11]

When analysing the estimated overall impacts of the craft sector on the Irish economy, it must be cautioned that these estimates do not state that if expenditures on crafts or by craft businesses were to disappear from the economy, that total national income would be reduced by this amount. It is most likely that in the absence of such expenditures, the economic activity would at least in part shift to alternative products and services.

Table 6.7 presents analysis of the economy-wide employment impacts of craft in Ireland. When indirect and induced multiplier impacts are taken into account, the estimates indicate that craft direct employment of 5,771 jobs increases to 17,994 under employment scenario A and to 35,072 under employment scenario B.

If we consider the wider craft related area, which is based on Census of Population data, the indirect and induced impacts indicate that employment could reach as high as 35,591 under multiplier A and 69,373 under multiplier B.

[11] See *The Economics of the Arts in Ireland*, Durkan, J., 1994, for the Arts Council

Table 6.7: Economy-Wide Employment– Direct, Indirect and Induced Impacts

Employment	Craft Employment*	Craft Related Area**
Employment – Direct	5,771	11,415
Economy-Wide Employment - Employment Multiplier (A)	17,994	35,591
Economy-Wide Employment - Employment Multiplier (B)	35,072	69,373

Source: Indecon analysis

**Based on Selected Sectors in Census of Industrial Population and CCoI Data*
***Based on Census of Population*

Table 6.8 considers the economy-wide output multiplier impacts of craft throughout the Irish economy. The analysis indicates that taking into account both indirect sectoral impacts and induced expenditure impacts, the overall economy-wide impact of value-added produced by craft activity rises from 178.7 million to 355.3 million (output multiplier A). The economy-wide GVA is slightly lower under output multiplier B at 353.9 million.

Table 6.8: Economy-Wide GVA– Direct, Indirect and Induced Impacts

Gross Value Added	Craft GVA - Base Case Estimate*
GVA – Direct	178,795,219
Economy-Wide GVA - Output Multiplier (A)	355,337,691
Economy-Wide GVA - Output Multiplier (B)	353,963,701

Source: Indecon analysis

**Based on Selected Sectors in Census of Industrial Population*

While care should be exercised in interpreting estimates of wider economic impacts it is clear that the craft sector not only produces direct employment and output but also has important links with other sectors in the Irish economy.

7 Potential of the Craft Industry

7.1 Potential Opportunities

Because of the underlying skill and talent of craft workers in Ireland and the positive market reputation for Irish crafts, Ireland has a comparative advantage in this sector. While there are major challenges facing the industry there is also potential for growth and for the sector to expand exports, output and employment. Market research undertaken by The Research Perspective also suggests that the sector believes there is potential for significant further growth.

In particular, the sector believes that with appropriate supports there would be potential to secure a 63% increase in sales.

Potential for Employment Growth

If one utilises Indecon's lower estimate of employment in the sector based on the more restricted definition of crafts, it is possible to derive some indicative estimates of the employment potential, if the expectations of the sector were realised.

Indecon, however, believes that there is very unlikely to be a one to one relationship between sales and employment growth in the craft sector although we accept this will in part be dependent on the rate of growth in sales.[12]

In line with the prudent approach taken throughout this study, our analysis assumes that only 65.5% of expected sales growth will be realised. In other words, sales will only increase by 41.26%. We also assume that this will only result in a corresponding growth in employment of 31.5%. In our analysis we examine three different scenarios for sales potential as follows:

Scenario A: Assumed growth in employment is aligned with the judgement of the sector for sales growth i.e. 63%.

Scenario B: Assumed growth in employment represents only 50% of that implied in Scenario A.

Scenario C: Where only 20% of the implied growth in employment in Scenario A is realised.

The implications of the above growth scenarios for employment in the sector are presented in the table below. This suggests a potential increase in employment in the craft sector of the order or range 727 – 3,636. This is of course a matter of judgment and the numbers are illustrative only. However in our base case we use a prudent figure of 1,818 for potential increase in employment. This is only 50% of what would

[12] See Gray, A. W., Employment Potential in Manufacture. Published by The Irish Trade Board, 1993

be realised if sales growth was aligned with the expectations of the sector and if there was a one to one relationship between output and employment.

Table 7.1 Employment Potential in the Irish Craft Sector

	Potential Employment	Potential Increase in Employment
Scenario A	9,407	3,636
Scenario B	7,589	1,818
Scenario C	6,498	727

The figures suggest that there is potential to significantly increase employment and sales growth in the sector. An analysis of the overall potential is outlined in the table below. This highlights the fact that the sector employs 5,771 under our base case but this could potentially increase to as high as 7,589. The figures also indicate that exports from the craft sector amount to nearly €125 million and there is potential for these to increase to over €175 million. There is also potential for an increase in domestic sales of crafts if Irish crafts gain a greater share of the domestic market.

Table 7.2 Potential for Craft Sector

	Existing	Increase	Potential
Value of Output	€498.0m	€205.5m	€703.5m
Employment	5,771	1,818	7,589
Value of Exports	€124.5m	€51.4m	€175.8m
Value of Domestic Sales	€373.5m	€154.1m	€527.6m

Key Conclusions

1. Our analysis has demonstrated that even using a narrow definition of the craft sector, the sector is a significant source of skilled employment and makes an important contribution to output and exports. The sector employs a larger number of people than previously was assumed.
2. The number of students graduating from plc, IoT or other third level colleges in craft related subjects represents an important resource for the sector. Unless opportunities are created for some of these students it would represent a potential waste of the investment in these skills.
3. The design sector is an important component of the craft industry both in Ireland and internationally and an integration of supports for the wider craft and design sector would have value.
4. The sector is facing a challenging market environment but there is potential for an increase in the number of full time jobs in the sector if craft businesses are facilitated to secure an increase share of the Irish market and to develop existing and new export markets. This would, however, require on-going supports and Indecon believes this potential could only be realised over the medium term.

Annex: Census of Industrial Production Methodological Approach - Estimation

This annex provides details of the methodological approach applied in constructing estimates on employment, GVA and other variables utilising data from the Census of Industrial Production 2007.

The approach is outlined for both employment and gross value added (GVA). The same approach was extended to estimate turnover, production value and purchases. There are three estimates for each; a minimum estimate, a maximum estimate and base case estimate.

The first set of tables illustrates the approach that was taken to estimate employment for each of the ten craft activities. These classifications then formed the basis for estimating other variables such as gross value added (GVA), turnover and purchases.

The ten craft activities are as follows:

1. Glass
2. Graphic Crafts
3. Heritage and Rural Crafts
4. Iron and Metals
5. Jewellery
6. Pottery and Ceramics
7. Stone
8. Other/Repair of Craft Goods and Taxidermy
9. Textiles
10. Wood

The results derived in this section are based on the following method. Initially, we made a selection of a wide ranging set of industrial sectors which could potentially involve craft activity based on Irish data sources. For each potential area of craft in each of the ten craft activities, a selection was made based on the availability of data in the Irish data sources, which was sometimes limited for confidentiality reasons, and the extent of that area's compatibility with matching UK data[13]. Taking this selection and basing our model on the extent of craft activity within each of the ten activities in the UK, we were able to apply a scaling method, which allowed for a more precise quantification of Irish craft for each of the craft parameters and within each of the craft activities.

[13] *Based on the Creative and Cultural Skills' Council (UK)*

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Estimate of Glass

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Craft Employment in Ireland
Manufacture of Hollow Glass		2613	Manufacture of Hollow Glass	23120	Shaping and Processing Flat Glass	4,000	5,000		2613	Manufacture of Hollow Glass			
Shaping and Processing Flat Glass		2612	Shaping and Processing Flat Glass	23130	Manufacture of Hollow Glass	*	15,000		2612	Shaping and Processing Flat Glass			
Manufacture and processing of other glass, including technical glassware		2615	Manufacture and processing of other glass, including technical glassware	23190	Manufacture and processing of other glass, including technical glassware	3,000	3,000		2615	Manufacture and processing of other glass, including technical glassware			
ESTIMATE: Craftspeople Employed in Glass	**1,765**	**261**	**Manufacture of glass and glass products**	**23.1**	**Manufacture of glass and glass products**	**26,000**	**27,000**	**26,000**	**261**	**Manufacture of glass and glass products**	**2,295**	**6.8%**	**156**

Source: Indecon analysis

Estimate of Graphic Crafts

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Pre-press activities		2224	Pre-press activities	18130	Pre-press and pre-media services	16,000	4,000		2224	Pre-press activities	157		
Book Binding		2223	Book Binding	18140	binding and related services	7,000	6,000		2223	Book Binding	185		
Ancillary activities related to printing		2225	Ancillary activities related to printing	18130	pre-press and pre-media services	16,000	11,000		2225	Ancillary activities related to printing	101		
Other Printing		2222	Other Printing	18129	printing n.e.c.				2222	Other Printing			
Other Manufacturing n.e.c.		3663	Other Manufacturing n.e.c.	17200	manufacture of articles of paper and paperboard n.e.c.	9,000	30,000		3663	Other Manufacturing n.e.c.			
Artistic and literary creation and interpretation		9231	Artistic and literary creation and interpretation				64,000		9231				
ESTIMATE: Craftspeople Employed in Graphic Crafts	32,653	22	Publishing, printing and reproduction of recorded media	18	Printing and reproduction of recorded media	149,000	323,000	323,000	22	Publishing, printing and reproduction of recorded media	15,198	10.1%	1,536
ESTIMATE: Craftspeople Employed in Graphic Crafts	**32,653**	**2223, 2224, 2225**	**Book Binding, pre-ress activities, ancilliary activities related to printing**	**18.13, 18.14**	**Printing and reproduction of recorded media + Manufacture of other articles of paper and paperboard n.e.c.**	**23,000**	**21,000**		**2223, 2224, 2225**	**Book Binding, pre-press activities, ancilliary activities related to printing**	**466**	**155.5%**	**725**

Source: Indecon analysis

Estimate of Heritage and Rural Crafts

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Manufacture of articles of cork, straw and plaiting materials		2052	Manufacture of articles of cork, straw and plaiting materials	16290 (Difficulty including this due to multiple crossovers in SIC 03/SIC 07 data	Manufacture of other products of wood, manufacture of articles of cork, straw and plaiting materials		*		2052	Manufacture of articles of cork, straw and plaiting materials			
Manufacture of Tools		2862	Manufacture of Tools	25.73	Manufacture of Tools	15,000	15,000		2862	Manufacture of Tools	608		
Painting and Glazing		4544	Painting and Glazing	43.341	Painting		246,000		4544	Painting and Glazing			
Other construction work involving special trades		4525	Other construction work involving special trades	43.991	Scaffold Erection		112,000		4525	Other construction work involving special trades			
Erection of roof coverings and frames		4522	Erection of roof coverings and frames	43.910	roofing activities		39,000		4522	Erection of roof coverings and frames			
Floor and wall coverings		4543	Floor and wall coverings	43.330	floor and wall covering		25,000		4543	Floor and wall coverings			
Joinery installation		4542	Joinery installation	43.320	joinery installation		75,000		4542	Joinery installation			
ESTIMATE: Craftspeople Employed in Heritage & Rural Crafts	**7,060**	**45.4 + 28.62**	**Building Completion + Manufacture of Tools**	**43.3 + 25.73**	**Building Completion and Finishing + Tools**	**264,000**	**255,000**	**255,000**	**45.4 + 2862**	**Building Completion (Census of Building and Construction), Manufacture of Tools**	**6,001**	**2.8%**	**166**
ESTIMATE: Craftspeople Employed in Heritage & Rural Crafts	7,060	2862	Manufacture of Tools				15,000	15,000	2862	Manufacture of Tools	608	47.1%	286
ESTIMATE: Craftspeople Employed in Heritage and Rural Crafts	**7,060**	**45.4**	**Building Completion**	**43.3**	**Building Completion and Finishing**	**249,000**	**250,000**	**250,000**	**45.4 (Census of Building & Construction)**	**Building Completion**	**5,393**	**2.8%**	**152**
ESTIMATE: Craftspeople Employed in Heritage and Rural Crafts	7,060	45.4, 45.2	Building Completion		Building Completion and Finishing		1,024,000	1,024,000	45.2 and 45.4 (Census of Building & Construction)	Building Completion, Building of complete constructions or parts therof, civil engineering,	74,682	0.7%	515
ESTIMATE: Craftspeople Employed in Heritage and Rural Crafts	**7,060**	**45.4, 45.2, 28.62**	**Building Completion**		**Building Completion and Finishing**		**1,039,000**	**1,039,000**	**45.2 and 45.4 (Census of Building & Construction) and 2862**	**Building Completion, Building of complete constructions or parts therof, civil engineering, Manufacture of Tools**	**75,290**	**0.7%**	**512**

Source: Indecon analysis

Estimate of Iron and Metals

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Treatment and Coating of Metals		2851	Treatment and Coating of Metals	25610	Treatment and coating of metals	23,000	24,000		2851	Treatment and Coating of Metals	519		
Forging, pressing, stamping, and roll forming of metal; powder metallurgy		2840	Forging, pressing, stamping, and roll forming of metal; powder metallurgy	25500	Forging, pressing, stamping and roll forming of metal, powder metallurgy	24,000	25,000		2840	Forging, pressing, stamping, and roll forming of metal; powder metallurgy	257		
Artistic and literary creation and interpretation		9231	Artistic and literary creation and interpretation				64,000		9231	Artistic and literary creation and interpretation			
Manufacture of builders carpentry and joinery of metal		2812	Manufacture of builders carpentry and joinery of metal	25120	Manufacture of doors and wondows of metal	19,000	18,000		2812	Manufacture of builders carpentry and joinery of metal	2,260		
ESTIMATE: Craftspeople employed in Iron and Metals	4,413	**2851, 2840, 9231, 2812**	**Treatment and Coating of Metals; forging pressing, stamping and roll-forming of metal, poweder metallurgy; Manufacture of Builders carpentry and joinery of metals**	**2512, 2550, 2561, XXXX**	**Manufacture of doors and windows of metal; forging pressing, stamping and roll-forming of metal, poweder metallurgy; treatment and coating of metal's**	**66,000**	**67,000**	**66,000**	**2851, 2840, 2812**	**Treatment of Coating of Metals; forging pressing, stamping and roll-forming of metal, poweder metallurgy; Manufacture of Builders carpentry and joinery of metals**	**3,134**	**6.7%**	**210**

Source: Indecon analysis

Estimate Jewellery

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Manufacture of watches and clocks		3350	Manufacture of watches and clocks	26520	manufacture of watches and clocks	2,000	1,000		3350	Manufacture of watches and clocks			
Manufacture of jewellery and related articles		3622	Manufacture of jewellery and related articles	32120	manufacture of jewellry and related articles	7,000	* (2008) / 9,000 (2001 - latest figure)		3622	Manufacture of jewellery and related articles			
Manufacture of imitation jewellry		3661	Manufacture of imitation jewellry	32130	Manufacture of imitation jewellery and articles	*	* (2008) / 1,000 (2005 - latest figure)		3661	Manufacture of imitation jewellry			
ALTERNATIVE ESTIMATE: Craftspeople working in Jewellery	11,473	3350, 3622, 3661	Manufacture of watches and clocks; Manufacture of jewellery and related articles; Manufacture of imitation jewellery	26.52, 32.12, 32. 13	Manufacture of watches and clocks; Manufacture of jewellery and related articles, manufacture of imiation jewelry and articles	9,000	11,000		3350, 3622, 3661 (data too aggregated for 33.5 and 36.22)	Manufacture of watches and clocks; Manufacture of jewellery and related articles; Manufacture of imitation jewellery	n/a	0.0%	n/a
ESTIMATE: Craftspeople working in Jewellery	**11,473**			**LFS '09 - Precision instrument makers, goldsmiths, silversmiths and precious stone workers**	**Precision instrument makers, goldsmiths, silversmiths and precious stone workers (TAKEN LFS 2009)**	**16,348**		**16,348**	**CENSUS '06 - Precision instrument makers, goldsmiths, silversmiths and precious stone workers**	**Precision instrument makers, goldsmiths, silversmiths and precious stone workers (TAKEN FROM 2006 CENSUS)**	**1,000**	**70.2%**	**702**

Source: Indecon analysis

Estimate of Pottery and Ceramics

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Manufacture of ceramic household and ornamental articles		2621	Manufacture of ceramic household and ornamental articles	23310	manufacture of ceramic tiles and flags	2,000	7,000		2621	Manufacture of ceramic household and ornamental articles			
Manufacture of ceramic tiles and flags		2630	Manufacture of ceramic tiles and flags	23410	manufacture of ceramic household and ornamental articles	7,000	2,000		2630	Manufacture of ceramic tiles and flags	243 (inlcuding 2640)		
Artistic and literary creation and interpretation		9231	Artistic and literary creation and interpretation				64,000		9231				
Manufacture of Bricks, tiles and construction products in baked clay		2640	Manufacture of Bricks, tiles and construction products in baked clay				9,000		2640	Manufacture of Bricks, tiles and construction products in baked clay	243 (including 2630)		
Manufacture of non-refractory ceramic goods*		262	Manufacture of non-refractory ceramic goods*				15,000		262	Manufacture of non-refractory ceramic goods*	274		
ESTIMATE: Craftspeople working in pottery and ceramics	7,060	262, 2630, 2640	Manufacture of ceramic household and ornamental articles; Manufacture of ceramic tiles and flags,Manufacture of Bricks, tiles and construction products in baked clay (includes last category in order to fit with COIP data)	23310; 23410	manufacture of ceramic tiles and flags; manufacture of ceramic household and ornamental articles	9,000	26,000		262 and 2630, 2640	Manufacture of ceramic household and ornamental articles; Manufacture bricks, tiles, and construction products, in baked clay; Manufacture of non-refractory ceramic goods*	517	27.2%	140
ESTIMATE: Craftspeople working in pottery and ceramics	7,060	26	Manufacture of other non-metallic mineral products	23	Manufacture of other non-metallic mineral products	105,000	118,000	105,000	26	Manufacture of other non-metallic mineral products	12,042	6.7%	810

Source: Indecon analysis

Estimate of Stone[1]

SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
9231	Artistic and literary creation and interpretation				64,000		9231				
2670	Cutting, shaping and finishing of ornamental and building stone	23700	Cutting, shaping and finishing of stone	8,000	10,000		2670	Cutting, shaping and finishing of ornamental and building stone			
452	Building of complete construction of parts thereof, civil engineering	43991, 43999, 42210, 39000	Construction of utility projects for fluids		774,000		452	Building of complete construction of parts thereof, civil engineering			
2670	Cutting, shaping and finishing of ornamental and building stone	23700		8,000	10,000		2670	Cutting, shaping, and finishing of ornamental and building stone	1,328	61.8%	820
2670, 452	Cutting, shaping and finishing of ornamental and building stone; Building of complete construction of parts thereof, civil engineering	23700			784,000	784,000	45.2, 2670 (45.2 from Census of Building & Construction	Building of complete constructions or parts thereof, civil engineering; cutting, shaping, and finishing of ornamental and building stone	70,617	0.8%	556

[1] *The 'Stone' craft category relates to a number of areas in stone craft making. For the purposes of estimating the extent of craft activity in the area of stone, we identified a number of areas which are as follows: cutting, shaping, and finishing of ornamental and building stone in addition to the building of complete constructions or parts of constructions and some areas of civil engineering. In undertaking this analysis, we also considered the area of artistic and literary creation and interpretation.*

Estimate of Other Craft Category[2]

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Repair n.e.c		5274	Repair n.e.c	13300	Finishing of Textiles		4,582		5274				
ALTERNATIVE ESTIMATE: Craftspeople working as Taxidermist	883	527	Repair of Personal and Household Goods	95290	Repair of other personal and household goods	2,000	6,779	2,000	527	Repair of personal and household goods	1,330	44.1%	587
ESTIMATE: Craftspeople working as Taxidermist	**883**	**527**	**Repair of Personal and Household Goods**	**95290**	**Repair of other personal and household goods**	**2,000**	**24,000**	**24,000**	**527**	**Repair of personal and household goods**	**1,330**	**3.7%**	**49**

Source: Indecon analysis

[2] *The craft category of 'other' largely relates to the area of taxidermy.*

Estimate of Textiles

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Finishing of Textiles		1730	Finishing of Textiles	13300	Finishing of Textiles	8,000	7,000		1730	Finishing of Textiles			
Woollen-type weaving		1772	Woollen-type weaving	14390	Manufacture of other knitted nad crocheted apparel	4,000	4,000		1772	Woollen-type weaving			
Manufacture of other wearing apparel and accessories not elsewhere classified		1824	Manufacture of other wearing apparel and accessories not elsewhere classified	14190	Manufacture of other wearing apparel and accessories n.e.c	11,000	11,000		1824	Manufacture of other wearing apparel and accessories not elsewhere classified			
Tanning and dressing of leather		1910	Tanning and dressing of leather	15110	Tanning and dressing of leather, dressing and dyeing of fur	1,000	1,000		1910	Tanning and dressing of leather			
Manufacture of underwear		1823	Manufacture of underwear	14141	Manufacture of men's underwear	3,000	5,000		1823	Manufacture of underwear			
Manufacture of leather clothes		1810	Manufacture of leather clothes	14142	Manufacture of women's underwear	(included elsewhere)	* (2008) / 1,000 (2005 - latest figure)		1810	Manufacture of leather clothes			
Manufacture of otherwear		1822	Manufacture of otherwear	14132	manufacture of other women's outerwear	(included elsewhere)	31,000		1822	Manufacture of otherwear			
Manufacture of made-up textiles articles, except apparel		1740	Manufacture of made-up textiles articles, except apparel	13920	Manufacture of made-up textiles articles, except apparel	23,000	27,000		1740	Manufacture of made-up textiles articles, except apparel			
Manufacture of knitted and crocheted hosiery		1771	Manufacture of knitted and crocheted hosiery	14190	Manufacture of other wearing apparel and accessories n.e.c	(included elsewhere)	2,000		1771	Manufacture of knitted and crocheted hosiery			
Manfacture of luggage, handbags, and the like, saddlery and harness		1920	Manfacture of luggage, handbags, and the like, saddlery and harness	15120	Manfacture of luggage, handbags, and the like, saddlery and harness	2,000	4,000		1920	Manfacture of luggage, handbags, and the like, saddlery and harness			
Manufacture of carpets and rugs		1751	Manufacture of carpets and rugs	1393	Manufacture of carpets and rugs	(included elsewhere)	8,000		1751	Manufacture of carpets and rugs			
Manufacture of workwear		1821	Manufacture of workwear	14120	Manufacture of workwear	4,000	5,000		1821	Manufacture of workwear			
Other business activities n.e.c		7487	Other business activities n.e.c						7487	Other business activities n.e.c			
ESTIMATE Craftspeople working in Textiles	13,238	17, 18, 19	Manufacture of Textiles, Manufacture of wearing apparel, dressing and dying fur; tanning and dressing leather, manufacture of luggage, handbags, saddlery, harness and footwear	13, 14, 15	Manufacture of Textiles, Manufacture of wearing apparel, manufacture of leather and related products	105,000	112,000	105,000	17, 18, 19	Manufacture of Textiles, Manufacture of wearing apparel, dressing and dying fur; tanning and dressing leather, manufacture of leather and leather products	4,419	12.6%	557

Source: Indecon analysis

Estimate of Wood

UK CRAFTS - Creative and Cultural Skills		SIC 2003 - Codes and Descriptions		SIC 2007 - Codes, Descriptions & Correlations		UK EMPLOYMENT - Annual Business Inquiry (ABI) - 2007 & 2008			IRISH EMPLOYMENT - Correlation with NACE (Rev 1.1) & COIP			Persons Engaged in Irish Craft	
Description	Estimated Number of Craftspeople	Code	Description	Code	Description	ABI 2008 (SIC 2007)	ABI 2007 (SIC 2003)	Selection of Most Appropriate ABI Figure	Code	Description	COIP - Persons Engaged	Application of UK Craft Proportion to COIP	Estimated Persons Engaged in Craft in Ireland
Manufacture of other products of wood		2051	Manufacture of other products of wood	16290	Manufacture of other products of wood; manufacture of articles of cork,straw and plaiting materials	8,000	* (2008) / 2,051 (2005 - latest figure)		2051	Manufacture of other products of wood			
Manufacture of builders' carpentry and joinery		2030	Manufacture of builders' carpentry and joinery	16230	Manufacture of builders' carpentry and joinery	47,000	54,000		2030	Manufacture of builders' carpentry and joinery	4,157		
Manufacture of wooden containers		2040	Manufacture of wooden containers	16240	Manufacture of wooden containers	6,000	8,000		2040	Manufacture of wooden containers	373		
Manufacture of other office and shop furniture		3612	Manufacture of other office and shop furniture	31010	Manufacture of office and shop furniture	21,000	19,000		3612	Manufacture of other office and shop furniture	1,189		
Manufacture of other furniture		3614	Manufacture of other furniture	31090	Manufacture of other furniture	46,000	44,000		3614	Manufacture of other furniture			
Artistic and literary creation and interpretation		9231	Artistic and literary creation and interpretation				64,000		9231				
Manufacture of chairs and seats		3611	Manufacture of chairs and seats	31010	Manufacture of office and shop furniture		27,000	108,000	3611	Manufacture of chairs and seats	466		
ESTIMATE: Craftspeople working in Wood	4,413	2030, 2040, 3611, 3612	Manufacture of builders' carpentry and joinery; Manufacture of wooden containers; Manufacture of chairs and seats; Manufacture of other office and shop furniture	16230, 16240, 31010, 31010	Manufacture of builders' carpentry and joinery; Manufacture of wooden containers; Manufacture of chairs and seats; Manufacture of other office and shop furniture	74,000	108,000	108,000	2030, 2040, 3611, 3612	Manufacture of builders' carpentry and joinery; Manufacture of wooden containers; Manufacture of chairs and seats; Manufacture of other office and shop furniture	6,385	4.1%	261

Source: Indecon analysi

Estimate of Employment in the Craft Industry – Minimum Estimate

DESCRIPTION		UK CRAFT EMPLOYMENT			IRISH CRAFT EMPLOYMENT****		
Code (Nace)	Broad Craft Section	Total UK Employment - Potential Craft Area (selected)	Estimated Craft Employment in the UK*	*% of Craft Employment within Potential Craft Area*	Total Irish Employment - Potential Craft Area (selected)	Estimated Craft Employment in Ireland	*% of Total Craft Employment in Ireland*
261	Glass	26,000	1,765	*6.8%*	2,295	156	*4.4%*
2223, 2224, 2225	Graphic Crafts	21,000	32,653	*155.5%*	466	725	*20.7%*
45.4**	Heritage and Rural Crafts	250,000	7,060	*2.8%*	5,393	152	*4.3%*
2851, 2840, 2812	Iron & Metals	66,000	4,413	*6.7%*	3,134	210	*6.0%*
Indecon Estimate***	Jewellery	16,348	11,473	*70.2%*	1,000	702	*20.0%*
262, 2630, 2640	Pottery & Ceramics	26,000	7,060	*27.2%*	517	140	*4.0%*
2670, 45.2**	Stone	784,000	6,178	*0.8%*	70,617	556	*15.9%*
527	Taxidermist	24,000	883	*3.7%*	1,330	49	*1.4%*
17, 18, 19	Textiles	105,000	13,238	*12.6%*	4,419	557	*15.9%*
2030, 2040, 3611, 3612	Wood	108,000	4,413	*4.1%*	6,385	261	*7.4%*
All Craft Codes	**Total Craft**	**1,426,348**	**89,133**	***6.2%***	**95,556**	**3,508**	***100%***

Source: Based on Indecon analysis of 'ONS ABI 2008, ONS ABI 2007, CSO COIP 2007, CSO ASI 2007, CSO QNHS, CSO Census of Building and Construction, Creative and Cultural Skills' Council (UK)

** Estimated by the Creative and Cultural Skills - The UK Activity Skills Council for Crafts*

*** Based on the CSO Census of Building and Construction, 2006*

**** Estimates based on CSO Quarterly National Household Data (QNHS) and UK ONS Labour Force Survey (LFS). Category chosen was 'precision instrument makers, goldsmiths, silversmiths and precious stone workers'.*

***** Employment is based on the numbers of persons engaged*

Estimate of Employment in the Craft Industry – Maximum Estimate

DESCRIPTION		UK CRAFT EMPLOYMENT			IRISH CRAFT EMPLOYMENT****		
Code (Nace)	Broad Craft Section	Total UK Employment - Potential Craft Area (selected)	Estimated Craft Employment in the UK*	*% of Craft Employment within Potential Craft Area*	Total Irish Employment - Potential Craft Area (selected)	Estimated Craft Employment in Ireland	*% of Total Craft Employment in Ireland*
261	Glass	26,000	1,765	*6.8%*	2,295	156	*3.2%*
2223, 2224, 2225	Graphic Crafts	21,000	32,653	*155.5%*	466	725	*15.1%*
45.2**, 45.4**, 28.62	Heritage and Rural Crafts	1,039,000	7,060	*0.7%*	75,290	512	*10.7%*
2851, 2840, 2812	Iron & Metals	66,000	4,413	*6.7%*	3,134	210	*4.4%*
Indecon Estimate***	Jewellery	16,348	11,473	*70.2%*	1,000	702	*14.6%*
26	Pottery & Ceramics	105,000	7,060	*6.7%*	12,042	810	*16.9%*
2670	Stone	10,000	6,178	*61.8%*	1,328	820	*17.1%*
527	Taxidermist	24,000	883	*3.7%*	1,330	49	*1.0%*
17, 18, 19	Textiles	105,000	13,238	*12.6%*	4,419	557	*11.6%*
2030, 2040, 3611, 3612	Wood	108,000	4,413	*4.1%*	6,385	261	*5.4%*
All Craft Codes	**Total Craft**	**1,520,348**	**89,133**	***5.9%***	**107,689**	**4,800**	***100%***

Source: Source: Based on Indecon analysis of 'ONS ABI 2008, ONS ABI 2007, CSO COIP 2007, CSO ASI 2007, CSO QNHS, CSO Census of Building and Construction, Creative and Cultural Skills' Council (UK)

** Estimated by the Creative and Cultural Skills - The UK Activity Skills Council for Crafts*

*** Based on the CSO Census of Building and Construction, 2006*

**** Estimates based on CSO Quarterly National Household Data (QNHS) and UK ONS Labour Force Survey (LFS). Category chosen was 'precision instrument makers, goldsmiths, silversmiths and precious stone workers'.*

***** Employment is based on the numbers of persons engaged*

Estimate of Employment in the Craft Industry – Base Case Estimate

DESCRIPTION		UK CRAFT EMPLOYMENT			IRISH CRAFT EMPLOYMENT****		
Code (Nace)	Broad Craft Section	Total UK Employment - Potential Craft Area (selected)	Estimated Craft Employment in the UK*	*% of Craft Employment within Potential Craft Area*	Total Irish Employment - Potential Craft Area (selected)	Estimated Craft Employment in Ireland	*% of Total Craft Employment in Ireland*
261	Glass	26,000	1,765	*6.8%*	2,295	156	*3.7%*
2223, 2224, 2225	Graphic Crafts	21,000	32,653	*155.5%*	466	725	*17.3%*
45.4**, 28.62	Heritage and Rural Crafts	255,000	7,060	*2.8%*	6,001	166	*4.0%*
2851, 2840, 2812	Iron & Metals	66,000	4,413	*6.7%*	3,134	210	*5.0%*
Indecon Estimate***	Jewellery	16,348	11,473	*70.2%*	1,000	702	*16.7%*
26	Pottery & Ceramics	105,000	7,060	*6.7%*	12,042	810	*19.3%*
2670, 45.2**	Stone	784,000	6,178	*0.8%*	70,617	556	*13.3%*
527	Taxidermist	24,000	883	*3.7%*	1,330	49	*1.2%*
17, 18, 19	Textiles	105,000	13,238	*12.6%*	4,419	557	*13.3%*
2030, 2040, 3611, 3612	Wood	108,000	4,413	*4.1%*	6,385	261	*6.2%*
All Craft Codes	**Total Craft**	**1,510,348**	**89,133**	***5.9%***	**107,689**	**4,191**	***100%***

Source: Source: Based on Indecon analysis of 'ONS ABI 2008, ONS ABI 2007, CSO COIP 2007, CSO ASI 2007, CSO QNHS, CSO Census of Building and Construction, Creative and Cultural Skills' Council (UK)

** Estimated by the Creative and Cultural Skills - The UK Activity Skills Council for Crafts*

*** Based on the CSO Census of Building and Construction, 2006*

**** Estimates based on CSO Quarterly National Household Data (QNHS) and UK ONS Labour Force Survey (LFS). Category chosen was 'precision instrument makers, goldsmiths, silversmiths and precious stone workers'.*

***** Employment is based on the numbers of persons engaged*

Employment Estimates - Summary

Description	Estimated Scenarios			
Broad Craft Section	**Min Estimate**	**Base Case**	**Max Estimate**	***Craft Section as % of Total (Weighted Average)***
Glass	15	15	15	*4 %*
Graphic Crafts	72	72	72	*17 %*
Heritage and Rural Crafts	15	16	51	*7 %*
Iron & Metals	21	21	21	*5 %*
Jewellery	70	70	70	*17 %*
Pottery & Ceramics	14	81	81	*14 %*
Stone	55	55	82	*15 %*
Other	4	4	4	*1 %*
Textiles	55	55	55	*13 %*
Wood	26	26	26	*6 %*
Total Craft	**3,50 8**	**4,19 1**	**4,80 0**	***100 %***

Source: Source: Based on Indecon analysis of 'ONS ABI 2008, ONS ABI 2007, CSO COIP 2007, CSO ASI 2007, CSO QNHS, CSO Census of Building and Construction, Creative and Cultural Skills' Council (UK)

** Estimated by the Creative and Cultural Skills - The UK Activity Skills Council for Crafts*

*** Based on the CSO Census of Building and Construction, 2006*

**** Estimates based on CSO Quarterly National Household Data (QNHS) and UK ONS Labour Force Survey (LFS). Category chosen was 'precision instrument makers, goldsmiths, silversmiths and precious stone workers'.*

***** Employment is based on the numbers of persons engaged*

Methodological Approach - Estimation of Gross Value Added (GVA)

Estimate of GVA in the Craft Industry – Minimum Estimate

DESCRIPTION		UK CRAFT GVA (£)			IRISH CRAFT GVA (€)		
Irish COIP NACE Code	**Broad Craft Section**	**Total UK GVA - Potential Craft Area (selected)**	**Estimated GVA in the UK Crafts***	**% of Craft GVA within Potential Craft Area**	**Total Irish GVA - Potential Craft Area (selected)**	**Estimated GVA in Irish Crafts**	**% of Total Craft Employment in Ireland**
261	Glass	1,326,000,000	87,000,000	6.6%	140,220,000	9,199,955	6.1%
2223, 2224, 2225	Graphic Crafts	924,000,000	1,247,000,000	135.0%	24,638,000	33,250,634	22.1%
45.4**	Heritage and Rural Crafts	11,187,000,000	174,000,000	1.6%	275,096,000	4,278,779	2.8%
2851, 2840, 2812	Iron & Metals	2,450,000,000	203,000,000	8.3%	175,356,000	14,529,497	9.7%
Indecon Estimate***	Jewellery	425,000,000	319,000,000	75.1%	30,000,000	22,517,647	15.0%
262, 2630, 2640	Pottery & Ceramics	1,026,000,000	174,000,000	17.0%	29,136,000	4,941,193	3.3%
2670, 45.2**	Stone	46,298,000,000	174,000,000	0.4%	7,622,522,000	28,647,432	19.0%
527	Taxidermist	818,000,000	14,500,000	1.8%	40,226,000	713,053	0.5%
17, 18, 19	Textiles	3,690,000,000	377,000,000	10.2%	200,983,000	20,534,036	13.7%
2030, 2040, 3611, 3612	Wood	3,935,000,000	145,000,000	3.7%	320,653,000	11,815,676	7.9%
All Craft Codes	**Total Craft**	**71,654,000,000**	**2,914,500,000**		**8,858,830,000**	**150,427,902**	**100%**

Source: Indecon Analysis of 'Creative and Cultural Skills' Council (UK); ONS ABI 2008, ONS ABI 2007, CSO COIP 2007

*** Taken from the Census of Building and Construction*

**** Jewellery in the ABI 2007 is defined as 3350 (2007), 3622 (2001 - latest available figure) and 3661 (2005 - latest available figure). In the Irish case, we assume that GVA per person is €30,000 and use employment in jewellery to find a GVA figure*

Note: GVA is taken at basic prices

Estimate of GVA in the Craft Industry – Maximum Estimate

DESCRIPTION		UK CRAFT GVA (£)			IRISH CRAFT GVA (€)		
Irish COIP NACE Code	Broad Craft Section	Total UK GVA - Potential Craft Area (selected)	Estimated GVA in the UK Crafts*	% of Craft GVA within Potential Craft Area	Total Irish GVA - Potential Craft Area (selected)	Estimated GVA in Irish Crafts	% of Total Craft Employment in Ireland
261	Glass	1,326,000,000	87,000,000	6.6%	140,220,000	9,199,955	4.2%
2223, 2224, 2225	Graphic Crafts	924,000,000	1,247,000,000	135.0%	24,638,000	33,250,634	15.0%
45.2**, 45.4**, 28.62	Heritage and Rural Crafts	57,688,000,000	174,000,000	0.3%	7,811,065,000	23,559,931	10.7%
2851, 2840, 2812	Iron & Metals	2,450,000,000	203,000,000	8.3%	175,356,000	14,529,497	6.6%
Indecon Estimate***	Jewellery	425,000,000	319,000,000	75.1%	30,000,000	22,517,647	10.2%
26	Pottery & Ceramics	6,110,000,000	174,000,000	2.8%	1,155,642,000	32,910,263	14.9%
2670	Stone	291,000,000	174,000,000	59.8%	87,161,000	52,116,887	23.6%
527	Taxidermist	818,000,000	14,500,000	1.8%	40,226,000	713,053	0.3%
17, 18, 19	Textiles	3,690,000,000	377,000,000	10.2%	200,983,000	20,534,036	9.3%
2030, 2040, 3611, 3612	Wood	3,935,000,000	145,000,000	3.7%	320,653,000	11,815,676	5.3%
Total	**Total**	**77,232,000,000**	**2,914,500,000**		**9,985,944,000**	**221,147,578**	**100%**

Source: Indecon Analysis of 'Creative and Cultural Skills' Council (UK); ONS ABI 2008, ONS ABI 2007, CSO COIP 2007

*** Taken from the Census of Building and Construction*

**** Jewellery in the ABI 2007 is defined as 3350 (2007), 3622 (2001 - latest available figure) and 3661 (2005 - latest available figure). In the Irish case, we assume that GVA per person is €30,000 and use employment in jewellery to find a GVA figure*

Note: GVA is taken at basic prices

Estimate of GVA in the Craft Industry – Base Case Estimate

DESCRIPTION		UK CRAFT GVA (£)			IRISH CRAFT GVA (€)		
Irish COIP NACE Code	**Broad Craft Section**	**Total UK GVA - Potential Craft Area (selected)**	**Estimated GVA in the UK Crafts***	**% of Craft GVA within Potential Craft Area**	**Total Irish GVA - Potential Craft Area (selected)**	**Estimated GVA in Irish Crafts**	**% of Total Craft Employment in Ireland**
261	Glass	1,326,000,000	87,000,000	6.6%	140,220,000	9,199,955	5.1%
2223, 2224, 2225	Graphic Crafts	924,000,000	1,247,000,000	135.0%	24,638,000	33,250,634	18.6%
45.4**, 28.62	Heritage and Rural Crafts	11,681,000,000	174,000,000	1.5%	313,979,000	4,677,026	2.6%
2851, 2840, 2812	Iron & Metals	2,450,000,000	203,000,000	8.3%	175,356,000	14,529,497	8.1%
Indecon Estimate***	Jewellery	425,000,000	319,000,000	75.1%	30,000,000	22,517,647	12.6%
26	Pottery & Ceramics	6,110,000,000	174,000,000	2.8%	1,155,642,000	32,910,263	18.4%
2670, 45.2**	Stone	46,298,000,000	174,000,000	0.4%	7,622,522,000	28,647,432	16.0%
527	Taxidermist	818,000,000	14,500,000	1.8%	40,226,000	713,053	0.4%
17, 18, 19	Textiles	3,690,000,000	377,000,000	10.2%	200,983,000	20,534,036	11.5%
2030, 2040, 3611, 3612	Wood	3,935,000,000	145,000,000	3.7%	320,653,000	11,815,676	6.6%
Total	**Total**	**77,232,000,000**	**2,914,500,000**		**10,024,219,000**	**178,795,219**	**100%**

Source: Indecon Analysis of 'Creative and Cultural Skills' Council (UK); ONS ABI 2008, ONS ABI 2007, CSO COIP 2007

*** Taken from the Census of Building and Construction*

**** Jewellery in the ABI 2007 is defined as 3350 (2007), 3622 (2001 - latest available figure) and 3661 (2005 - latest available figure). In the Irish case, we assume that GVA per person is €30,000 and use employment in jewellery to find a GVA figure*

Note: GVA is taken at basic prices

Gross Value Added (GVA) Estimates - Summary

Description	Estimated GVA Scenarios			
Broad Craft Section	**Min Estimate**	**Base Case**	**Max Estimate**	***Craft Section as % of Total (Weighted Average)***
Glass	9,199,955	9,199,955	9,199,955	*5%*
Graphic Crafts	33,250,634	33,250,634	33,250,634	*18%*
Heritage and Rural Crafts	4,278,779	4,677,026	23,559,931	*6%*
Iron & Metals	14,529,497	14,529,497	14,529,497	*8%*
Jewellery	22,517,647	22,517,647	22,517,647	*12%*
Pottery & Ceramics	4,941,193	32,910,263	32,910,263	*13%*
Stone	28,647,432	28,647,432	52,116,887	*20%*
Other	713,053	713,053	713,053	*0%*
Textiles	20,534,036	20,534,036	20,534,036	*11%*
Wood	11,815,676	11,815,676	11,815,676	*6%*
Total Craft	**150,427,902**	**178,795,219**	**221,147,578**	***100%***

Source: Indecon Analysis of 'Creative and Cultural Skills' Council (UK); ONS ABI 2008, ONS ABI 2007, CSO COIP 2007

*** Taken from the Census of Building and Construction*

**** Jewellery in the ABI 2007 is defined as 3350 (2007), 3622 (2001 - latest available figure) and 3661 (2005 - latest available figure). In the Irish case, we assume that GVA per person is €30,000 and use employment in jewellery to find a GVA figure*

Note: GVA is taken at basic prices