Empowering Europe's Creators: Better Work Conditions, Innovation, and Cultural Leadership

Position Paper by ECBN/CreativeFED

Introduction & Background

The cultural and creative industries (CCIs) are a **key pillar of the European economy**, a*ccounting for approximately 4% of the European Union's GDP and employing 7.7 million people as of 2022, or 3.8% of the total EU workforce* (Eurostat, 2023a; KEA, 2021). In terms of value, CCIs generated an estimated **€643 billion in turnover in 2019**, making them one of Europe's largest and most dynamic sectors (EY, 2021). However, the COVID-19 crisis severely disrupted this momentum, causing a dramatic *31% drop in revenues in 2020—equivalent to a €200 billion loss—making* CCIs one of the hardest-hit sectors after air transport (EY, 2021). Although recovery has since begun, with cultural employment increasing by 4.5% in 2022 and sectoral **turnover rebounding to €503 billion**, these figures remain below pre-pandemic levels (Eurostat, 2023a; Eurostat, 2023a).

Structurally, **CCIs are characterised** by *small enterprise sizes and a high share of freelance and self-employed work*. Around **one-third** of cultural workers in Europe are s**elf-employed**—more than double the rate of the general workforce (KEA & PPMI, 2021). In sectors such as creative arts and entertainment, over 78% of workers are employed by micro-enterprises with fewer than 10 employees, while less than 4% work in large companies (Eurostat, 2023a). This *structure provides flexibility and entrepreneurial drive*, but also **contributes to precarious employment,** fragmented career paths, and limited access to social protection (KEA & PPMI, 2021). Gender distribution in the cultural workforce is relatively balanced, with women representing 49.2% of workers in 2022 (Eurostat, 2023a).

Against this Backdrop regional figures support this global data. As a good case of national CCI Studies e.g. Austria mirrors many of these European trends: approximately *13% of Austrian enterprises operate in the creative industries, employing 5.6% of the national workforce*. A high proportion of these firms are solo entrepreneurs, and the sector exports nearly 20% of its services—far above the national average (Kreativwirtschaftsbericht, 2024). These statistics confirm that while CCIs are a **dynamic and growing component of Europe's innovation and export capacity**, they remain structurally fragile. This calls for renewed policy efforts to strengthen the economic and social foundations of creative work across Europe.

1. Invest in Research on Artists' Working Conditions

There is currently **no comprehensive or consistent EU-wide framework** for *understanding the working conditions of artists and creative professionals*. Undeclared work, mixed-income streams, and informal labour practices (e.g. unpaid internships, project-based gigs) remain underreported in statistics.

To address this, we recommend a **coordinated EU-level initiative to conduct** *comprehensive, comparative research across Member States on income, employment, and social status in the CCIs*. This builds on recent studies like the European Labour Authority's mapping on cross-border cultural work (KEA & PPMI, 2021), but more granular, longitudinal data is needed to inform policy.

- **Evidence Gaps:** A comprehensive understanding of artists' work conditions across the EU is lacking. Existing studies reveal a"landscape of precariousness" – low job security, informal work, and minimal collective representation (Creatives Unite 2025) – but data remain fragmented. Undeclared work and "grey zone" employment are common (e.g. unpaid gigs, cash payments, bogus self-employment)(Creatives Unite 2025) yet often go unmapped in official statistics.
- **Need for EU-Level Study:** We advocate dedicated European research initiative to map artists' and CCI professionals' employment, income, and social status in all Member States. Consistent definitions and data collection are critical to compare conditions across countries and sectors. Experts stress developing robust metrics – including emerging fields like digital arts and video games – to inform evidence-based policies.
- **Insight for Policy:** Improved research will illuminate issues such as gender disparities, regional differences, and post-pandemic trends in CCIs. It can build on recent efforts (e.g. European Labour Authority's 2024 study) which found many cultural workers lack basic protections like health insurance or pensions. Armed with better data, EU institutions and Member States can craft targeted interventions to improve working conditions.

2. Strengthen Social Protection & Economic Recognition

Due to their **atypical employment status, cross-border mobility**, many *artists and creatives fall between traditional social protection systems* (EU DG EMPL 2025). **Welfare models must evolve to reflect portfolio careers and self-employment.** Examples like Austria's Künstlersozialversicherungsfonds (KSVF) – solely dedicated to recognised artists under the "**Austrian Artists**' **Social Insurance Scheme**", show how dedicated schemes can improve access to health insurance and pension entitlements (KWB, 2024).

Fair remuneration also remains critical. The EU should promote standardised contract templates, facilitate collective bargaining for the self-employed, and ensure better enforcement of intellectual property rights, especially in digital markets (European Commission, 2023). Innovative approaches—such as portable benefits, artist stipends, or income smoothing mechanisms—could help creatives manage career volatility while contributing to the EU's broader resilience strategy (KEA & PPMI, 2021).

- **Adapting Social Safety Nets:** Traditional welfare systems often fail creatives, who juggle freelance gigs and intermittent employment. We propose new forms of social protection tailored to artistic and early creative careers, ensuring access to unemployment benefits, healthcare, and pensions regardless of contract type. For example, some countries have Artists' Social Funds and emergency support (as in Austria's KSVF) to assist creatives in hardship – such models could be scaled up EU-wide and extended to all creative professionals.
- **Fair Pay and Labor Rights:** To recognize artists economically, fair remuneration must be guaranteed for creative work. We support"fair practice" frameworks (adopted in some Member States) setting minimum fees and collective bargaining for freelancers. The EU should encourage standard contracts in CCIs, promote collective representation for self-employed creators, and enforce intellectual property rights that ensure creators are paid for digital uses of their work.
- **Innovative Support Mechanisms:** Policymakers should explore income smoothing tools like stipend programs for artists, grant schemes for research and innovation in the arts, and tax incentives for creative entrepreneurship. Modernizing social security (e.g. portable benefits accounts) would acknowledge non-linear careers. Recognizing the economic contribution of CCIs (~5% of EU GDP, in the case of high-end creative industries, governments can justify increased investment in cultural infrastructure, training, and social guarantees for creators as an investment in Europe's human capital.

3. Creators as Drivers of Innovation, Autonomy & Competitiveness

Artists and creatives are **essential players in Europe's innovation ecosystem**. Studies show that *70% of creative enterprises regularly develop new products and services* (Kreativwirtschaftsbarometer, 2023). Their ability to combine cultural insight with digital tools positions them as key partners in Europe's twin transitions—green and digital. However, **this innovation potential can only be fully realised** if artists and creatives have **stable and fair working conditions** *that allow them to take risks, invest in skills, and engage in sustained creative processes*. Precarious work, fragmented income streams, and limited social protection undermine their ability to contribute to long-term innovation.

CCIs also **boost Europe's strategic autonomy**. A *self-sustaining cultural economy helps safeguard European narratives, values, and identity*. As one EU expert group noted: "there can be no strategic autonomy without cultural autonomy" (Open Method of Coordination Group, 2022). **High-end creative exports**—ranging from design to gaming—now account for 11.5% of EU goods and services exports (EY, 2021). Yet **export competitiveness is directly linked** to the capacity of artists and creative SMEs **to operate sustainably**, *which again requires stable working environments, adequate social security, and fair remuneration. Strengthening internationalisation, innovation clusters, and cultural trade missions therefore goes hand in hand with strengthening the professional and social conditions of creators* – because Europe's competitive advantage depends on the people who produce its cultural and creative value.

- **Engine of Innovation:** Artists and creative professionals are catalysts in Europe's innovation ecosystem. *70% of creative businesses plan digital innovations and continuously experiment with new ideas, methods, and technologies* (KWB 2024). As noted by Kreativwirtschaft Austria,"*creative talent perfects the rules of innovation…bringing new ideas and crossover effects to other industries*", making CCIs indispensable partners in innovation leadership. Integrating arts, culture and creativity into research & innovation agendas (e.g. Horizon Europe, European Innovation Council programs) will strengthen the EU's creative and technological edge.
- **Cultural Autonomy & Strategic Independence:** A vibrant domestic creative economy underpins Europe's cultural autonomy – our ability to tell European stories and produce culture independently. Experts conclude there is "no strategic autonomy without cultural autonomy," which in turn hinges on economic autonomy for EU creators. By

supporting its creators, Europe reduces reliance on external content and technologies, ensuring European values and narratives thrive in the global arena.

- **Global Competitiveness:** CCIs already contribute to Europe's competitiveness through exports and high-value jobs. e.g. 2/3 of Austrian creative firms expect rising exports, with creative exports boosting the broader economy's competitiveness (KWB 10). Europe's high-end cultural industries alone make up ~5% of GDP and 11.5% of EU exports (eccia 2025). To stay competitive, the EU should expand initiatives like Creative Europe and innovation clusters, helping creative SMEs scale internationally. This includes supporting internationalization (trade missions, cultural exchange programs) so that European creative goods and services capture growing global markets

4. Artists & CCIs as Ambassadors of European Values

CCIs are **central to EU soft power, serving as powerful carriers of Europe's identity and ideals**, *enabling the Union to build trust, foster dialogue, and strengthen its presence on the global stage through culture rather than coercion.* Through film, literature, fashion, and performance, **creatives help articulate and disseminate the values of democracy, pluralism, and human rights** (European Parliament, 2022). Strengthening this role through EU cultural diplomacy will enhance global influence and mutual understanding.

Moreover, inclusive access to cultural production and fair work in the arts reinforces the European social model. Cultural participation is strongly linked to social cohesion and well-being (Eurobarometer, 2023). Ensuring decent working conditions for artists is thus not only a cultural imperative, but a social one.

- **Cultural Diplomats:** Europe's artists and creative professionals are not just economic actors but also de facto ambassadors of EU values. The European Parliament notes that"artists act as cultural diplomats" (openaccess.uoc.edu 2022), fostering cross-border dialogue, tolerance, and understanding. European art, film, music, and design carry the ideals of democracy, diversity, and human rights to international audiences. CCIs are thus a strategic asset in EU external relations – culture can build bridges where politics cannot, supporting peace and mutual respect.
- **Promoting European Values Globally:** Europe's high cultural standards and creativity are admired worldwide. High-end creative industries serve as global ambassadors of European excellence and values, from luxury fashion embodying European craftsmanship to films and games championing free expression. Elevating cultural cooperation in EU diplomacy (e.g. through the EU National Institutes for Culture network and cultural trade delegations) will enhance Europe's soft power and international profile.
- **Resilient Social Model:** A thriving creative sector also strengthens Europe's social fabric. Cultural participation boosts well-being – 87% of Europeans say arts improve their emotional or physical well-being (Culture Compass 2025) – and community cohesion. By securing decent work for artists (fair wages, social inclusion), we reinforce the European social model that prizes quality of life, solidarity, and cultural rights. During crises like the pandemic, artists provided solace and unity, highlighting culture's role in societal resilience. Europe's structural autonomy, supported by its creators' economic stability, is integral to a resilient and autonomous European way of life (openaccess.uoc.edu 2022).

Conclusion and Call to Action

We call on the European Commission, particularly DG EAC, DG GROW, and DG CONNECT, to jointly develop a European Agenda for Artists and Creative Professionals. This should include:

- - A coordinated EU-wide study on artists' and creative professionals' working conditions.
- - A framework for minimum social protections for creative workers.
- - Recognition of CCIs as innovation and diplomacy actors in relevant EU policy strategies.

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