



INDUSTRY REVENUES

It is estimated that the crafts industries currently turn over around £400m annually. This figure is more than double what the industry was turning over ten years ago, with a rise of 20% in the number of crafts businesses over the same period.

Because of the nature of the sector, comprising a myriad of small businesses and individuals, a precise assessment of its contribution to the economy is impossible. Much of the value is hidden within tourism figures.

UK MARKET SIZE

90%, ie in the region of £360m, of crafts industry revenues accrues from the UK market.

The crafts industry is continuing to build on a solid and consistent growth rate in sales of craft works (both at home and overseas) of approximately 5% year on year.

Around 4,000 craft fairs are held annually, which have a combined turnover of £16m. Chelsea Crafts Fair sold over £2m worth of objects in 1997, with follow up orders of at least another £2m.

The fact that 35% of craftspeople produce items at the bottom of their price ranges for less than £5 makes this an accessible market for many consumers.

BALANCE OF TRADE

More than £40m of the industry's total sales revenue (around 10%) comes from overseas. Some 16% of UK craftspeople sell their work overseas and 10% of these generate 25% of their turnover from exports.

Exhibitions which tour overseas stimulate longer term sales interest as well as inward cultural tourism.

There are no available figures on importation of craft objects into the UK.

EMPLOYMENT

Using the definitions given above, estimates suggest there are 25,000 people working in the crafts industry in the UK, although wider definitions suggest a figure 10 times larger.

Women outnumber men in this profession by a ratio of 57:43. Contrary to received wisdom, large numbers of craftspeople work in urban areas, rather than in rural ones as is commonly assumed. Scotland has the highest percentage of craftspeople working in any part of Britain.

INDUSTRY STRUCTURE

Some 96% of craft businesses are one or two person operations and more than three quarters of craftspeople operate as sole traders.

In 1992, the average turnover for a full-time craftsman was £37,729, while for a full-time craftswoman it was £17,680. However, this disparity represented an increase in craftsmen's turnovers of 5% and in craftswomen's of 15% over the year before. Research indicates that craftsmen tend to sell their work for more than craftswomen – more than half of all craftswomen in 1992 were selling their entire output at £200 per item or less; men were three times more likely than women to be selling their work at prices over £1,000.

INTERNATIONAL CRITICAL ACCLAIM

UK contemporary crafts have a good profile and are highly regarded for their quality internationally.

SECONDARY ECONOMIC IMPACT

British craftspeople's success overseas enhances this country's reputation, stimulating inward cultural tourism, although this is difficult to quantify.

POTENTIAL FOR GROWTH

Advocates for craftspeople suggest that the British public needs to be educated to appreciate the true value of craftwork and to be prepared to pay to own it. Given the evident popularity of craft fairs and the consistent growth in this sector over the last decade or so, there is no reason why growth rates of 5% annually should not continue.

GROWING THE SECTOR – POINTS FOR CONSIDERATION

Craftspeople in the main operate as sole traders and therefore experience the difficulties common to many small businesses: inability to focus on the creative element of the business because of the need to devote time to management issues; problems with recruitment where one employee can swallow up all of a business's profits; difficulty getting access to expertise in areas outside the creative field; the cost of effective promotion or marketing. In addition, few craftspeople earn an income commensurate with their extensive training, skills and the long hours which they work. The flexibility of self-employment and fulfilment gained from the creative process are seen as compensatory.

Key issues, then, for the future of the crafts industry include:

- ♻ provision of business training and business support services
- ♻ availability of appropriately priced workshop space and outlets
- ♻ difficulties associated with raising capital for expansion
- ♻ the burden of employment regulations associated with taking on staff
- ♻ raising public understanding of the skills, time and effort which go into creating craft objects, and appreciation of their true value
- ♻ the ability to reach prospective clients for niche, or particularly expensive, works
- ♻ the identification and development of markets both at home and overseas

SECTION.04 | CRAFTS

