

"EMPOWERMENT
OF SOCIAL INCLUSION GROUPS THROUGH
CREATIVITY AND CULTURAL WORKS"
2020-1-CZ01-KA227-ADV-094406

CURRENT SITUATION AND EXISTING GOOD PRACTICES IN CREATIVE AND CULTURAL SECTOR



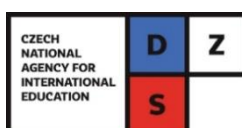
COUNTRY REPORT - SWEDEN



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Medborgarskolan

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ABSTRACT

The current report is prepared as a result of the **PALkonnnect** experts work and on the desk research of the experts of Medborgarskolan Stockholm.

The aim of the report is to summarize the current situation of the cultural and creative sector in Sweden in the post-COVID 19 period and to present several good practices and examples connected with supporting of emerging artists from social inclusion groups.

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HOW TO READ THIS REPORT?

This report is divided into five sections. The Introduction contains the introduction to the main characteristics and sectors development in the country. The next section provides detailed findings about current situation of the cultural sector in the post-COVID period. Section three is presenting the measures and support at local and national level. The next section is concluding the major good practices and initiatives. We are closing the paper with a list of the used resources.

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Intellectual Output 1 "Supporting Artists from social inclusion groups", 08/2021

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Cultural and Creative Sector in Sweden: main characteristics and sectors development

In Sweden, 177,000 businesses are part of the cultural and creative sector — a figure that increased by approximately 5.4 percent a year in the period between 2008 and 2010. Close to 83 percent of all businesses are sole proprietorships and 98 percent have less than ten employees. More than 146,000 are employed within the creative industries, but only 0.1 percent of the businesses have more than 200 or more employees.

The turnover for the cultural and creative sector in Sweden, 2010, was approximately SEK 285 billion. The sector contributed to Sweden's GDP with 3.3 percent.

In 2010, the growth for the creative industries was 5.5 percent. However, between 2008 and 2010 growth has shifted enormously.

The cultural and creative industries are making an ever-increasing contribution to Swedish exports. At the same time, they play an important part in the modern image of Sweden.

Sweden is the world's most successful exporter of chart music, in relation to GDP. ABBA, Swedish House Mafia, Robyn, Zara Larsson, First Aid Kit, Roxette and The Cardigans are just a few well known artists.

The European Commission's European Innovation Scoreboard (2016) places Sweden in top position. Alongside Denmark, Finland, Germany and the Netherlands, Sweden is an 'Innovation Leader' with innovation performance well above that of the EU average, according to the study. Sweden also ranks number one on the Forbes annual list of the Best Countries for Business.

Current situation of the cultural sector in the post-COVID period

Various reports testify to the difficult situation in which cultural workers find themselves.

The statistics show that the industries in culture, entertainment and leisure were hit hard by the pandemic year 2020. Turnover in the industry fell by 17 percent, which corresponds to SEK 13 billion.

Theaters and concert halls in particular did poorly, sales decreased by as much as 57 percent.

In January 2021, figures show that the number of unemployed cultural workers has risen from 9,600 in 2019 to 17,000 in 2020, which means that unemployment for cultural workers has almost doubled.

It is worth pointing out that while the pandemic has affected almost every single industry in some way, the Creative & Cultural industries has been amongst the most affected ones. As the Creative & Cultural industries are highly dependent on events and live audiences, much of the activity in the industry has come to a sudden halt.

The Creative & Cultural industries is also one with many smaller businesses and independent freelancers, which often times have less protection and financial resources than larger corporations do. As a result, many workers and performers within the Creative & Cultural industries has seen their livelihood disappear during the pandemic

If you live in or have spent time in Stockholm, you'll be familiar with its creative energy and cutting-edge innovations within music, gaming, film and fashion.

Creative industries that depend on connecting with an audience have faced obvious challenges arising from Covid-19.

But with the rollout of vaccinations progressing, there's renewed optimism in Stockholm among both creative people and politicians about the city's cultural future.

The creative and cultural industries are already a hugely important part of the city's economy.

Let us now have a closer look at four different business within the creative and cultural industries:

Brain businesses

The beating heart of Stockholm is undeniably creative. But how can you hope to quantify such a quality?

Well, one way is to look closer at the knowledge economy – consisting of jobs that are more intellectually-driven than physical in nature. So-called ‘brain businesses’ are on the rise in many European cities.

Nonetheless, Stockholm ranks third in Europe in this regard, behind only Bratislava and Oxford, according to the European Centre for Entrepreneurship and Policy Reform think-tank. This is sure proof of a thriving “creative class”, to use the term popularized by the author and expert in urban studies, Richard Florida.

As stated in Creative & Cultural Industries in Stockholm, a 2020 report published by Invest Stockholm, this means both supply and demand for creative talent are high. With around one in 20 employees in Stockholm involved in the creative and cultural industries (almost 64,000 people), the report makes the case that these people are “not only passionate souls, but also professionals” who are vital to the city’s economy.

And since talent attracts talent, plenty of bright minds from around the world are choosing to make Stockholm their home.

Music

Stockholm’s global reputation as a heavyweight player in the music industry goes back decades. Whether your taste is more ABBA or Avicii, you’re sure to know something about the talent – and perhaps you stream it via Stockholm-based Spotify? Stars of today like Seinabo Sey and Tove Lo continue to burnish the Stockholm name internationally.

What about the hard figures? The average annual value added per music industry job in the city is around 1.6 million Swedish kronor, according to last year’s Invest Stockholm report. That’s more than 40 percent above Stockholm’s overall average figure per job.

Few industries face more direct challenges as a result of Covid-19. But once enough people have been vaccinated and gigs return, Stockholm’s live music scene is sure to bounce back strongly, further cementing the city’s status as a leading musical talent base.

The city’s proven track record in music is underpinned by factors that remain as relevant as ever, including reliable policies and high freedom of expression.

Gaming

Every eighth person in the world has played a game made by Swedes.



Autumn 2021 will see the doors of Space, a new digital cultural centre, open in central Stockholm. It will also be Europe's largest permanent esports and gaming venue, with more than 500 'fully equipped stations' in its gaming centre.

Space will also feature a multi-purpose arena, content creation and music studios, restaurants and cafes

A true Stockholm success story, gaming is also big business. Some 13 of Sweden's biggest 16 gaming firms are in Stockholm. The value generated per employee is 2.2 million Swedish kronor – almost twice that of the average Stockholm job.

Space will also eventually offer co-working space. The idea is to encourage Stockholm startups to develop business models in the midst of their potential audience.

Fashion

Fashion is the biggest of Stockholm's creative and cultural industries, with annual revenue of more than 69 billion Swedish kronor. Stockholmers are known for being stylish and Scandinavian design continues to be a source of fascination for much of the world.

Sustainability, a topic that permeates all areas of life in Stockholm, is also central to the city's contemporary fashion industry. Stockholmers love to shop second-hand and companies like Sellpy, Arkivet and ReRobe have tapped into this interest to make it easier than ever to buy and sell used clothing and other items.

Looking ahead, could the fashion and tech worlds come together in Stockholm to provide inventive new customer experiences and offerings?

Monki, which is part of H&M group, focuses on supporting change towards more sustainable, "circular production". The Monki brand has also investigated the potential for customers to use "high definition human holograms in Augmented Reality" to view outfits before buying online.

Architecture

Of all the sub-industries in the creative and cultural sector, the biggest growth since 2010 has come in architecture. That's true in terms of both turnover and employees.

Major ongoing projects in Stockholm include a strong focus on sustainability but also on creating 'urban villages' that restore a positive sense of community. Indeed, the concept of

community is central to so much of what can keep the creative industries strong in challenging times.

Measures and support at local and national level

The Swedish Arts Council is the authority that has distributed crisis support for canceled and postponed events as well as for special needs in cultural life.

In 2020, the Swedish Arts Council distributed a total of SEK 1,172,383,775 for these purposes. It has been obvious that the cultural area has been hit hard by the corona pandemic and that all support has been very important for the cultural area's survival.

Crisis support has had an overall purpose of alleviating the acute economic crisis, stimulating recovery, ensuring a continued breadth of cultural expression throughout the country and supporting activities whose survival is essential for the recovery of culture.

The follow-up of the total distribution in 2020 shows that:

- 4,165 (out of 6,417) applications have been granted crisis support, which corresponds to an approval rate of 65 percent for the number of applications
- a total of SEK 1,172 million in crisis support has been granted, which corresponds to an approval rate of 41 percent of the amount applied for (for those who have been granted support)
- a total of 3,160 different organizations have been granted support
- An estimated 3,700 who applied for crisis support were new applicants for the Swedish Arts Council
- operations in all regions and based in 274 of the country's municipalities were reached by support
- The Stockholm region accounted for 1,420 approved applications in the amount of SEK 479 million - which corresponds to 34 percent of the total number of approved applications and 41 percent of the total amount granted.
- with the support for canceled and postponed events, many actors got the financial conditions they needed to survive 2020
- with the support for special needs in cultural life during the autumn of 2020, opportunities were opened up for more actors (central to cultural life's infrastructure) than before to apply for government grants from the Swedish Arts Council.

The assignments for which the Swedish Arts Council was responsible during the corona pandemic have been of great importance to the cultural field. In addition to the distribution of support for lost income to the free cultural life and support for special needs in the cultural life, crisis support has been granted to regional cultural activities, center formations and alliances, as well as regular contributions to the cultural area as a whole.

An entrepreneur from the cultural sector comments on this:

There has been and will be a flora of different support (Layoff Support, Adjustment Support, Business Support, Cultural Support, Enhanced Adjustment Support, Shutdown Support), but most of them are and have been extremely complicated to apply for and even more difficult to obtain. At our company, we work almost exclusively with culture and the support has mostly been used to cover our fixed costs in addition to the short-term layoff support. We have been able to cover about 15% with the support we have received."

What support has then been possible to apply for during the pandemic and how do they work?

The following is a summary of current measures that the Swedish government has taken to mitigate the consequences of the virus outbreak for jobs and companies in Sweden:

- **Sales support to sole traders and trading companies**
- **Adjustment support for companies based on turnover losses**
- **Short-term layoffs for reduced wage costs**
- **Rental support**
- **Event support**
- **Increased state responsibility for sick pay costs**
- **Shutdown support**
- **Deferment of tax payments**
- **Government loan guarantee for small and medium-sized companies**
- **Extended loan opportunities for companies via Almi, EKN and SEK**
- **Increased space for Almi Invest as an active investor in innovative companies**
- **Increased investment power for Almi Invest**
- **Tax reduction for investments in equipment**
- **Reduced employer and deductibles for young people**
- **Temporarily abolished benefit taxation for gifts to employees**

This is what the aid means in practice:

Sales support to sole traders and trading companies

To support individual traders and trading companies who have not been able to benefit from the other support measures, the government has introduced two special sales support.

One of the grants can be used by individual traders who have had a turnover loss of at least 30, 40 or 50 percent, depending on the grant period for which they are applying. The size of the support is 75 or 90 percent of the individual trader's loss of turnover depending on the support period.

The other support can be used by trading companies with at least one natural person as a partner and is designed based on the rules and periods for the sales support to individual traders.

Adjustment support for companies based on turnover losses

The support can be used by companies that have had a loss of turnover of at least 30, 40 or 50 percent, depending on the support period the company is applying for. The maximum so-called subsidy rate, ie the size of the aid, is between 70-90 percent of the company's fixed costs or uncovered fixed costs. The support has been extended and strengthened on several occasions. The Government has introduced or announced that it can be used for periods between March 2020 and September 2021. There is also strengthened adjustment support that can be used by companies that are particularly affected by certain restrictions.

Short-term layoffs for reduced wage costs

Short-term layoffs mean that employees reduce their working hours for a while the employer receives financial support from the state. The employees can keep a large part of their salary while the company's personnel costs are reduced. To use short-term layoffs, both employers and employees must agree on it. The companies have been able to lay off from the middle of March 2020 and the system has been both strengthened and extended.

Rental support



To reduce costs for companies, a rent subsidy was introduced for the period April-June 2020. The government has also decided on support for the periods January-March 2021, April-June 2021 and July-September 2021. The subsidy means that landlords who reduce the fixed rent for companies in vulnerable industries can apply for support to compensate for part of the reduction. For the period April-June 2020, compensation was given with a maximum of 50 percent of the reduced fixed rent, however, a maximum of 25 percent of the original fixed rent. From January 2021, the support will be strengthened so that compensation is given with 50 percent of the reduced fixed rent, up to 50 percent of the original fixed rent.

Event support

The Government has decided to introduce a new financial support to organizers of events that are planned to be held during the period June-December 2021, but which cannot be implemented or must be significantly limited due to restrictions due to the spread of covid-19. The design of the event support is based on an announcement from the Riksdag and a decision on this year's sixth amending budget.

Increased state responsibility for sick pay costs

The government proposes an extension of compensation to employers for the part of the sick pay cost that exceeds the normal. This measure due to covid-19 aims to make it easier financially for employers and companies. The measure currently applies until April 30, 2021, but the government has proposed an extension to June 30, 2021. The government proposes that SEK 2.5 billion be allocated.

Shutdown support

The government's planned closure support must be able to be used by companies that are forced to close their operations as a result of decisions on closure within the framework of the new pandemic law. The support covers up to 100 percent of the companies' fixed costs, including salary costs. The proposal has been sent out for consultation by the Ministry of Finance.

Deferment of tax payments

Companies can get a deferral of payment of employer contributions, preliminary tax on salary and VAT. This means that companies that are serious, manage their finances and do not have large tax debts can strengthen their liquidity. The deferrals were introduced on March 30, 2020. They have been gradually strengthened and extended, among other things so that companies can apply for deferrals for several months.

Government loan guarantee for small and medium-sized companies

To make it easier for mainly small and medium-sized companies to obtain loan financing and avoid closures and bankruptcies due to liquidity problems, the government has introduced the state credit guarantee program Företagsakuten. The program means that the state guarantees 70 percent of new loans that banks give to companies. The Debt Office issues the guarantee to credit institutions, which in turn lend to companies. Companies can apply for a loan within the guarantee program by contacting their lender / bank. The government presented the program in March 2020, and in January 2021 it was decided on an extension up to and including June 2021.

Extended loan opportunities for companies via Almi, EKN and SEK

To ensure a functioning credit supply and mitigate the effects of the virus outbreak on Swedish jobs and companies have; Almi Företagspartner received a capital injection of SEK 3 billion to increase its lending to small and medium-sized companies throughout the country; Svensk Exportkredit's (SEK) loan limit has been increased from SEK 125 billion to SEK 200 billion and can be used to issue both state-supported and commercial credits to Swedish export companies; The Swedish Export Credit Agency's (EKN) ceiling for credit guarantees has been extended to a total of SEK 500 billion, and reduced deductibles at the banks give companies new and improved opportunities to borrow.

Tax reduction for investments in equipment

With a temporary tax reduction, companies get an incentive to bring forward and increase investments. It can contribute to the recovery of the economy, but also accelerate the transition. The tax reduction will apply to equipment purchased in 2021 and the law is proposed to enter into force on 1 January 2022.

Reduced employer and deductibles for young people

To counteract the negative consequences of the pandemic for young people in the labor market, employer contributions for 19–23-year-old will be reduced from 31.42 to 19.73 percent between January 2021 and March 2023. The proposal makes it easier for companies to retain and hire new staff and enables a financial start for some of the worst affected industries that employ many young people. In the Government's seventh extra amending budget for 2021, the Government also proposed that employer contributions for young people be reduced further during June, July and August 2021.

Temporarily reduced employer contributions and deductibles

Between March 1 and June 30, 2020, employer contributions were reduced. A reduction in deductibles was also introduced to provide a corresponding relief to individual traders.

Increased allocation to accrual fund

The government has introduced new rules which mean that 100 percent of the taxable profit for the year 2019 may be set aside in the accrual fund, up to a ceiling of SEK 1 million. As a result, many entrepreneurs can get back preliminary tax that they paid in 2019. The proposal affects sole traders and natural persons who are partners in Swedish trading companies.

Good practices and initiatives working at local and national level supporting the emerging artists from social inclusion groups

Withdrawn support, increased isolation and mental illness among people with disabilities. A report from the National Board of Health and Welfare shows that the pandemic has hit hard on people who have interventions according to LSS, the law on support and service.

The National Board of Health and Welfare has mapped and analyzed how the pandemic has affected the opportunities for people with disabilities to gain access to and participate in daily activities and other municipal initiatives according to LSS.

The final report of the assignment shows that in 2020, 80 percent of the country's municipalities and districts implemented changes in the LSS operations as a result of covid-19. In particular, people with daily activities were affected. About a third of the municipalities stopped the effort altogether, which affected 17,200 people. An equally high proportion of municipalities reduced the scope of the initiative.

- Many users already had limited social contacts before the pandemic and the closure has further increased isolation. Some homes, for example, have been closed to visitors and have limited access to common areas. Isolation has also increased for people with personal assistance, says Karin Flyckt, coordinator of disability issues at the National Board of Health and Welfare.

Other options

One of the highlights is that most municipalities and districts still seem to have offered other alternatives.

- It has, among other things, been about outdoor activities and daily activities that have been carried out digitally, says Karin Flyckt.

However, the alternative support offered has not fully offset the negative consequences. The isolation has led to increased mental illness among people with interventions according to LSS. It is also known from the past that mental illness is relatively high in this group.

- It is important that those who have had a deteriorating mental health as a result of the pandemic receive support to deal with it, both medically and psychosocially, says Karin Flyckt and points out that support is also needed for relatives.

Medis 5 is a daily activity center for people with disabilities on Södermalm in Stockholm. The center is run by the study association Sensus.

Here, digitalization has counteracted many of the negative consequences of covid 19 described above.

Specifically, it is about making the participants digitally mature in several steps through a series of courses in digital services.

During the courses, the participants had access to iPads, which they also had at their disposal in their free time.

When the participants learned the basics of digital services on their iPads, they also learned to use the Zoom service in order to meet digitally.

Thanks to this opportunity, the participants have been offered digital activities several times a day, which has counteracted isolation and mental illness.

Here is a short YouTube clip that presents the venture:

<https://www.youtube.com/watch?v=JJWq7ddJA5g>

In concrete terms, these are the following activities:

- Digital gathering with coffee
- Group gymnastics
- Sing together
- Quiz
- Baking
- Digital guides at museums in Stockholm

Visit Sweden's national museum of art via digital live broadcasts

Medborgarskolan broadcasts live from the National Museum of art in Stockholm and talks about a number of works of art from the collections. The broadcasts are aimed at those who live in group housing, service housing or work in daily activities. In a series of short digital live broadcasts, art teacher Marianne Lagercrantz and Anders Romare, artist and project manager at Medborgarskolan in Stockholm, talk about famous artists and their exciting paintings at the National Museum. On four occasions in June, art was shown with the following themes: portrait, landscape, still life and story.

- We are very happy to be able to show parts of the art treasure that the National Museum manages. My hope is that our digital broadcasts will allow more people with LSS to take part in the art at home on the sofa and that it also inspires them to want to go there and visit this fantastic museum, says Anders.

Resources

Cultural and Creative Sector in Sweden: main characteristics and sectors development

https://www.investstockholm.com/globalassets/invest/reports/report-creative--culture-industries-in-stockholm_final.pdf

<http://volanteresearch.com/2014/01/the-cultural-and-creative-sector-in-sweden/>

<http://www.swemfa.se/creative-sweden/>

Current situation of the cultural sector in the post-COVID period

<https://www.thelocal.se/20210511/five-reasons-for-optimism-about-stockholms-creative-industries-invest-stockholm-tlccu/>

<https://www.scb.se/om-scb/nyheter-och-pressmeddelanden/pandemiar-et-kostade-kulturella-naringar-13-miljarder/>

<https://www.svt.se/kultur/arbetslosa-kulturarbetare-arbetsformedlingen-siffror-2020-pandemin>

Measures and support at local and national level

<https://www.kulturradet.se/globalassets/start/publikationer/krisstod-till-kulturen-2020.pdf>

<https://www.regeringen.se/regeringens-politik/regeringens-arbete-med-coronapandemin/foretag/>

Good practices and initiatives working at local and national level supporting the emerging artists from social inclusion groups

<https://www.socialstyrelsen.se/om-socialstyrelsen/pressrum/press/indrag-na-aktiviteter-har-bidragit-till-okad-psykisk-ohalsa-bland-personer-med-funktionsnedsattning/>

<https://www.medborgarskolan.se/var-varld/konst-och-hantverk/ta-del-av-sveriges-nationalskatt-via-digitala-livesandningar/>

<https://www.youtube.com/watch?v=1Lp5V8iBzQ4>

<https://www.youtube.com/watch?v=JJWq7ddJA5g>