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ESTIMATING EMPLOYMENT IN INDIA'S CULTURAL AND CREATIVE ECONOMY: EVIDENCE FROM THE PERIODIC LABOUR FORCE SURVEY

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EXECUTIVE SUMMARY

India's culture-creative economy is among its most culturally significant yet least measured sectors. Globally, culture generates roughly USD 4.3 trillion a year and draws in the young in larger numbers than almost any other sector, yet in India, one of the world's oldest and most culturally plural civilisations, no systematic estimate of its size or contribution to employment has existed. Available work captures the broader *creative* economy, but not the *culture-creative* core anchored in heritage, symbolic meaning and intellectual property. This paper offers the first empirical mapping of that economy, and does so deliberately as a

methodological primer that lays the foundation for recurring, robust measurement, which can go beyond the employment number to the overall economic contribution of the sector.

The paper's central contribution is methodological. As cultural activity cuts horizontally across many industrial classifications rather than forming a distinct vertical in national accounts, it is measurable in principle but uncounted in practice. The paper adapts the international frameworks of UNESCO (2009), ESSnet (2012) and Eustat (2022) to Indian conditions, mapping eight cultural domains across the stages of the

cultural value chain onto the National Industrial Classification (NIC-2008), in consultation with the Ministry of Culture and applies this mapping to unit-level Periodic Labour Force Survey (PLFS) data for 2017-18 and 2025. By grounding the mapping in NIC codes and applying it to unit-level PLFS data, the most disaggregated employment source available in India, the approach produces estimates that are both replicable and regularly updatable. These estimates can be refreshed with each survey round and tracked over time. Importantly, since the sectors are mapped to disaggregated national industrial classification, the mapping can be used to generate economic contribution also, as and when the disaggregated output data is available. The classification can therefore form the basis for future value-added estimation, a Cultural Satellite Account, and analysis of how forces such as artificial intelligence are reshaping cultural livelihoods. Moreover, there is scope for continuously building and improvising the framework.

On this basis, the paper finds a sector far larger than commonly recognised. In 2025 the culture-creative economy employed approximately 57 million workers constituting nearly 9 per cent of India's total workforce, and 16.7 per cent of all urban employment, up 40 per cent from 40.6 million in 2017-18, placing it among the country's largest employers. But this scale masks a structural concentration at the base of the value chain. Manufacturing alone accounts for about half of all cultural employment, and together with heritage administration its dominance has scarcely shifted over the seven years. In contrast,

high-value, knowledge-intensive segments, including design, audio-visual, advertising, and architecture, collectively account for less than 7 per cent of employment, with only modest shifts observed over time. The sector's most striking shift is the entry of women in the workforce in recent years. Female employment more than doubled between the two years, from 9.2 to 18.8 million, lifting women's share from 23 to 34 per cent. A large part of this expansion has been concentrated in custom tailoring industry. Though low-value, but the sector has potential to scale and grow, contributing significantly to the expanding textile and garment sector of the country. Employment also remains spatially concentrated, with nearly half of all cultural workers in just five states.

Thus, beneath the headline scale, the paper found that the picture is one of growth at the bottom of the value chain. Over half the workforce is engaged in manufacturing, dominated by tailoring, food processing and handicraft production, and the modest shifts observed between the two years reflects institutional rather than market-driven change, with the largest gains accruing to heritage promotion and administration. Aggregate real wages rose only marginally and remain buoyed by men's earnings; women's wages were largely stagnant, widening an already substantial gender gap.

These weaknesses are compounded by a gap in India's intellectual property regime. The controversy surrounding Prada's use of design elements associated with Maharashtra's Kolhapuri chappals illustrates this limitation. India's geographical indication framework protects a product's

name but not necessarily its design aesthetic or artisanal techniques. This leaves traditional forms open to commercial appropriation without requiring benefit-sharing with originating communities, potentially creating a direct economic loss for artisans, many of them women, whose livelihoods depend on the distinctiveness of these traditional crafts. This needs to be addressed to improve livelihood of culture-creative workers, particularly women.

Addressing the issues require a coherent national strategy starting by creating a dedicated Cultural Satellite Account and formal industrial recognition to the sector. For ensuring a movement from low-value to high value, scalable activities, there is a need

to invest in skilling infrastructure, as well as targeted capacity building initiatives. There is also a need for a gender-specific agenda on wages, mobility and credit; IP reform extending protection to design and technique; and measures to cushion creative workers against AI-driven disruption. As a primer, the paper is a necessary first step; the fuller task on value-added estimation drawing on ASUSE, ASI and the National Accounts would render India's cultural economy visible enough to be protected, equitably developed and positioned as a genuine driver of inclusive growth.