

BUDGET 2027

PRIORITIES SUBMISSION



CONTEXT AND EVIDENCE

THE CREATIVE AND COMMUNICATIONS SECTOR

Advertising and communications are an important part of Ireland's commercial and economic infrastructure. Forthcoming research from CCA estimates that the creative and communications services sector supported approximately €1.5 billion in Gross Value Added, 18,300 jobs and €1 billion in wages through its direct operations, supply chain and employee spending in 2025.

Its contribution extends well beyond the sector itself. Approximately €1.7 billion in investment in 2025 was associated with an estimated €5.1 billion in GVA, 66,100 jobs and €2.6 billion in wages across the wider economy. These estimates capture activity associated with advertising-supported demand in sectors throughout Ireland, illustrating how these services support economic activity.

Despite its commercial importance, advertising appears to be an underused growth lever in Ireland. Forthcoming research from CCA finds that the median Irish organisation in the sample invested approximately 1% of revenue in communications and advertising, compared with 2.3% among the European benchmark and 2.8% in the United States. Ireland's advertising expenditure per person was also approximately €268 in 2024, below the levels recorded in several comparable international markets. While these benchmarks should not be treated as universal spending targets, the consistency of the gap suggests that many Irish businesses may be investing below the level required to support their growth and international ambitions.

The advertising and communications sector has a substantial employment footprint. Businesses operating directly within the sector supported approximately 11,300 jobs in 2025. Once supply-chain activity and the spending of employees' incomes are included, the sector's total footprint rises to approximately 18,300 jobs, alongside €1.5 billion in GVA and €1 billion in wages.

As an early adopter of AI technologies, the creative and communications sector occupies a unique position in the AI economy, standing between algorithmic capability and human value. Members of the Creative & Communications Association use AI to sharpen media planning campaigns, analytics and campaign performance, while preserving the human creative judgment that gives brand communication its resonance. How society navigates the boundary between where AI serves human expression and where it displaces it is one of the defining questions today, for government and business alike. The creative and communication sector is well placed to support Government.

The creative and communications sector plays a foundational role in sustaining Irish media. Advertising investment is the primary revenue model for Irish broadcasters, publishers and digital media platforms. A healthy domestic advertising market, where Irish creative and communication companies are competitive, well-resourced and

growing, directly supports the commercial viability of Irish journalism, broadcasting and cultural production.

IRELAND AS A CREATIVE INDUSTRIES CENTRE OF EXCELLENCE

Within the knowledge economy, the creative and communications sector should receive parity in public policy attention directed towards technology, financial services or life sciences. The sector operates on an increasingly uneven playing field: global digital platforms capture a growing share of Irish advertising revenues while benefitting from tax breaks for R&D which are not available to creative and communication businesses. Yet this industry sits at the nexus of technology, media, business and regulation and if supported can unlock the potential of Irish indigenous business to scale internationally.

This is despite the thousands of highly skilled people employed by the sector, its generation of significant export revenues, and its role underpinning the commercial success of Irish and international brands and allowing the industry in Ireland to develop its potential as a global services hub.

Budget 2027 is an opportunity to recognise the creative and communications industry as a strategic national asset deserving of the same policy ambition applied to other high-value creative service sectors including film.

The priorities outlined in this submission will help to position Ireland as Europe's leading location for the creative economy: by building the fiscal framework to reward and attract creative investment, and by developing the workforce training infrastructure to sustain it. This would complement the FDI proposition Ireland has built for other sectors over decades.

PRIORITIES FOR BUDGET 2027

PRIORITY 1: REWARD CREATIVE INVESTMENT BY INTRODUCING AN INNOVATION TAX CREDIT TO SUPPORT THE CREATIVE AND COMMUNICATION SECTOR

Ireland's innovation support framework has played an important role in encouraging investment in scientific and technological research. But the nature of innovation has changed. Competitive advantage is increasingly generated through design, digital transformation, AI adoption and new business models.

This matters particularly for the creative and communications services sector, where firms invest substantially in developing new methodologies, AI-enabled tools governance frameworks, digital products, audience engagement and live experience models and proprietary intellectual property. Yet many of these activities fall outside the scope of existing supports.

The commercial evidence supports treating these activities as productive investment, rather than a cost. Forthcoming research on a subset of CCA member companies, estimated profit returns range from approximately €1.50 to €4.60 for every €1 invested in creative and communications services. These returns point to the value of investing in such services and why supporting the sector can be an enabler for wider commercial and economic growth, including the scaling of Irish indigenous business.

The evidence is further underpinned in international tables. Ireland ranks 26th of 27 EU member states for design applications, last for trademarks, and 44th of 139 globally on the Knowledge Creation pillar; precisely the indicators that sit outside the R&D Tax Credit's scope (KPMG Innovation Index 2026)

As the business representative organisation for the creative and communications industry, we are seeking the introduction of an Innovation Tax Credit (identified by the Department of Finance's 2026 Innovation Compass as a priority workstream) to incentivise investment in:

- Design and creative innovation for customer and visitor experiences
- Process, service and business model innovation
- Digital transformation and AI adoption and implementation
- New communication, engagement and content delivery models
- Proprietary intellectual property, tools and methodologies

A reinterpreted innovation support framework would better reflect how innovation occurs across the modern economy, support indigenous enterprise development, accelerate digital transition, and ensure that Ireland's creative and communication

sector is empowered to contribute to national innovation, productivity and economic growth.

PRIORITY 2: INVEST IN THE FUTURE CREATIVE WORKFORCE BY LEVERAGING THE NATIONAL TRAINING FUND TO BUILD DIGITAL AND AI READINESS.

Creative and communications businesses are among the earliest adopters of AI tools and governance frameworks in the Irish economy, deploying generative tools across content production, media planning, audience analytics and campaign optimisation. It is a sector that is creatively led and technology driven positioned within an ecosystem of business, technology platforms, media and regulation. To stay at the forefront of the AI economy while also preserving the premium of human led creativity and idea generation, will require ongoing access to the best training programmes available.

The National Training Fund is the right vehicle to deliver them. As with all employers, our members contribute 1% of payroll to the Fund through their PRSI payments. The Fund currently holds a surplus of approximately €2 billion, with annual surpluses of €200 - 400 million expected through to 2030. We support the deployment of these resources to address emerging workforce needs.

We urge Government to direct a meaningful portion of this funding to structured training programmes covering AI capability, data literacy, digital production and strategic planning skills across the creative and communications sector. These are not peripheral skills; they are the foundation of Ireland's competitive position as a location for creative and knowledge-intensive services.

We support the proposed €10,000 AI training voucher for SMEs, as this measure would provide practical, direct support for firms seeking to adopt AI responsibly and productively.

PRIORITY 3: ESTABLISH A POLICY AND EVIDENCE RESEARCH CENTRE FOR THE CREATIVE INDUSTRIES

Ireland lacks a permanent, independent mechanism for producing the robust and timely evidence needed to treat the creative industries as a strategic economic sector. Ireland requires independent research, policy advice, regular thematic reporting, targeted work to close evidence gaps, knowledge exchange with government, and structured input from industry and international experts.

The establishment of a Policy and Evidence Research Centre for the sector to adopt these core functions while reflecting Ireland's scale, institutions and all-island and European context.

The objectives of such an initiative are as follows:

- Build a trusted national evidence base on the size, composition, productivity, employment, exports, investment and regional distribution of Ireland's creative industries.
- Commission and conduct independent research to close policy-relevant evidence gaps, including the contribution of advertising and communications to business growth and export performance.
- Translate research into timely policy briefings, consultation submissions and practical recommendations for Government, agencies and local authorities.
- Provide regular horizon scanning on AI, intellectual property, skills, internationalisation, sustainability, access to finance and emerging business models.
- Create a durable bridge between policymakers, industry, academia and cultural institutions, ensuring that sector needs and implementation experience shape the research agenda.
- Benchmark Ireland internationally and strengthen engagement with European and all-island creative-economy networks.

The Centre should be established through a competitive, multi-annual funding arrangement led by the Department of Enterprise, Tourism and Employment, working with the Department of Culture, Communications and Sport and relevant agencies. To protect independence while keeping the work policy-facing, it should be hosted by an Irish higher-education or independent research institution and operate through a distributed consortium rather than a new stand-alone agency. A small core Research and Policy Unit would set standards, manage data, commission research and translate findings for decision-makers. Consortium partners would lead thematic programmes, while an independent governing board would include research, enterprise, cultural and public-policy expertise.

The structure should be supported by an Industry Champions Network drawn from the breadth of the creative industries, a multidisciplinary Research Fellows Network, and an international advisory group linking Ireland to European and global expertise. Formal engagement with the CSO and relevant departments and agencies would improve data access, avoid duplication and embed evidence in policy development.

Budget 2027 should provide a €1m seed funding for a design and feasibility phase, followed by competitive multi-annual funding for an initial five-year programme with clear independence, open publication and periodic evaluation. This would give Government the evidence infrastructure required to target interventions, measure their impact and realise the full economic and societal potential of Ireland's creative industries.

CONCLUSION

The creative and communications industry is a high-skill, high-value sector that directly enables the commercial success of Irish business. The priorities set out in this submission are targeted and evidence based. Each can be implemented within existing Revenue and Department of An Taoiseach, Enterprise and Communications frameworks.

About the Creative & Communications Association

We are the business representative organisation supporting our members with clarity of purpose: to enhance and future proof the creative and communications industry in Ireland.

Established for over six decades (formerly known as the Institute for Advertising Practitioners of Ireland), we empower business operating in the creative and communications sector through a strong industry voice, influence with government, sector expertise, and a network for learning and collaboration.

Our member companies range from indigenous to multinational businesses, delivering professional strategic services to both public and private sector clients. Our members employ 80% of the sector's workforce, delivering services that grow businesses, shape public understanding, and drive behaviour change that benefits both the economy and society.

Their expertise spans Media and Creative, Events and Experiential design, Advertising, Public Relations and Affairs, Sponsorship, Digital and Research and Strategy.

Read more at www.ccai.ie