



Queensland University of Technology
Creative Industries Faculty

House of Representatives Standing Committee on Communication and the Arts
Parliament of Australia
Parliamentary Inquiry into Australia's Creative and Cultural Industries and Institutions

SUBMISSION BY DISTINGUISHED PROFESSOR STUART CUNNINGHAM AND PROFESSOR
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Dear Committee members

We wish to make a short submission to this Parliamentary Inquiry that addresses the Terms of Reference from the perspective of the most recent scholarly work in the creative industries field, as well as comparative analysis of policy developments in other parts of the world that are relevant to the Australian experience.

We are leading international researchers of creative industries, having played a key role in establishing the world's first Creative Industries Faculty at QUT in 2001, and in policy, advocacy and research work undertaken around the world. We have presented papers on the creative industries in the UK, China, Taiwan, Indonesia, Malaysia, the United States, Austria, Portugal, Slovenia, Estonia, Canada, New Zealand, South Africa, Germany.

Our submission draws primarily upon a book that we co-edited, *A Research Agenda for Creative Industries*, published by Edward Elgar in 2019. This edited book has essays in creative industries from the perspectives of cultural studies, economics, innovation theories, data science, law, and higher education, as well as comparative work on the UK, China, the European Union, Canada, Singapore, Brazil, the United States, Indonesia and South Africa. Among the contributors to the book are John Newbigin OBE, the Chair of Creative England and Ambassador for Creative Industries to the Mayor of London, and Hasan Bakhshi MBE, Executive Director, Creative Economy and Data Analytics, Nesta UK.

For copyright reasons, we are unable to include the book manuscript in the submission itself. We are making the book available to Committee members by sending copies by mail.

A secondary reference is a study undertaken by Professor Flew into the growth of creative industries courses in Australian and UK universities.

Flew, T., 2019, 'From Policy to Curriculum: Drivers of the growth in creative industries courses in the UK and Australia, *Creative Industries Journal*, 12(2), 167-184.

The paper is included in this submission as an attachment.

TOR1: The direct and indirect economic benefits and employment opportunities of creative and cultural industries and how to recognise, measure and grow them

We note in *Research Agenda for Creative Industries* that identification of the economic benefits and employment opportunities arising from creative industries has varied between countries. We also note that Australia has never fully grasped this policy agenda at a national level, in spite of important initiatives being undertaken at state and local government levels (discussed in the submission by Stuart Cunningham and Marion McCutcheon to this inquiry).

In his chapter “The Creative Industries and Industrial Policy: The UK Case”, Hasan Bakhshi identifies four factors that have been critical to the uptake of creative industries policies as an area of industry policy in the UK:

1. Identification of the creative industries as playing an integral role in the digital economy, as the creative sectors are also transformed by digitization. This has meant that creative industries have been viewed as being linked to other priority areas, such as digital skills and artificial intelligence.
2. Ongoing work in measuring the economic contribution of the creative industries to the UK economy, which has reduced the “guesstimate” element often attached to such data, by developing fine-grained industrial and occupational data.
3. Recognition that the promotion of a Research & Development (R&D) agenda at the forefront of industrial policy needs to be cognizant of the different shape of R&D in creative sectors as compared to the sciences. This has allowed agencies such as Nesta and the Arts and Humanities Research Council (AHRC) to make the case for public investment in creative industries R&D, such as the AHRC Creative Economy Programme, which has brought together universities, creative businesses and government agencies in different UK regions.
4. The creation of influential sector-wide bodies such as the Creative Industries Council and the Creative Industries Federation, which have sought to overcome the fragmentation and silo-isation of the creative sectors, and to speak to policy-makers with one voice.

Recommendation 1: We recommend that creative industries policies be developed as part of an industry policy and innovation policy agenda.

TOR2 The non-economic benefits that enhance community, social wellbeing and promoting Australia's national identity, and how to recognise, measure and grow them

We note in the Introduction to *Research Agenda for Creative Industries* that there has been an ongoing debate about the relative weightings being attached to ‘economic’ and ‘non-economic’ factors in creative industries policies. We observe, for instance, that:

The policy rationales for supporting the games industry or cutting-edge digital special effects and post-production are unlikely to be the same as those for supporting a regional dance company, a local artists’ co-op or a chamber orchestra. (Flew & Cunningham, 2019, p. 8).

At the same time, we would not want to overstate the divide between economic, cultural and social value. There is important recent work on different registers of value. The cultural analyst John Holden (2009) proposed three registers of value that constitute a triangle:

1. Intrinsic value: the value that individuals and societies attach to cultural forms and practice in and of themselves, which is highly subjective and difficult to quantify.
2. Instrumental value: the value attached to cultural forms and practices in terms of their direct and tangible economic and social benefits, which is measurable, but should not be measured through purely economic metrics.
3. Institutional value: the value that cultural organisations contribute to – or subtract from – in their contribution to the public realm and the provision of public goods. This may include their contribution to public knowledge, social trust, a fair and equitable society, enabling civil society, addressing regional disparities, and other such measures of the public good. Holden suggests that this may be measurable through social impact metrics or what he terms Social Returns on Investment.

In a similar vein, the Warwick Commission's Report on Cultural Value (2015) proposed that cultural and creative industries needed to be understood as an ecosystem where the connections between publicly funded culture, commercial culture, and non-market forms of cultural provision arise at the intersection of three forms of value:

1. Economic value, or the contribution to GVA, employment, exports, and 'spillover' or 'multiplier' effects.
2. Cultural value, or the role played in enriching the lives of citizens and communities, through enabling equitable access to cultural forms of the highest levels of artistic quality.
3. Social value, or the role in enabling participation in culture and realizing creative capacities across all sections of the population, particularly underrepresented communities and groups.

This 'triple bottom line' draws upon the concept of integrating social, environmental and economic value that has developed in corporate social responsibility debates. Our own work on the creative and cultural industries in regional Australia indicates that, at the local level, contributions to jobs, cultural tourism and local industries are deeply enmeshed with contributions to community participation, social cohesion and civic identity. (See also submissions by Cunningham & McCutcheon, Flew & Kirkwood, and McIntyre & Kerrigan to this Inquiry).

While there clearly are links between economic, cultural and social contributions of Australia's creative and cultural industries and institutions, different policy instruments may be applied with different rationales. In particular, we would note that there is a debate about whether there should be a separation of 'cultural' policy and 'creative' policy agendas. This has been discussed by UNCTAD in their 2018 *Creative Economy Outlook and Country Profiles Report*:

In the creative economy policy space, it makes sense to separate the usually integrated 'cultural' and 'creative' policy. Currently many countries combine them. However, they serve two separate but related objectives, one commercial, and one cultural. As the creative-

digital enmeshment expands, it will become increasingly difficult to avoid the separation of the two (quoted in Flew & Cunningham, 2019, p. 18).

TOR3 The best mechanism for ensuring cooperation and delivery of policy between layers of government

We first need to understand the history of creative industries policy in Australia, highlighting the lack of a coordinating and focusing body. We then compare Australia to both the UK and Indonesia, showing the vital role that Nesta plays in the UK and Begraf plays in Indonesia. We conclude that a body such as Nesta or Begraf is critical if Australia is to advance in this policy field.

Why has creative industries policy development in Australia run so hot and cold?

Creative industries and creative economy claims are wider than can be accommodated within cultural policy. They lay claim to relevance for innovation and industry policy, and research and education, as much as arts and culture. This has been both its strength and its weakness. There is compelling evidence in Australia for the dynamic growth of digital content, design services and creative internet applications, and for their increasing importance as enabling skills in modern economies. However, the case for government recognition and support for creative industries, and for better integration with the mainstream pillars of the Australian economy, sits uneasily amongst the established stakeholder interests in arts and culture, higher education curricula and research agendas, research and development and innovation, and industry policy. For consistently developed and applied policy making to work, the dots have to be joined and stay joined.

Why has this happened only intermittently in Australia? Like most advanced economies, Australia sees a growing dominance of services over primary and secondary industries. Australia, however, continues to rely on commodities for export wealth generation.

The sector does not own its identity. Whereas the performing arts and film can count among its leadership some extremely effective voices, and the television industry is a heavyweight actor in its own right with bipartisan support for Australian and local content, the digital content, design and creative software sectors and their business-to-business interactions that are driving growth, innovation and employment are typically small-to-medium (SME) enterprises whose fortunes too often fly under the policy and political radar.

There have been successes – a national Creative Industries Innovation Centre, a national Australian Research Council Centre of Excellence for Creative Industries and Innovation and a growing number of universities flying the creative industries colours. At the state level, policy has often been more consistent, with notable initiatives in Queensland, Victoria, South Australia and Tasmania.

The example of Britain

As stated above under TOR1, four interacting institutional developments have acted to secure the creative industries in the UK's industrial policy. We refer to the chapters by

Newbigin and Bakhshi in *A Research Agenda for Creative Industries* that outline the achievements of Nesta as an agenda-setter in UK creative industries policy over two decades.

The example of Indonesia

An example of what can be achieved with strong federal leadership while dealing with the complexities of layers of government is Indonesia's Badan Ekonomi Kreatif (Bekraf). Building on the Bandung success, and learning from the relative failure of the Surakarta and Yogyakarta models, President Joko Widodo established a new non-ministerial institution called the Badan Ekonomi Kreatif (Bekraf) (<http://www.bekraf.go.id/profil>). Bekraf is responsible for the development of creative economy in Indonesia, and is charged with formulating, defining, coordinating and synchronising policies in the creative economy. Bekraf's vision is for Indonesia to become one of the world economic powers in the creative economy by 2030. Bekraf is a mixture of government policy development unit, statutory authority dispensing support to Indonesian creative industries, and coordinating agency with government organisations, ministries, non-ministerial Institutions, local government, and other related stakeholders. All this, plus 'Implement other functions related about creative economy as amended by the President' (<http://www.bekraf.go.id/profil/tugas>).

Initially, Bekraf has focused on digital applications, film and music, and advising the government on how to open these creative sectors to Foreign Direct Investment (FDI) in an effort to boost the local industry. Bekraf helped 2,600 entrepreneurs by facilitate bank loans with total amount to 4.2 trillion IDR and investments to 1,092 entrepreneurs with total amount to 96.75 billion IDR from non-banking institutions.

Under Bekraf, the promotion of Indonesian creative industries has actively pursued and promoted creators who have developed intellectual property based on research, design and development. During 2018 Bekraf selected Indonesian architects to showcase works in Venice Architecture Biennale, was involved in promoting local games that entered the international market including popular titles Ghost Parade and Ultra Space Battle Royale, was actively involved in selecting and showcasing Indonesian fashion design, selectively targeting both Singaporean outlets – a coveted destination for creative industry exports with value as a prospective hub to global markets, especially the ASEAN market – and supporting the showcasing of local streetwear brands at the lifestyle fashion trade show Agenda Show in Long Beach, California, and represented 27 Indonesian designers participating in the annual furniture and furnishings fair Salone del Mobile Milano in Milan, with the express purpose of highlighting Indonesian design talent and services and expanding their network.

Recommendation 2: We recommend the establishment of a body such as Nesta in the UK, or Begraf in Indonesia, in Australia.

TOR4 The impact of COVID-19 on the creative and cultural industries

We would refer the Committee to the submission by Flew & Kirkwood, which reports on a survey of those engaged in creative and cultural industries and institutions in Australian regions on the impact of COVID-19 in their particular fields of creative practice.

A general observation would be that COVID-19, by reducing opportunities for cultural participation and creative practice that are premised upon face-to-face interaction, has accelerated the interconnectedness of the digital and creative economies.

The major digital ICT businesses such as Google, Apple, Amazon, Facebook, Microsoft and Netflix have experienced a boom in their economic performance during 2020, while traditional arts and media businesses have often languished. COVID-19 has proven to be a boom for technology companies, particularly those providing so-called 'stay-at-home' services, and the market capitalisation increased by 20 per cent in the period from March-May 2020. Given the reliance upon creative content for platform businesses – including news as well as cultural and entertainment content – this would point towards the need for an industrial policy for the creative and cultural industries that has a strong focus upon digital distribution opportunities.

TOR5 Avenues for increasing access and opportunities for Australia's creative and cultural industries through innovation and the digital environment

A Research Agenda for Creative Industries contains several chapters which are relevant to this TOR.

As noted with TOR1, Hasan Bakhshi identified a key institutional development that has acted to promote the creative industries in the UK's industrial policy as being the role that *the creative industries are increasingly perceived by government to play an integral role in the digitisation of the economy and vice versa*. This has helped the creative industries' standing in UK industrial policy because areas like digital skills and artificial intelligence are seen by government as top priorities for economic development.

There is also the potential of distributed ledger technologies, or the blockchain, looms large on the horizon, and not only for creative industries. In *A Research Agenda for Creative Industries*, Jason Potts and Ellie Rennie from the RMIT Blockchain Institute reviewed how blockchain technology is currently being experimentally adopted into creative industries in order to improve transparency along supply chains, lower costs of distribution by creating more direct platforms to connect artists and fans, and to improve handling of intellectual property and licensing arrangements, metadata, royalties and payments.

There is also the history of policy development around the creative industries in China, which has taken a sophisticated and strongly contemporised view of the potential of both cultural heritage and convergent digital 'createch'. China's 13th Five Year Plan (1996-2020) identified the digital creative industries as one of the five 'strategic emerging industries' of the new economy.

Universities and creative industries

Flew (2019) identified the major growth in creative industries courses in the UK and Australia in the 2010s. In the UK, at least 19 universities, or about 15% of all UK universities, offer a creative industries degree program at undergraduate or postgraduate level, with the majority of these programs being established in the 2010s. In Australia, while only one Australian university (QUT) offered creative industries degree programs prior to 2015, there were in 2019 11 Australian universities, or 25% of all Australian universities, offering degree programs that were either creative industries degrees or closely related degree titles (e.g. Bachelor of Creative Intelligence and innovation at UTS).

Flew (2019) found five features to creative industries degree programs in the UK and Australia:

1. The absence of an agreed definition as to what the creative industries are, and a distinct divide between those programs where it was largely a “rebadged” creative arts degree, and those where business and enterprise skills were strongly embedded in curriculum. The latter are growing in the UK, as seen with new programs at universities such as Leicester, Newcastle and Sheffield.
2. Strong connections between creative practice and digital technologies, with those degree programs that had a strong focus on digital technologies, such as games design and screen media, also being receptive to interdisciplinary curriculum based around creative industries.
3. A significant amount of repositioning of fields such as cultural and media studies into creative industries degree programs in order to be more responsive to graduate employability agendas. This was more common in the UK than in Australia.
4. The importance of international student demand – particularly from China – to creative industries degree programs at the postgraduate level.
5. The potential for creative industries to provide an overarching framework to bring together the arts, media and design fields, linking them to emergent trends in information technology, business management, intellectual property law, innovation policy, and other fields.

With regards to the latter, the chapter by Ruth Bridgstock in *A Research Agenda for Creative Industries* reports on a major curriculum study on the creative workforce and course development in Australian universities. Bridgstock found a major gap between the institutional rhetoric of Australian universities, emphasizing interdisciplinarity, enterprise skills and the “protean career”, and the tendency of many courses to remain wedded to existing disciplinary and practice-based silos.

Both the document analysis and interviews conveyed a sense that ‘creative industries’ was a way of marketing existing degrees, or a way of labelling their offerings to appeal to a contemporary student market that may be more interested in solid employment outcomes than those in previous eras. The relative absence of transdisciplinary learning experiences (apart from the long-standing and easy to implement elective subject) and innovation and

entrepreneurship learning in higher education institutions that are now saturated with graduate employability rhetoric and curriculum, indicates that creative industries ideas are not widely adopted. Rather than being rooted in scepticism about the creative industries (although there is also plenty of evidence for this from other studies), the findings indicate that prevailing curriculum choices are mostly about risk aversion and other institutional barriers.

There seems to be a fear that if the curriculum strays too far from traditional creative-disciplinary patterns, students will be dissatisfied with their degree experiences, or may even choose competitor programs and institutions. Further, curriculum renovation along creative industries lines involves significant changes to the capability profile of teaching staff. With a workforce of many tenured teaching staff from traditional disciplinary teaching backgrounds, including the leadership of degrees, schools and faculties, 'turning the ship around' to embrace different perspectives and curriculum possibilities is challenging and slow, and without a perceived appetite for change from students and other stakeholders, it may not ever occur. (Bridgstock, 2019, p. 126).

In order to better connect the developments around graduate employability in the creative industries – which point towards interdisciplinarity and graduates who can cross the creative-tech divide and have business skills – with the development of university curriculum, more systematic input from representative bodies in the creative industries is required. Some form of benchmarking of creative industries programs would also be highly desirable, to better map what is “best practice” in education in these programs.

Recommendation 3: There needs to be more systematic organisation of creative industries sectors, through a body similar to the UK Creative Industries Federation, that can work with universities on better matching creative industries degree programs to graduate employability in the relevant sectors.