

Australia's Creative and Cultural Industries and Institutions

The Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH) applauds the Parliament's decision to conduct an inquiry into Australia's Creative and Cultural Industries and Institutions and welcomes the opportunity to contribute a submission.

The parlous state of the creative and cultural industries in Australia is nothing short of reckless and, left unchecked, a threat to the nation's future security. If we do not support the skills, attitudes, ideas, and capacities that these industries bring we risk not only cultural irrelevance on the world stage but the cohesion of our communities, the global impact of our 'soft power', and our potential to contribute to technological revolutions.

Australia must recognise that its creative and cultural sectors are essential, and its governments must provide the kinds of supports and environments that help creative and cultural industries to thrive. Prior to the arrival of COVID-19, declining venues, noise limits, risk averseness, and widespread misunderstanding as to where the basis of our strength as a nation actually springs from, were already damaging Australia's creative and cultural industries. The pandemic has only highlighted the fragility of these sectors.

This inquiry has the potential to mark the start of a revolution for Australia's conceptions of its cultural and creative industries and institutions. The nation has an opportunity, with the government's leadership, to acknowledge the ways cultural and creative activities are integrated in Australia's society and economy. With this understood, the government would be in a position to implement policies and provide the support necessary to recover, revitalise and build on the role of cultural and creative industries and institutions as we look to recover from societal and economic consequences of the pandemic.

After consultation with our members, DASSH makes the following recommendations:

Recommendation 1.1: Review and update the Australian and New Zealand Standard Industrial Classification 2006 and Australian and New Zealand Standard Classification of Occupations to enable better alignment with and measurement of the creative economy.

Recommendation 1.2: Improve measurement and understanding of participation in the creative economy, including investment, by adjusting national survey methodologies.

Recommendation 2.1: Develop an approach to measuring creative and cultural value based on those designed for the UK's Arts and Humanities Research Council.

Recommendation 3.1: Increase public funding of arts and culture as a percentage of GDP to at least the OECD average, with funding sourced primarily from the federal government.

Recommendation 3.2: Develop a comprehensive national arts and culture strategy, including the creation of a dedicated arts and culture research and development body.

Recommendation 4.1: Provide immediate financial support to creative and cultural industries workers and institutions to relieve hardship, prevent long-term damage and loss of expertise, and enable COVID-safe activities to resume as soon as possible.

Recommendation 4.2: Design and implement regulations to assist local content producers' ability to compete for space and promotion in the increasingly competitive online world.

Recommendation 5.1: Establish a new peak body to drive a consistent, cohesive and comprehensive strategy for increasing access and opportunities for the creative and cultural industries in Australia.

Recommendation 5.2: Revisit findings of reports from previous governments relevant to the intersections between creative activity, innovation and the digital environment.

Responses to the Inquiry's Terms of Reference

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

The direct and indirect economic benefits, including employment opportunities and contributions from creative workers across the economy, of creative and cultural industries can be encompassed in the concept of the 'creative economy.' The creative economy is an engine of strategic innovation. New technologies, perspectives and business models are almost always first expressed in the creative economy. Australia's 'soft power' in the region and the world relies on the creative economy.

The (pre-COVID) creative economy, though poorly understood in comparison with other sectors of the economy, has several promising features which should mark it as a priority for investment.

- The creative economy is a high-growth, high-impact component of the national economy.^{1,2}
- The creative economy provides employment for hundreds of thousands of Australians across all sectors of society, and often through small businesses.^{3,4}
- Those employed in the creative economy mostly generate incomes above the national average and are less vulnerable to automation than those in most other industries.^{5,6}

The Australian and New Zealand Standard Industrial Classification 2006 and Australian and New Zealand Standard Classification of Occupations need updating if we are to better understand and measure the creative economy. The timeframes for updating these classifications, and aligning them with international movements, is lengthy, and our members have suggested funding also be provided for 'stop-gap' measures to be developed and implemented in the intervening time.

Changes to the Australian Census, and relevant sections of ABS Labour Force Surveys and National Accounts statements, would greatly improve our nation's ability to quantify the scope and scale of the creative economy in this country. To better understand the creative economy, we need to collect information in a way that can reflect the variety of ways in which Australians take part in paid work within the creative economy, which is often complicated by short-term contracts and casual or part-time roles alongside work in other industries. It would also be beneficial to include questions about volunteering activity in the Census that require respondents to specify the types of work they have undertaken.

Recommendation 1.1: Review and update the Australian and New Zealand Standard Industrial Classification 2006 and Australian and New Zealand Standard Classification of Occupations to enable better alignment with and measurement of the creative economy.

Recommendation 1.2: Implement changes to national surveys to improve measurement and understanding of participation in the creative economy, including investment.

¹ BCAR. (2019). *Cultural and creative activity in Australia 2008-09 to 2016-17*. Accessed on 19 October 2020.

<https://www.communications.gov.au/departmental-news/economic-value-cultural-and-creative-activity>

² SGS Economics and Planning. (2013). *Valuing Australia's Creative Industries*. Accessed on 19 October 2020.

https://www.sgsep.com.au/assets/main/Valuing-Australias-Creative-Industries-Final-Report-December-2013_Email.pdf

³ A New Approach. (2020). *Australia's cultural and creative economy: A 21st century guide, Working paper*. Accessed on 19 October 2020. <https://www.humanities.org.au/new-approach/report5/>

⁴ Australian Business Register. (2020). *Australian Business Number counts*. Canberra. Accessed on 19 October 2020.

<https://abrexplorer.abr.gov.au>

⁵ Cunningham, S., & McCutcheon, M. (2018). *The Creative Economy in Australia*. Accessed on 19 October 2020.

<https://research.qut.edu.au/creativehotspots/publications/>

⁶ BCAR. (2019). *Creative skills for the future economy*. Accessed on 19 October 2020.

<https://www.communications.gov.au/departmental-news/creative-skills-future-economy>

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

The benefits of creative activity in terms of providing peoples' lives with meaning, developing their senses of identity, and strengthening community bonds, are well-understood and described.⁷ As nations across the western world face escalating, sometimes violent, internal divisions, the importance of supporting the activities that bring us together is greater than ever.

Creative and cultural industries support health and wellbeing, particularly during times of community stress, as they foster collaboration, connection and expression.⁸ Rather than being an ephemeral expression of emotion, experience or identity, many creative outputs are valuable resources for telling our stories and recording our histories for future generations. The role of the creative and cultural industries in Indigenous business and community development have been crucial in promoting Indigenous cultures across Australian and international audiences.

Although official employment statistics provide an (imperfect) indication of the amount of paid creative and cultural work conducted in Australia, they cannot capture the full scale of community investment (financial and otherwise) and engagement in the activities. Volunteering statistics⁹ give some further insight into how creative and cultural activities are valued by participants and the community and highlight their especially high value in regional towns and cities.

Quantifying the non-economic value of creative and cultural endeavours, while not straightforward, is possible and a myriad of methodologies have been developed to complete the task. The UK has produced some of the most rigorous and policy-oriented approaches to measuring creative and cultural value, and our members recommend Australia follow their lead. For example, the final report of the Arts and Humanities Research Council (AHRC)'s Cultural Value Project¹⁰ provides a practical basis on which to base an Australian assessment of the overall value of our cultural and creative industries.

Recommendation 2.1: Develop an approach to measuring creative and cultural value based that designed for the UK's Arts and Humanities Research Council.

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

Reporting by the Australian Academy of Humanities' think-tank, A New Approach,¹¹ demonstrates a dramatic decline in federal government support for creative and cultural industries relative to their state and local counterparts. The fall in federal support is greater than has been compensated for by increased spending by other levels of government, with total public spending on culture per capita falling by 4.9 per cent in the decade to 2017-18.¹² Australia's current spending on arts and culture is well below the OECD average, with the country ranked 26 out of the 33 OECD nations as measured by expenditure as a percentage share of GDP.¹³

⁷ A New Approach. (2020). *Australia's cultural and creative economy: A 21st century guide, Working paper*. Accessed on 19 October 2020. <https://www.humanities.org.au/new-approach/report5/>

⁸ Waitt, G., & Gibson, C. (2009). Creative Small Cities: Rethinking the Creative Economy in Place. *Urban Studies*, 46(5 & 6), 1223-1246. doi:10.1177/0042098009103862

⁹ ABS. (2016). *Census of Population and Housing*. In Findings based on use of ABS TableBuilder data. Accessed on 19 October 2020. <https://www.abs.gov.au/websitedbs/censushome.nsf/home/tablebuilder>

¹⁰ Crossick, G. & P. Kaszynska (2016). Understanding the value of arts & culture: The AHRC Cultural Value Project. The Arts and Humanities Research Council. Accessed on 19 October 2020. <https://ahrc.ukri.org/documents/publications/cultural-value-project-final-report/>

¹¹ A New Approach (2019). *The Big Picture: public expenditure on artistic, cultural and creative activity in Australia*. The Australian Academy of the Humanities. Accessed on 19 October 2020. https://www.humanities.org.au/wp-content/uploads/2020/06/ANA-InsightReportOne-FullReport_V0.1.pdf

¹² Ibid, p. 13

¹³ Ibid, p. 15



More public funding is required to support Australia's creative and cultural industries and institutions in the short-term (particularly during the current pandemic, but also in response to reductions in public funding) and protect them from long-term damage. A portion of this funding will need to be dedicated to strategy development and coordination across tiers of government, in consultation with industry stakeholders. The federal government must take responsibility for leadership in these activities.

The strategy should include the creation of a national arts and culture research and development body which could play a role in better aligning the creative and cultural industries with Australia's current innovation agendas. The UK's public-funded innovation foundation, Nesta,¹⁴ provides an ideal model for Australia to follow and could allow state, territory and local government and philanthropic participation.

Recommendation 3.1: Increase public funding of arts and culture as a percentage of GDP to at least the OECD average, with funding sourced primarily from the federal government.

Recommendation 3.2: Develop a comprehensive national arts and culture strategy, including the creation of a dedicated arts and culture research and development body.

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

The impact of COVID-19 has been devastating for the creative and cultural industries to a far greater extent than many other sectors of the economy, and the burden is being carried largely by individuals and small businesses.¹⁵ The reductions in tourism, discretionary spending and communal activities have been particularly damaging for those in the creative and cultural sector, while the large numbers of creative and cultural workers who earn their incomes through short-term casual contracts have been excluded from the Job Keeper program. Our members also report that even support packages for large, prominent cultural institutions have been inadequate.

Despite the hardship, there have been some in the creative and cultural sector who have found opportunities to innovate by developing online content and shifting to new modes of communication. These practitioners require different kinds of support in order to thrive and profit from their new endeavours. Although online spaces provide opportunities to access new audiences, competition is extreme and includes large, well-established and funded international players. The government has an important role to play in ensuring space for and promotion of local content.¹⁶

It is important to recognise, however, that not all creative and cultural workers will be able to move to an online platform and they should not be neglected because of this.

Recommendation 4.1: Provide immediate financial support to creative and cultural industries workers and institutions to relieve hardship, prevent long-term damage and loss of expertise, and enable COVID-safe activities to resume as soon as possible.

Recommendation 4.2: Design and implement regulations to assist local content's ability to compete for space and promotion in the increasingly competitive online world.

¹⁴ See <https://www.nesta.org.uk/>

¹⁵ ABS (2020). *COVID-19*. Accessed on 19 October 2020. <https://www.abs.gov.au/covid-19>

¹⁶ McCutcheon, M., Cunningham, S., & Eklund, O. (2020). *Submission: Supporting Australian stories on our screens - options paper*. Accessed on 19 October 2020. <https://www.communications.gov.au/sites/default/files/submissions/sass-digital-media-research-centre.pdf>

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

Australian policy development in relation to creative and cultural industries and institutions has been neglected over many years and by successive federal governments.¹⁷ There have been some successes by local and state governments, but there remains a strong need for cohesion and strategy across the nation to address issues of fragmentation, duplication of effort and reductions in scale and influence.

Our members are also keenly aware of the need for comprehensive supporting policies beyond the arts sector, such as in the education, industry, research and tourism portfolios. The recent passage of the 'Job-ready Graduates' package is a threat to Australia's skills base in the creative and cultural industries and a demonstration of the interrelationships between the arts, education, industry and government policies. Rather than reducing the abilities of universities to contribute to creative and cultural industries, the government should identify, coordinate and foster initiatives that encourage productive links between universities and those industries, such as the Bond University Screen Queensland Creative Hub.¹⁸

A new peak body will be necessary to drive a long-term, consistent, cohesive and comprehensive strategy for increasing access and opportunities for the creative and cultural industries in Australia. The UK Creative Industries Federation¹⁹ provides an ideal model for such a body.

While the current state of policy development for creative and cultural industries is barren and inadequate, this was not always the case. The first decade or so of this century saw some admirable initiatives by both ALP²⁰ and LNP²¹ governments that produced ample evidence for the design and implementation of effective public policy for creative and cultural industries. These included several forward-looking projects which are still relevant to the intersections between creative activity and innovation and the digital environment.

Recommendation 5.1: Establish a new peak body to drive a consistent, cohesive and comprehensive strategy for increasing access and opportunities for the creative and cultural industries in Australia.

Recommendation 5.2: Revisit findings of reports from previous governments relevant to the intersections between creative activity, innovation and the digital environment.

About DASSH

The Australasian Council of Deans of Arts, Social Sciences and Humanities (DASSH) is the authoritative agency on research, teaching and learning for the Humanities, Arts and Social Sciences (HASS) in Australian and New Zealand universities. DASSH supports those within these institutions who have responsibility for the governance and management of research, teaching and engagement in HASS disciplines. DASSH also supports those who aspire to these positions through a Network of Associate and Deputy Deans.

¹⁷ Cunningham, S. (2015). You're hot then you're cold: Creative industries policy making in Australia. In L. Anderson, P. Ashton, & L. Colley (Eds.), *Creative Business in Australia: Learnings from the Creative Industries Innovation Centre 2009-2015*. Sydney: UTS ePRESS. Accessed on 19 October 2020.

https://eprints.qut.edu.au/89368/7/_qut.edu.au_Documents_StaffHome_StaffGroupR%24_rogersjm_Desktop_You%27re%2Bhot%2C%2Bthen%2Byou%27re%2Bcold.pdf

¹⁸ Screen Queensland (2020). *The Creative Hub*. Accessed on 22 October 2020.

<https://screenqueensland.com.au/investment-support/sqhub/the-creative-hub-bond-university-gold-coast-campus/>

¹⁹ See <https://www.creativeindustriesfederation.com/>

²⁰ E.g. Creative Australia (2013). *Creative Australia: National Cultural Policy*. Accessed on 19 October 2020.

<https://apo.org.au/sites/default/files/resource-files/2013-03/apo-nid33126.pdf>

²¹ E.g. Commonwealth of Australia. Department of Communications, Information Technology and the Arts (2006). *Unlocking the potential [electronic resource]: digital content industry action agenda*. Accessed on 19 October 2020.

<http://nla.gov.au/nla.arc-65746>