

Gold Coast Creative Industries Audit and Medium Term Strategy

SGS Economics and Planning Pty Ltd nomination for the
Urban Planning Achievement Award

Summary QLD PIA Awards 2006

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What Are Creative Industries?

'Creative industries' is a relatively new term in government policy and planning and in industry communication that captures new economy dynamics which older industry categorisations like 'the arts', 'media' and 'cultural industries' do not. Their key characteristic is their use of creativity for commercial purposes. Highly dependent on creative talent, their economic value lies in their intellectual property. They can be distinguished from other industries in that 'creativity' is their primary source of value.

The creative industries include traditional cultural sectors like the visual and performing arts, as well as those dubbed 'new media' or 'multi-media'. Creative industries are also comprised of a range of other sectors like architecture and urban design, industrial design, designer fashion, writing and publishing. The Queensland Government's 2004 creative industries strategy "*Creativity is Big Business: A Framework for the Future*" identifies six interrelated creative industries segments:

1. Advertising, Graphic Design and Marketing;
2. Architecture, Visual Arts and Design;
3. Music Composition and Production;
4. Performing Arts;
5. Writing, Publishing and Print Media; and
6. Film, Television and Entertainment Software.

It is these which the Gold Coast Creative Industries Audit has analysed.

Figure 1. Six Creative Industries Segments



Source: SGS Economics and Planning
(based on definition used in the Queensland Creative Industries Strategy, 2004)

Why a Gold Coast Creative Industries Audit and Medium-term Strategy?

Gold Coast City Council's 'Creative City' policy platform recognises that creativity and ideas generation are important foundations for quality of life and economic performance, and that new ideas will increasingly underpin almost all forms of economic development in the City's engagement with the new economy. Gold Coast City Council believes that developing the region's strengths in creativity will support the Gold Coast's competitive advantage and differentiation in the global economy – as a place to live and a place to do business. Council adopted the '*Gold Coast City 2010 Economic Development Strategy*' which sees facilitation, promotion and encouragement of the creative industries as a priority for the City's future economic prosperity.

Then, recognising that it needed to better understand the nature and size of the creative industries, Council commissioned SGS Economics and Planning to prepare a *Gold Coast Creative Industries Audit and Strategy*.

The Creative Industries Audit and Strategy identifies the economic worth of the City's creative industries and highlights creative industries dynamics, producing data to inform economic development, cultural planning and land use planning by Gold Coast City Council. Based on findings from the audit and consultations, it sets out a medium-term strategy to guide Council's activities that support the development of creative industries on the Gold Coast.

Gold Coast's Key Creative Industries Sectors identified

The study shows that Gold Coast City is a prominent location for creative industries and is home to a diverse mix of emerging cultural and creative businesses (in the arts, music and design) as well as large and more established operators in sectors like **film and television, advertising, and architecture and urban design**. The Gold Coast is a key location for film production and visual effects, accounting for 75% of the value of Queensland's film and television drama production. Many film related businesses engaged in production, post-production and other related activities cluster around Warner Roadshow Studios, a driver of the film industry's development on the Gold Coast. The Gold Coast is home to creative competitions and events, including the 'Shorts of all Sorts' Gold Coast City Short Film Competition and The Gold Coast Film Fantastic. The **electronic games / entertainment software** sector is an important contributor to Queensland's economy. Games development is an emerging activity on the coast. In addition to the creation of entertainment games, this knowledge area offers potential to add value to related creative industries and other sectors, such as education.

Profiling Gold Coast's Creative Industries Employment

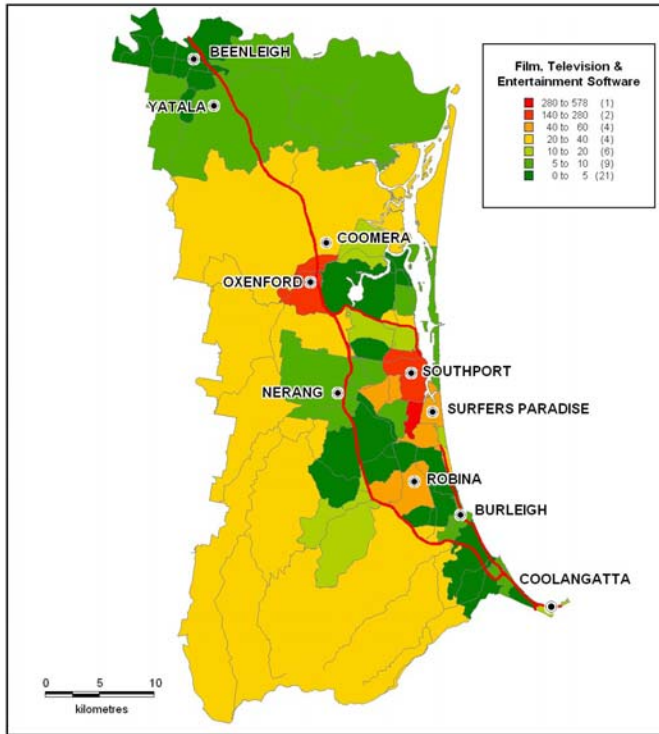
The study showed how significant Gold Coast's creative industries profile is on a State and national scale. Employment growth trends were examined and the health of each of the Gold Coast's creative industries segments was gauged by their size, level of specialisation and recent and potential growth.

Geographic Concentrations - Mapping Local Clusters of Creative Industries

An analysis of the latest published data available revealed where the Gold Coast's largest creative industries employers – Film and Television and Design – are concentrated geographically and enabled the location of employment in these segments to be mapped. The Gold Coast's Film,

Television and Entertainment Software segment is concentrated in Oxenford. The Architecture, Visual Arts and Design segment is concentrated in Southport and Surfers Paradise.

Figure 2. *Creative Industries Concentrations – Film, Television and Entertainment Software*



Estimating the economic value of Creative Industries on the Gold Coast

The Gold Coast Creative Industries Audit also estimated the economic impact of the Gold Coast's creative industries, using a purpose-built Input-Output table for Gold Coast City. The economic model was informed by a survey of 300 businesses across the Gold Coast's six creative industries segments. Survey participants were asked to provide information on their number of 'creative' as distinct from other employees, their products and production levels, markets and production inputs and spatial information relating to the inputs and outputs of industries. By applying the information acquired from the survey to the Input-Output table, the study could identify, for the Gold Coast, the interrelationships between creative industries, and between creative enterprises and other industries.

The economic modelling estimated the contribution of the creative industries to the Gold Coast economy in terms of **output** and the Gold Coast's **value added** component of output as well as **exports**. It is superior to any previous efforts to model the value and dynamics of the City's creative industries.

Economic Impacts - Some key findings from the analysis and modelling

- On a state and national scale, the Gold Coast has a significant creative industries profile. Comparing the creative industries' share of total industry employment across capital cities, the Gold Coast ranks second only to Sydney.
- Conservatively estimated, creative industries on the Gold Coast employ about 4,100 people, a significant 15% of all persons employed in the creative industries throughout Queensland (using the State Government's definition of creative industries). The Film industry is the City's largest provider of local jobs in the creative industries
- Using employment structure and change as an indicator, the Gold Coast's high performing creative industries segments, that is, those that are or show potential to be in the 'winners circle', have been Film, Television and Entertainment Software and Architecture, Visual Arts and Design.
- According to the survey-informed economic modelling, Gold Coast City's creative industries generate output to the value of approximately \$673 million per annum.
- According to the economic modelling, Gold Coast's creative industries contribute approximately \$396 million to the City's value added or net output. This is worth approximately 60% of the value of the City's creative industries output – a much higher proportion than for the City's non-creative industry sectors.
- The Film, Television and Entertainment Software segment contributes the largest share of value added to Gold Coast City's creative industries (\$164 million or 41%) followed by Advertising, Graphic Design and Marketing (\$99 million or 25%), Writing, Publishing and Print Media (\$57 million or 14%) and Architecture, Visual Arts and Design (\$41 million or 10%).
- The study reveals that the creative industries on the Gold Coast generate about \$277 million in export earnings each year. The Film, Television and Entertainment Software segment is the largest creative industries export earner on the Gold Coast (\$108 million). Writing, Advertising and Architecture all make similar contributions to the City's export earnings (\$30 million to \$63 million).

The importance of place: enabling infrastructure for Creative Industries

SGS research and consultations undertaken during the study showed that creative people and creative industries value (and rely on) those elements of an economy that support and encourage their creativity and the diffusion of ideas. This includes **traditional (hard) infrastructure** such as transport, communications, power and water. Importantly, it also includes items of 'soft infrastructure', or what is perhaps more appropriately termed '**smart infrastructure**'. This includes the technological and non-technological factors in the local economy which support or encourage a strong skills base, strong and supportive local governance structures (government, business and educational institutions), lifestyle and quality of life. Hence the importance of good urban planning for encouraging creativity and the diffusion of ideas and ultimately – economic prosperity.

Creative industries and creative workers place a high value on an area's **lifestyle attributes**. This will be influenced by the area's urban amenity, the quality of and accessibility to local recreation, leisure and entertainment facilities and the depth and strength of the area's cultural infrastructure. It will also be determined by the area's openness, the community's acceptance of diversity and its social cohesion.

SGS Economics and Planning saw Gold Coast City Council's role in facilitating creative industries growth and development as critical - via its role in infrastructure provision and in particular the provision of recreational and cultural facilities, its stewardship of the (natural and built) environment and therefore, its influence over urban quality and the City's lifestyle attributes.

The study overviewed critical elements of the creative industries' enabling infrastructure on the Gold Coast, specifically with regard to:

- Governance structures (supportive business, government and non-government agencies);
- Educational institutions and specifically, the role that play to help local skills flow match innovation and creativity;
- Communications and Information Technology; and
- Recreation, Leisure, Entertainment and Cultural Facilities.

Issues and Opportunities for Strategic Planning – Stakeholder Consultations

SGS consulted over 50 local stakeholders to identify the key issues and opportunities for the Gold Coast's creative industries. This was critical to informing practical strategies that Gold Coast City Council and its partners (industry and government) can implement to grow the creative industries on the Gold Coast. Stakeholders included Gold Coast creative industries, industry representative bodies, state and local government agencies and education institutions. The interviewees were asked a range of questions concerning skills and human resources, key hard and soft infrastructure requirements, new product development and innovation, industry trends and more generally the strengths, weaknesses, opportunities and threats facing the Gold Coast City's creative industries. A Gold Coast Creative Industries Stakeholders Forum was held to discuss the draft creative industries audit outputs.

The issues and opportunities identified during the consultations were categorised according to four themes:

- People and Places;
- Strategic Infrastructure and Facilities;
- Education; and
- Funding.

For instance, in regard to 'people and places' issues, the consultation found that whilst the Gold Coast lifestyle is appealing to artists and creative workers generally, there were some concerns that the urban areas on the coast are becoming too congested. A need was seen an identifiable cultural/creative precinct on the Gold Coast. Regarding strategic infrastructure and facilities, stakeholders perceived more non-commercial arts facilities were needed, and also suggested a need for flexible, affordable spaces for emerging artists: perhaps in the form of a 'creative industries incubator'.

Strategic Actions: Gold Coast Creative Industries Medium-term Strategy

The study provided a list of 35 key actions, categorised into seven 'strategic activity areas' that form the basis of a medium-term strategy for facilitating creative industries growth on the Gold Coast.

<i>Strategic Activity Area 1:</i>	<i>Business Assistance for the City's Emerging and Established Creative Industries</i>
<i>Strategic Activity Area 2:</i>	<i>Affordable Accommodation for the City's Emerging Creatives</i>
<i>Strategic Activity Area 3:</i>	<i>Marketing and Communication</i>
<i>Strategic Activity Area 4:</i>	<i>Tourism Promotion</i>
<i>Strategic Activity Area 5:</i>	<i>Training and Employment</i>
<i>Strategic Activity Area 6:</i>	<i>Hard and Soft Infrastructure Support</i>
<i>Strategic Activity Area 7:</i>	<i>Coordination with other Government Agencies</i>

These actions responded to the findings of the Creative Industries Audit and other information held by Council: the one-on-one interviews with various creative industries stakeholders; and the outcomes of the Creative Industries Stakeholders Forum that was also held as part of this project.

For example, *Strategic Activity Area 2: Affordable Accommodation for the City's Emerging Creatives* proposed actions including:

- Investigating the feasibility of a cultural-creative industries 'incubator' facility that serves a range of users including writers, visual artists, performing artists, musicians, film makers, architects and others; and
- Undertaking an audit to identify any redundant or underutilised Council-owned buildings that could potentially be leased to emerging artists and arts organisations (as well as other community groups).

Three major action areas were recommended under *Strategic Activity Area 6: Hard and Soft Infrastructure Support*.

- Reviewing past studies regarding the redevelopment/relocation of the Gold Coast Arts Centre Gallery. This would be a logical starting point for a city wide appraisal of the cultural facilities in the city. It was suggested by stakeholders that there is a need for more strategically located public performance spaces and exhibition spaces throughout the City.
- Investigating whether improved public transportation links between the Gold Coast Arts Centre and key activity centres can be achieved.
- Examining Council's Public Art Policy and considering appropriate areas to enhance outcomes for collaboration of visual art, architecture and urban design.

Strategic Activity Area 7: Coordination with other Government Agencies recommended investigating and identifying ways to continue to develop information sharing between Gold Coast City Council and the State Government agencies responsible for cultural and creative industries facilitation (DSDTI and Arts Queensland). It also proposed introducing key Commonwealth government websites into Council produced information resources.

Next Steps – Resourcing and Implementation

While the majority of individual actions proposed to support the City's creative industries are intended to be Council-led, many require the coordinated efforts and support of other agencies and organisations in government, in academia and the private sector. The study therefore identified

partners in government and the private sector that have the capacity to support Council's creative industries facilitation efforts.

The study suggested that Council would need to prioritise those actions that are likely to have the greatest impact in the short to medium-term and for which Council has the organisational, political and financial capacity to implement. The Creative Industries Audit and Medium Term Strategy recommended a list of implementation steps which the Council's Economic Development and Major Projects Team could take, perhaps in conjunction with an appointed steering committee of other private and public sector stakeholders. It also considered Council's existing staff resources and recommended additional staff resources needed to effectively facilitate creative industries growth on the Gold Coast and specifically, to implement the actions contained in this strategy.

Gold Coast City Council has taken the recommendations of SGS's work to help inform the Gold Coast City Economic Development Strategy, which is currently being reviewed and updated. Many of the recommended actions have land use planning implications. An important outcome of the work undertaken has been the articulation of the importance of place for facilitating the growth of the City's cultural and creative industries, and the wider benefits this has, for Gold Coast's economic prosperity and for its liveability.