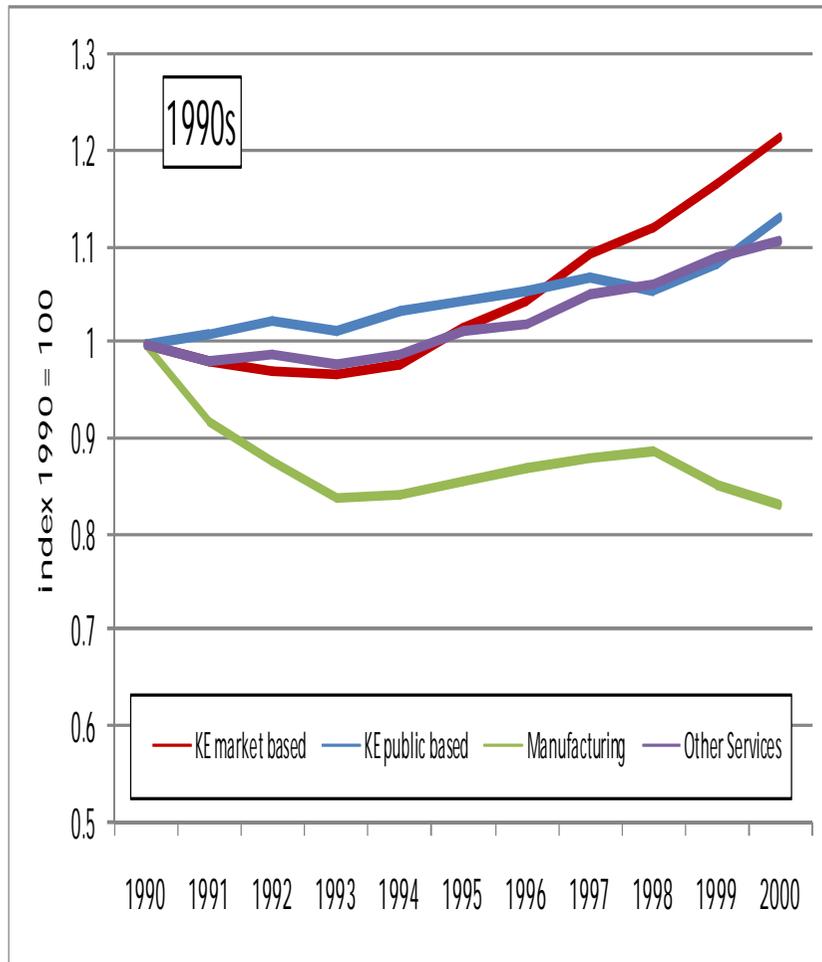


# Creative Industries – Role in the Recovery

Ian Brinkley, Director, The Work Foundation, June 2011



“Where is the growth going to come from – where are the jobs going to come from?”



### The knowledge economy will lead recovery

Market based knowledge intensive industries drove us out of recession in the 1980s and 1990s and we can expect a similar pattern for the 2010s

### A sustainable recovery would be:

- Export led
- Based on a core of high growth firms
- Build on areas of British knowledge economy strength:
  - Advanced manufacturing ('manu-services')
  - The low-carbon economy
  - The creative industries
  - High-tech services

**But, value creation in a knowledge economy only comes from innovation**

**Growth and jobs are going to come from innovation and investment in the knowledge economy, in particular from SMEs**

# Growth sectors in the recovery

<b>TWF Knowledge intensive areas of growth and new jobs</b>	<b>Growth Review six growth sectors</b>
Advanced manufacturing (“manu-services”)	Advanced manufacturing
High tech and business services	Business and professional services
Creative and cultural industries	Digital and creative industries
Low carbon economy	Healthcare and life sciences
	Retail
	Construction

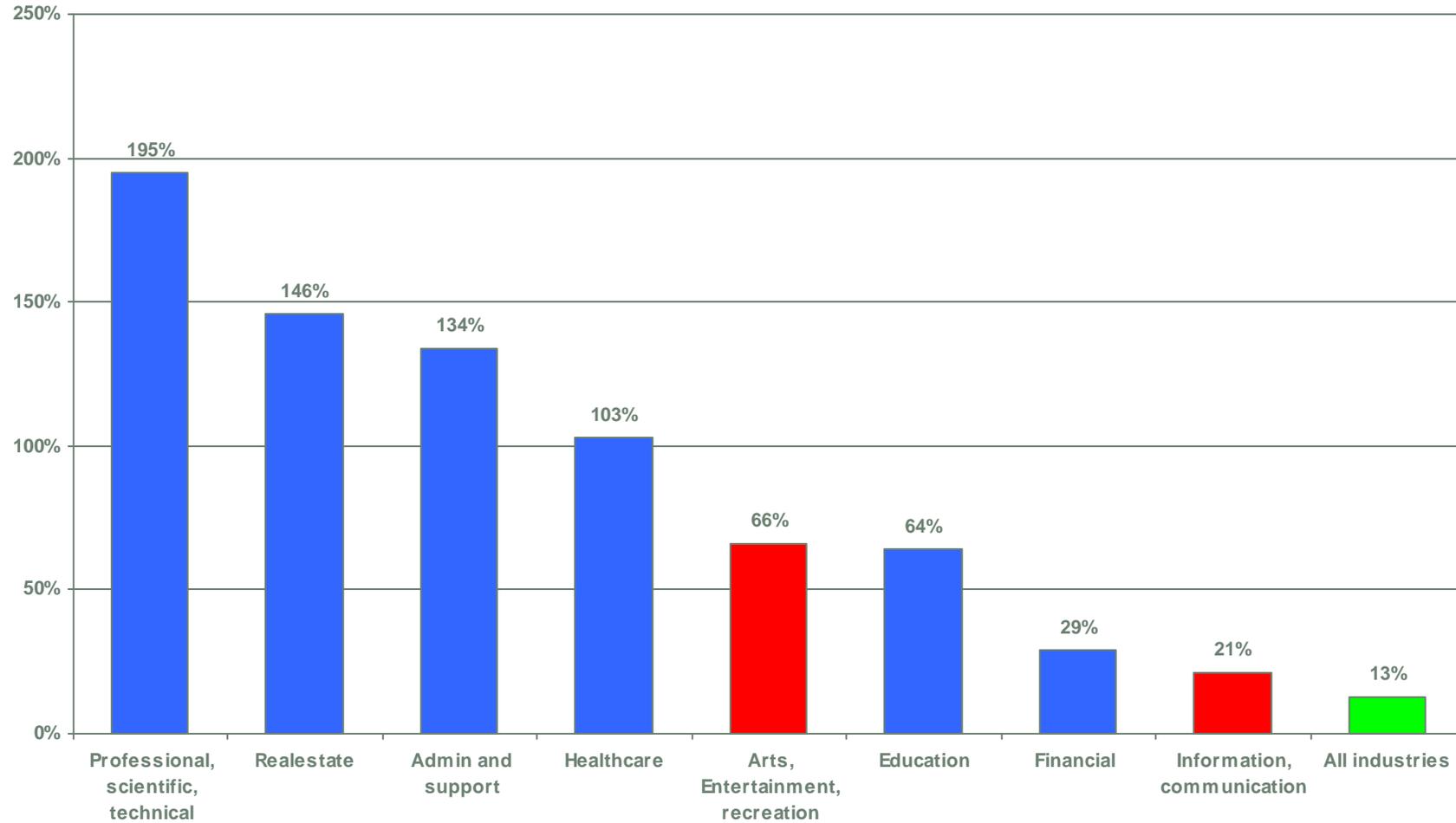
## Why does the creative sector matter so much?

- The UK has a clear comparative advantage over most other EU economies, the US, and Japan;
- The creative sector has been a significant source of long term job growth and grew strongly in the 1990s recovery;
- Future growth and jobs increasingly depend on parallel intensive in knowledge intensive and creative assets;
- The creative sector is a key driver of innovation across a wide range of activities and industries.

# Employment growth in knowledge intensive services 1979-2010

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Note: workforce jobs (self-employed plus employees) GB. Knowledge intensive sectors based on OECD/Eurostat definitions updated to SIC 2007. Arts, recreation, and entertainment includes performing arts and related services (within DCMS definition of creative industries) and museums and libraries, and sports, betting and gambling services (outside DCMS definition). Information and communication includes publishing, movies, TV radio production services, programming and broadcasting (in DCMS definition) telecommunications (outside definition) and computer services and information services (partly in DCMS definition).



# Many initiatives.....how much progress?

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**House of Lords Inquiry**  
*regulation of UK film and television industries to British economy and how this might be increased.*

- Cultural contribution of the industry and how current arrangements support UK investment and jobs.
- Effectiveness of the tax credit system for the British film industry following changes made in 2006, and how the regulatory system has impacted UK content in television.
- Role and objectives of the UK Film Council, the Government's strategic agency for film, and of the television industry regulator, Ofcom.

**Creative Survival in Hard Times**  
*A New Deal of the Mind Report for Arts Council England (March 2010)*

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**c&binet** creativity and business international network

**Staying ahead:**  
 the economic performance of the UK's creative industries

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**Investing in creative industries**  
 a guide for local authorities

**NESTA** Making Innovation Happen

**Creative Business Mentor Network** set up to "nurture creative media businesses with an appetite for growth"

**Creative Enterprise Resource Toolkit** "methods for teaching enterprise skills to creative individuals who are thinking about setting up a business"

**Creative Business Catalyst** "teams-up business school MBA students with creative businesses to stimulate innovation and business growth"

**EDC = EUROPEAN DESIGN CENTRE**

**Amsterdam Declaration**

Addressed to regional, national and European policy-makers and adopted by the participants of the workshop "Towards a Pan-European initiative in support of creative industries in Europe" organised by the European Commission's Enterprise & Industry Directorate-General in cooperation with the City of Amsterdam, the European Design Centre, the Association of Dutch Designers and IIP Cre

Policy Report 01, March 2009

**NESTA** Making Innovation Happen

**Demanding Growth:**  
 Why the UK needs a recovery plan based on growth and innovation

James Meadway with Juan Mateos-Garcia

Technology Strategy Board  
 Driving Innovation

**Creative Industries**  
 Technology Strategy 2009-2012

Research report: February 2008

**NESTA** Making Innovation Happen

**Creating Innovation**  
 Do the creative industries support innovation in the wider economy?

Hanan Bahshi, Eric McVitie and James Simms

**dcms** Creative Britain  
 New Talents for the New Economy

department for culture, media and sport

**BERR** Department for Business, Enterprise and Regulatory Reform  
 Unlocking talent

Department for Innovation, Universities & Skills

**THE CREATIVE WAY™**

Building Britain's Future

**DIGITAL BRITAIN**  
 Final Report  
 June 2005

**DIGITAL BRITAIN**

**BIS** Department for Business Innovation & Skills

Approved by the Cabinet Office

## An innovation eco-system approach

An innovation eco-system approach – making the UK a global innovation hub

- what should the innovation eco-system of a globally successful creative industry sector look like by 2025?;
- how do we maximise the contribution of the creative sector as a key growth sector within the innovation eco-system for the UK economy?
- What institutions do we need, how should they function, and what are the right strategic frameworks to answer these questions?
- Creative Industries Council – what will it do?
  - financing for the creative industry sector
  - ....and what else?