Economic Opportunities for Creative Industries in Western Australia’s South West Region

Final Report
South West Development Commission
July 2013
This report has been prepared for South West Development Commission. SGS Economics and Planning has taken all due care in the preparation of this report. However, SGS and its associated consultants are not liable to any person or entity for any damage or loss that has occurred, or may occur, in relation to that person or entity taking or not taking action in respect of any representation, statement, opinion or advice referred to herein.

SGS Economics and Planning Pty Ltd
ACN 007 437 729
www.sgsep.com.au
Offices in Brisbane, Canberra, Hobart, Melbourne, Sydney
# TABLE OF CONTENTS

EXECUTIVE SUMMARY 1
1 INTRODUCTION AND PROJECT CONTEXT 1
  1.1 The South-West Region 1
  1.2 Project context, objectives and expected deliverables 2
  1.3 Adopted study approach 3
  1.4 Structure of report 4

2 SCOPE 5
  2.1 What are creative industries? 5
  2.2 Measuring the creative workforce 7
    Industry categorisation method 7
    Occupation categorisation method 8
    The ‘creative trident’: industry and occupation categorisation method 9
  2.3 The ‘creative’ value chain 11

3 CREATIVE WORKFORCE AND BUSINESSES IN SOUTH WEST REGION 13
  3.1 Employment statistics 13
    Overview of data sources 13
    South West Region a key location for creative employment 13
    Creative workforce in the South West Region is highly specialised 18
    Bunbury and Vasse are key ‘creative’ locations 21
    Creative workforce in the South West Region is growing rapidly 22
  3.2 Business profile 23

4 ECONOMIC CONTRIBUTION OF CREATIVE ECONOMY TO SOUTH WEST REGION 29
  4.1 A purpose built South West Region input output model 29
  4.2 Economic impacts defined 30
    Key Qualifications 31
  4.3 Estimated contributions 31
  4.4 Flow-on benefits 34
  4.5 Comparative profile 34
  4.6 Additional unquantified benefits 35

5 LESSONS FROM ELSEWHERE 37
  5.1 Selected case studies 37
  5.2 Necessary conditions supporting growth 50
  5.3 Available government levers 50
    Helping industries in transition 51
    Supporting growth of creative industries 51

6 ISSUES AND OPPORTUNITIES FOR STRATEGIC PLANNING 53
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Introduction</td>
<td>53</td>
</tr>
<tr>
<td>6.2 Strengths for the development of the industry</td>
<td>55</td>
</tr>
<tr>
<td>6.3 Weaknesses of, and threats for the industry</td>
<td>58</td>
</tr>
<tr>
<td>6.4 Opportunities for the industry</td>
<td>61</td>
</tr>
<tr>
<td>6.5 Funding programs</td>
<td>65</td>
</tr>
<tr>
<td>6.6 Fiscal incentives and industry support in Western Australia</td>
<td>67</td>
</tr>
<tr>
<td><strong>7 STRATEGY AND ACTION PLAN</strong></td>
<td>69</td>
</tr>
<tr>
<td>7.1 Introduction</td>
<td>69</td>
</tr>
<tr>
<td>7.2 One-year action plan</td>
<td>70</td>
</tr>
<tr>
<td>7.3 Ten year development strategy</td>
<td>73</td>
</tr>
<tr>
<td>7.4 Next Steps</td>
<td>75</td>
</tr>
<tr>
<td><strong>APPENDIX 1: INDUSTRY AND OCCUPATION CLASSIFICATIONS FOR THE CREATIVE TRIDENT</strong></td>
<td>77</td>
</tr>
<tr>
<td><strong>APPENDIX 2: FUNDING SOURCES AVAILABLE TO CREATIVE PRACTITIONERS</strong></td>
<td>84</td>
</tr>
<tr>
<td><strong>REFERENCES</strong></td>
<td>91</td>
</tr>
</tbody>
</table>
EXECUTIVE SUMMARY

This report, prepared for the South West Development Commission, presents (i) baseline data on the current economic contribution of the region’s creative industries to the economy of the South West of Western Australia; and (ii) a ten-year development strategy including a short term (one-year) ‘action plan’ to accelerate immediate growth in the region’s creative industries. In doing so, this report identifies new opportunities to expand, diversify and innovate the creative industries sector; and how government can address market failure and/or gaps to support the future development of creative industries and local entrepreneurship in the sector. The strategy’s development was informed by a review of existing government documents, consultation with state and local government representatives as well as creative practitioners in the area, and reviewing examples of successful models/projects from other Australian regions and states, as well as other countries (i.e. transitioning from traditional industries to knowledge economies). Key findings are reported below.

At the time of the 2011 ABS Census, there were 1,095 employees working in the creative economy of the South West Region. 383 workers were creative specialists, i.e. these workers were employed in designated creative industries segments in creative occupations. Another 268 were embedded workers, i.e. they were employed in designated creative occupations but in industries that have traditionally not been thought of as being creative. Finally, 444 employees were employed as management and support staff in designated creative industries segments. A majority of the creative specialists were employed in architecture, design & visual arts (153 employees) followed by publishing (69 employees), software development (61 employees) and Film, TV & Radio (58 employees). The sector contributes $306 million to the South West regional economy and indeed the Western Australian economy annually in turnover. It adds almost $150 million in gross regional product (i.e. regional value added) and helps generate exports of $70 million dollars annually.

The direct stimuli generated by the creative sector (i.e. the direct revenue, gross regional product and employment), result in multiple rounds of buyer and supplier transactions. After accounting for these transactions, it is found that the total contributions of the creative sector extend beyond just the direct stimuli (as shown in the table below).

<table>
<thead>
<tr>
<th>Employment (inc. direct &amp; flow-on contribution)</th>
<th>Turnover/revenue*</th>
<th>Gross regional product (GRP)/gross state product (GSP)*</th>
<th>Exports (inter-regional &amp; international)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct contribution</td>
<td>$306 million</td>
<td>$148 million</td>
<td>$70 million</td>
</tr>
<tr>
<td>Total contribution</td>
<td>$702 million</td>
<td>$357 million</td>
<td>-</td>
</tr>
</tbody>
</table>

*data based on regionalised input output publications which have known deficiencies explained in section 4.2 below.

The following additional key messages are also worth noting:

- An international comparison reveals that the share of the creative economy workforce in the total workforce of the South West Region is not too dissimilar from these locations, some of which are clearly established creative regions of the world.
The South West Region hosts more than a tenth of the state-wide specialist employment in film, TV & radio segment and 7% of the state-wide employment in publishing.

Analysis (using a growth share matrix) reveals that the South West Region’s high performing creative industries segments (relative to the state) include Film, TV & Radio; Publishing; Architecture, Design and Visual Arts and Music & Performing Arts. Indeed, these segments demonstrate positive net rates of growth (relative to the Western Australian average for that segment) and higher than (or modest) specialisations.

Growth in the creative workforce over the five years to 2011 in the South West Region was quite rapid at 3.6% p.a., outpacing employment growth in several other traditional industries such as agriculture, mining and manufacturing, retail trade, accommodation & food services, and was only marginally slower than creative employment growth experienced state-wide over this timeframe at 4% p.a.

Each creative worker in the South West Region adds more value ($136,000 p.a.) than his/her counterpart in compared locations, including Perth and indeed other world renowned international creative locations. In turn, this finding partially implies that these workers in the South West are more productive compared with their counterparts elsewhere.

A profile of selective businesses in the region show that several businesses have managed to grow with varying levels of assistance from the government, are exploiting unmet market needs, and using innovative ways to make use of existing infrastructure, access new markets and explore opportunities for diversification. These businesses, and indeed others consulted during the timeframes of this study, highlighted several barriers to, and enablers for growth, including:

- importance of access to high-speed, reliable internet connections;
- Networking and marketing opportunities; and
- funding and training opportunities to assist in creative industry development in this region.

Apart from the contributions of the creative economy highlighted above, there are other society-wide benefits of the industry to the region (and indeed the state-wide economy) which were not quantified as they fell beyond the scope of this study. These potential additional unquantified benefits include: (i) Skills development for workers of the region; (ii) Improved Brand Value and Enhanced Tourism Visitation (supported by a greater degree of coordination across state and local government agencies); (iii) Social Inclusion and Identity; and (iv) the benefits of volunteering for the sector.

The ten year development strategy and the one year action plan propose actions to not only consolidate identified strengths for the industry (i.e. maintaining an appealing lifestyle, growing cultural diversity), but also to address weaknesses and market barriers (primary among these being poor communications and transport infrastructure support; lack of affordable purpose built spaces to act as incubators or exhibition spaces; limited organisational and business start-up and development support; limited funding opportunities and poor communication of these opportunities; shortage of a skilled workforce; limited networking and collaboration support; and limited understanding on the part of creative practitioners to act in a coordinated fashion and seek innovative ways of doing business).

Actions are categorised into different strategic activity areas structured to address the issues and opportunities identified to promote growth of the sector, including: (i) people and places; (ii) strategic infrastructure and facilities; (iii) education & training; and (iv) funding.

The strategic activity areas are designed to be pragmatic in that they recognise that the SWDC has limited jurisdiction and limited funds to facilitate local and regional economic development.
INTRODUCTION AND PROJECT CONTEXT

1.1 The South-West Region

The South West Region of Western Australia is the most diverse regional economy in the state, generating an estimated $16.8 billion in economic output during 2010/2011. This equates to approximately 8% of the state economy’s total gross product. Mining and manufacturing are significant employers in the region, which also boasts a healthy tourism industry of international renown (Request for Quote for an Economic Opportunities Study p.17).

The South West Region of Western Australia includes twelve local government areas, with the port city of Bunbury as its regional hub, while many smaller towns offer attractive lifestyles throughout the region. The twelve municipalities are grouped into three distinct regional economies, being the Bunbury-Wellington region, the Vasse region and the Warren-Blackwood region (refer Figure 1).

FIGURE 1. THE SOUTH WEST REGION OF WESTERN AUSTRALIA

Source: South West Development Commission
The Bunbury-Wellington region, which includes the region’s capital city of Bunbury, is characterised by a mix of mineral processing, energy production, mining and agriculture. It also has a range of service, construction, engineering and manufacturing industries together with the Bunbury Port. Tourism is an emerging sector, based on wine as well as motorsports at Collie.

The Warren-Blackwood region includes traditional industries like agriculture, timber and tourism with some mining at Greenbushes. Together these industries support the small business sector with Manjimup as the regional centre. These sectors offer the potential to value-add in food and timber processing.

The Vasse region includes the shires of Augusta-Margaret River and Busselton. It has traditionally been a centre for agriculture including dairy and beef production and has become a premium wine growing area and a high-value tourism destination. The Vasse region is also an important centre for high value, technology-based industries including a variety of creative industries.

1.2 Project context, objectives and expected deliverables

According to the website of the South West Development Commission (SWDC), “filmmakers, animators and musicians are just some of the creative experts that call the South West home. To maximise opportunities for these talented professionals, the South West Development Commission is working to support the growth of the smart and creative sector in the region.”

The Commission assists creative industries in several ways. It advocates for more funding for the sector, with the recent $1 million grant from the Royalties for the Regions towards filming the feature film “Drift” in the region providing a case in point.

It also helps in forging business alliances and networks. This includes support for the creation of the ‘Creative Corner’, which helps bring like-minded professionals together and links them with business opportunities, and advocacy for hosting creative festivals in the region, such as the hosting of ‘The Emergence Creative Festival’ at Margaret River in February 2013.

Evidently, the SWDC recognises the significance of creative industries and the exponential growth of this emerging sector, and is committed to harnessing its broader economic potential and maximising opportunities for its practitioners in the South West Region.

Indeed, economic analysis undertaken by SGS Economics and Planning (SGS) in 2007 showed the Vasse region’s creative industries generated output to the value of approximately $48.3 million in 2006.

With this in perspective, the SWDC issued a brief to examine the contribution of the creative industries to the South West Region of Western Australia, and to identify new opportunities for the sector that, if embraced, will generate economic benefits to the region. It is envisaged the study will highlight the growing potential of creative industries and use this information to leverage future targeted investment into the sector, as well as identify strategies and actions which will support the further development of the creative industries sector. The objective was to use the results from this research to advocate for continued funding from the Royalties for the Regions program for further support of the creative industry sector of the region.

Specifically, the following study deliverables were sought by the brief:

- a profile of the current number and types of creative industries in the South West Region;
- baseline data on the current economic contribution of the region’s creative industries to the economy of the South West of Western Australia;
a ten-year development strategy for the creative industries sector in the South West Region;

- a short term (one-year) ‘action plan’ to accelerate immediate growth in the region’s creative industries;

- new opportunities to expand, diversify and innovate the creative industries sector;

- examples of successful models/projects from other Australian regions and states, as well as other countries (i.e. transitioning from traditional industries to knowledge economies);

- key ‘activity drivers’ for the creative industries sector and how these drivers might be engaged;

- the changing nature of work and opportunities to work anywhere, any time and its relationship to stimulating the creative industries in the South West; and

- how government can address market failure and/or gaps to support the future development of our creative industries and local entrepreneurship in the sector.

The data produced by the study is expected to inform the decision-making of many key stakeholders in the region including, SWDC, local government, business and industry, industry practitioners and funding authorities such as the state government.

SGS were commissioned to undertake this work in February 2013.

1.3 Adopted study approach

SGS reviewed the information provided by SWDC and other available contextual literature, so as to:

- delineate the scope of the creative industries as set out in contemporary Australian and international research;

- enable a clear understanding of the South West Region’s vision for the development of creative industries as well as an understanding of previously identified prospective creative industry opportunities in the South West Region and any identified gaps and constraints on sustainable regional economic development and the development of creative industries; and

- prepare a few short ‘creative industries/creative regions success stories’ using examples from elsewhere in Australia and overseas, within regional areas, to help generate a greater understanding of the importance of creative city/region attributes to the local/regional economy and community and the array of policies and strategy levers that can be employed to drive successful creative regions.

Following the literature review and an agreement on the scope of creative industries to be adopted for the purposes of this report, we carried out economic modelling and stakeholder consultation.

The economic modelling focused on profiling the current number and types of creative industry employees in the South West Region; and estimating the baseline data on the current economic contributions of the region’s creative industries to the regional economy.

During stakeholder consultations, representatives of local government, state government departments, creative industry groups, and creative businesses, were interviewed to seek their views and opinions on: (i) new opportunities to expand, diversify and innovate the creative industries sector; (ii) the changing nature of work and opportunities to work anywhere, any time and its relationship to stimulating the creative industries in the South West; (iii) conditions necessary to support the development of the industry within the region; (iv) levers or instruments that governments can use to positively influence growth outcomes of creative industries and; (v) the role that governments and other supporting
organisations can play to address market failure and/or gaps to support the future development of creative industries.

Findings from the literature review and economic modelling were brought together to profile the industry and comment on its current economic contributions. Findings from consultations and the literature review were also taken into account to develop a ten year development strategy for the creative industries sector and a short term one year action plan to accelerate immediate growth in the region’s creative industries. The strategy, and action plan in turn, identify the barriers inhibiting growth, opportunities that need to be leveraged to accelerate growth of the sector, and how government can support the future development of the industry.

1.4 Structure of report

This report is organised as follows. Section 2 delineates the scope of the creative industries using the ‘creative trident’ methodology as set out in contemporary Australian and international research.

Section 3 profiles the industry, drawing on relevant data from the Australian Bureau of Statistics (ABS) on the size of the creative workforce hosted by the Region, and its significance. The economic contributions of the industry are reported in Section 4.

A review of selective successful case study examples from Australian and overseas jurisdictions, that have transitioned from traditional industries to thriving creative and knowledge economies, is provided in Section 5. The objective is to identify the necessary pre-conditions for this transition, and the elements necessary to sustain a growing knowledge economy. The levers and instruments available to the local and state government to influence the industry’s growth outcomes are also reported.

Section 6 presents a Strengths, Weaknesses, Opportunities and Threats (SWOT) assessment for the creative industries in the South West Region of Western Australia. In doing so, this section identifies (i) conditions necessary to support the development of the industry within the region; (ii) potential emerging opportunities to expand, diversify and innovate the industries and; (iii) areas of market failure which inhibit growth.

Findings from these previous sections are brought together in Section 7, to present the ten year development strategy to leverage opportunities for the creative industries in the region, and a one-year action plan to accelerate immediate growth of the industry.


2 SCOPE

Summary

The SWDC recognises the significance of creative industries to the growth prospects of the South West Region. The RFQ issued by the SWDC acknowledges that creative industries operate in a diverse range of mediums, some of which include: music and performing arts; design and visual arts; television, radio and film; sector marketing; finance and distribution; social media; software development and interactive content; gaming and animation; and print, writing, publishing etc.

This section delineates the scope of the creative industries as set out in contemporary Australian and international research. Based on this research, this report has used the ‘creative trident’ methodology developed in the 1990s to measure the creative workforce. The appendix presents the scope of the relevant creative industry sectors and occupations included in the 2006 Australia and New Zealand Standard Industry Classification (ANZSIC) and Standard Classification of Occupations (ANZSCO) produced by the Australian Bureau of Statistics (ABS) used to measure the creative workforce.

2.1 What are creative industries?

The evolutionary process which generated the creative industries concept began to take shape in the 1930s and ‘40s with the Frankfurt school of thought’s ‘Culture Industry’ concept. This was used by its proponents as an expression of contempt for popular culture (newspapers, movies, magazines, etc.) and the way in which capitalist forces, particularly in the United States, consumerised culture for the mass market. It was argued that ‘culture’ and ‘industry’ were supposed to be opposites but in modern capitalist society, the two had collapsed together - hence the term ‘Culture Industry’.

The term ‘Creative industries’ was first purported by Adorno and Horkheimer in 1944, to depict the industrialisation of leisure time, in much the same way that mass-production had organised working life.

In the 1970s the term ‘cultural industries’ gained prominence in the public policy sphere. The concept was used to persuade governments to support arts and culture for the economic benefits they deliver to communities. During this period, popular commercial industries like film and television typically sat under the ‘cultural policy’ umbrella. The development of the cultural industries was also facilitated by a global economic transition away from declining industries, like manufacturing, towards the more prosperous service sectors.

By the mid to late 1990s, the concept of the cultural industries was broadened to the ‘creative industries’. The concept was effectively invented to overcome a too narrow articulation of policy towards the arts and culture and, perhaps more importantly, in recognition of a need to develop a stronger policy nexus between cultural policy and economic development outcomes. The continued transition in developed economies towards new and emerging service sectors of growth facilitated the emergence of the creative industries.

Since then, governments and institutes across the world have attempted to define and measure the creative workforce and highlight their ensuing economic contribution.
In Australia, the Attorney General’s Department prescribes that “creative industries describes the generation of creative intellectual property with the potential to be commercialised.”

Of the various government reports using the term, one of the most recent, the Queensland State Government’s Creative Industries Strategy, defines Creative Industries as those industries that are “focused on linking creativity with commercial markets: these industries use creativity as their source of value, generating ideas into new intellectual property (IP) and then using and commercialising that IP in innovative ways - often through industry inter-action on a project-by-project basis.”

According to these definitions, the key characteristic of the creative industries 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 the primary source of value, as opposed to a distinct physical output.

While most industries have embedded in them a degree of creativity, the creative industries are different because ‘creativity’ is their primary source of value. Rather than being separate sectors of the economy, creative industries are a pervasive input to many industries, from manufacturing and construction to business services, retailing and entertainment to name a few. Representing what is in effect, a ‘creative services economy’, creative enterprises add value to production through design, technical performance, packaging and branding. Consequently, creative industries include, but are not limited to, those economic activities that “turn creative ideas into commercial outcomes” (Telesis Consulting, SGS Economics and Planning et al., 2007, p.4).

Over time though, research has reached some degree of consensus on which industry segments constitute the ‘creative industry’. The Australian Cultural Ministers Council’s report, “Building a Creative Innovation Economy” released in 2008, graphically defines the various segments of creative industries (refer Figure 2 overleaf).

---

1 The term industry segments is used in research to denote subgroups of distinct goods and services that are produced by the creative workforce, either on the basis of their specialist occupation or by the specialist industry they work in.
This common grouping is applied in countries such as Australia and is similar to classifications used elsewhere, as demonstrated for example in New York (Centre for an Urban Future, December 2005), Hong Kong (Hong Kong Central Policy Unit, 2003) and Singapore (Singapore Department of Statistics, 2003).

Despite the passage of time however, terms like the ‘creative economy’, ‘creative industries’, ‘creative regions’ and ‘creative cities’ are still relatively new phrases in government policy, industry and academic discourse. As the United Nations (2008) explains, the creative industries concept “is of relatively recent origin, emerging in Australia in 1994 with the launching of the report, Creative Nation.”

2.2 Measuring the creative workforce

Techniques to measure the ‘creative workforce’ within industry segments have evolved over time. Three different methodological approaches have been put forth in the literature to measure ‘creative workers’, with each successive approach addressing the limitations of the preceding approach (Higgs and Cunningham 2008).

**Industry categorisation method**

The first method to measure the workforce employed in the creative industries commenced with the UK Department for Culture, Media and Sport 1998 creative industries mapping study. This study defined creative industries as “those industries which have their origins in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual properties”.

---

This study identified 13 creative industries for analysis: Advertising; Architecture; Art & Antiques Market; Crafts; Design; Designer Fashion; Film & Video; Interactive Leisure Software; Music; Performing Arts; Publishing; Software & Computer Services; and Television & Radio.

The study, and many others that followed, focused on measuring employment and business activities within selected industrial classifications of either census of industry employment or surveys of businesses within industries.

Based on this method of measuring creative industries using a system of industrial classification, creative industries include traditional cultural sectors like the visual and performing arts; other ‘new media’ or ‘multi-media’ sectors, including film and television, broadcasting, computer animation, web design and music; and others including architecture and urban design, industrial design, fashion, writing and publishing. At times, they are even said to include industries with strong brands.

Consequently, creative industries are not limited only to cultural industries, although they include many widely recognised cultural activities. In more specific terms, they exploit symbolic knowledge and skills, often through adding value, commercialisation, distribution and marketing. In this sense, the creative industries are also seen in a new economy context and having a stronger degree of commercial focus rather than the predominantly aesthetic objective of the traditional cultural industries (Bakhshi, Freeman and Higgs 2013).

However, such an industry-based classification has some limitations (Bakhshi, Freeman and Higgs 2013 and Higgs and Cunningham 2008). The first limitation is that of scope. Because ‘creativity’ extends beyond rigid industry groupings, a definition based on industrial classification alone includes some industry classification codes where creativity is not the primary activity, and excludes others where creativity is quite pronounced.

For instance, the approach used by most analysts to measure the employment impact of (say) the design segment is to count the people employed within firms in the specialist design industries of architectural services and photographic services. However, a significant number of designers may be embedded in other industries, such as business services or consultant engineering services, which may not be captured using this approach. Fashion designers are another case in point. Only a small proportion of these designers are employed within the appropriate specialist industry classification, that of, business services. A large proportion of these designers are employed in clothing wholesaling and garment manufacturing.

In other cases, the manufacture of musical instruments would be classified as a creative industry and would be included in the classification, but would neither constitute creative content creation, nor require specific creative skills by manufacturers.

Simply altering the scope of this list to exclude or include specific industry classifications does not solve the problem either, because of other definitional limitations. The approach does not distinguish between creative and non-creative occupations within a specified industry, consequently, classifying all workers within a specified ‘creative industry’ as ‘creative workers’, despite the nature of their role. For instance, all support workers such as trainers, accountants, lawyers etc working in specialist creative industries would be classified as creative workers as per this approach. Whilst important roles in their own right, and of immense value to the sector, these workers are perhaps not concerned with being ‘creative’, or focused on linking creative activity with commercial markets.

**Occupation categorisation method**

Consequently, a second method of measuring the creative workforce was proposed, which uses a more comprehensive approach including examining specific creative occupations, counting the number of
people employed in specialist occupations and the patterns of employment across creative sectors. This method became popular since 2003, exemplified by the Hong Kong Creative Industries Baseline Study.

Some 26 creative occupation groups were identified by the Hong Kong study, including town planners, graphic designers, advertising managers and furniture makers among others. Individuals engaged in creative occupations may participate in any stage of the production process, but it is their involvement primarily in creative functions (rather than, for example, retail sales) that distinguishes them.

This method however, also attracted much the same criticism, as was afforded to the first, in that some occupations were excluded from the list which deserved to be included, and others were not. Moreover, the choice of occupations was open to question, because the criteria by which they were classified as ‘creative’ was not clear (Bakhshi, Freeman and Higgs 2013). Moreover, this method completely ignored the support workers in creative industries.

Finally, a third method was developed by the Australian Research Centre of Excellence for Creative Industries and Innovation (CCI), known as the ‘Creative Trident’, which collectively accounts for all people working in creative industries (as per the first method) and those working in specialist creative occupations in ‘non-creative’ industries (as per the second method).

The creative trident method is considered industry best practice at the present time, and consequently used by this report when presenting employment statistics. Indeed this report makes use of the industry categorisation adopted by the Queensland University of Technology to represent the creative trident.

The ‘creative trident’: industry and occupation categorisation method

The trident approach has been developed in parallel in France and Australia. The French Culture Ministry’s Department for Planning and Statistics’ report in 2005 parallels work in CCI.

The creative trident approach is made up of three modes, which collectively comprise the trident, as follows:

- **Specialist mode**: people in defined creative occupations employed within defined creative industries (for example, an artist working in an opera);

- **Support mode**: people employed within the defined creative industries who are not working in defined creative occupations but who perform sales, management, secretarial, technical, accounting and administrative functions, i.e. collectively, the support functions (for example, a secretary in a film production company); and

- **Embedded mode**: people employed in defined creative occupations but who are working outside the defined creative industries (for example, a designer working in the car industry).

The creative workforce is defined as the group of people employed in the ‘Creative Trident’, (i.e. in specialist, support and embedded modes) across all selected creative occupations and industries (as shown in Figure 3 overleaf).
Using this method, it is possible to determine the total employment in creative occupations by adding specialist and embedded employment modes, and employment within the creative industries by adding specialist and support employment.

The core idea underlying the trident is that creative and cultural activity is best captured by describing, and measuring, both the industries whose outputs may be considered creative, and the occupations whose activities may be considered creative. The approach acknowledges that it is indeed a combination of creative skills across a spectrum of activities that contributes to the ‘creative industries’ as a coherent grouping of sub-sectors.

As pointed out by Higgs and Cunningham (2008), “Without a framework such as the trident it would be easy to double count employment or overlook some embedded employment. The trident aids the visualisation of the complete creative economy of a country, city or region or at a finer level of a specific creative segment.”

Importantly, the method recognises the structural change underpinning economic development across geographies, namely that of digitisation providing valuable support to these industries, thereby providing for superior economic outcomes. The growing use of Information, Communications and Technology (ICT) in virtually all spheres of creative work, and the tendency of creative industries to use labour from software occupations – and more broadly from ICT occupations – in combination with other forms of creative labour suggests that creative talent has great economic impact when working in tandem with the ICT.

Each of the aforementioned ‘creative trident’ modes are classified in various industry sub-sectors and occupations within the ABS’ 2006 ANZSIC industry classification and 2006 ANZSCO occupation classification respectively. The ANZSIC industry classification is available from the ABS at the 1-, 2-, 3- and 4-digit levels with the level of detail and sub-sector classification increasing with each digit, whilst the ANZSCO classification is available up to the 6-digit level. The tables in Appendix one identify the industry and occupation classifications from the ABS, which comprise the creative specialists and management and support staff. The table for embedded creative works is not shown here, but includes all industry classifications (other than creative segments) with creative occupations.

The need for inclusion of both industry and occupation level data to measure the creative workforce as per the trident approach, may appear more compelling when disaggregating the ‘creative’ value chain, which is discussed next.
2.3 The ‘creative’ value chain

A value chain consists of suppliers and customers, in which each supplier adds economic value to the product required by the customer.

Traditionally, four or five distinct stages in the creative industries supply chain have been identified (depending on whether pre-creation was included in this value chain or not). This creative industries value chain is similar to a manufacturing supply chain, i.e. arranged in a linear manner (refer Figure 4 below).

The pre-creation stage includes preservation and access functions such as libraries and museums that are a critical resource for creative people. Museums and libraries have been at the forefront in projects that facilitate the production or repurposing of analogue and digital creative content. This stage also includes post-consumption and pre-production activities such as collecting societies, commercial image libraries and stock footage libraries.

The creation stage includes the originating activities such as writing, music composition, software design; the performance related activities such as musical performance; the recording stage including digitisation, conversion and activities that may also form part of a performance e.g. film. Other activities within the creation stage include pre-publishing (editing and layout, software testing). The activities associated with the legal and practical act of publishing are also included within this stage.

Unlike many other industries, concept creation requires the greatest skill input and is arguably where the majority of the value is created. Often production and distribution are undertaken by the same organisation and, in some sectors e.g. craft, individual designers or sole contributors might undertake all of the tasks.

**FIGURE 4. TRADITIONAL CREATIVE INDUSTRIES VALUE CHAIN**

![Value Chain Diagram]


Whilst the pre-creation and creation stages involve ‘creativity’, the explicit realisation (manufacturing, wholesaling, distribution and retailing stages), customer usage, and the post-sale stage (includes second hand sales), service and repairs, do not involve ‘creativity’, and are ignored from the purposes of ascertaining creative value creation in the ‘creative’ value chain.

Despite the exclusion of distribution and retail from the ‘creative’ value chain, it is important to bear in mind that the end customers are individuals who purchase entertainment and leisure experiences and creative ideas. As these experiences and ideas provide different levels of utility to the end consumers, creative practitioners need to constantly communicate with the end customers and constantly shape their creativity to satisfy different customer needs. Consequently, these functions or activities are vital in bringing to fruition the outputs created by the ‘creatives’.

Another way to conceive of the creative industries value chain is to identify participants, rather than activity. The CCI identifies three primary participants in the creative industries value chain. **Creative participants** are responsible for the core origination activities such as film directors and architecture services. **Direct participants** include those with a direct role of creation and active infrastructure role of supporting pre-creation or creation activities with activities such as libraries and providing stage lighting.
Finally, dedicated venues encompass the provision of **direct infrastructure** that is necessary for the pre-creation and creation of activities, including performances within drama and opera theatres. The indirect contributors to the value chain described in this manner include the provision of education services to creators and customers, the provision of tools and capital items to all or specific stages of the value chain. The making and sale of musical instruments and the manufacture and sale of television sets are also excluded, as these are considered “tools of stage” and thus lie on separate, often parallel value chains to the creative industries value chain. Other indirect value chains include indirect or partially downstream activities such as office buildings, home construction and real estate agencies (all partially downstream from architecture), or apparel manufacturing (which is partially downstream from fashion design).

Over time, the networking amongst creative industries has become more complicated than a typical linear supply chain. Moreover, the networks of creative sub-sectors add reciprocal value to each other’s output, rather than in a typical supply chain, where suppliers operate at a single stage in a value chain.

A feedback loop is created between creative industry sub-sectors where consumer demand can feed back into content production much more rapidly and more accurately than in the past. Consequently, the role of technology has assumed great significance. The purely linear model is giving way to an interwoven environment where cross-fertilisation of stimulus and response, data-driven supply and demand, and speed of communication enable a much more rapid evolution of product development and consumption.

Information and communications technology (ICT) is a central tenet of Australia’s emerging 21st Century ‘digital economy’ in that it is the principal enabler of a nation’s capacity to compete in the global economy. Whether we are talking of customer, user or community relationships, communications and participation, cost or asset management, product development, marketing or distribution, the digital economy has broken out of the ‘IT’ domain to become mainstream business for all.

It is an enabler of change in essential business operations and objectives. But, it can also transform local innovation capacity and competitiveness in the region. It can offer smaller communities outside metropolitan centres opportunities to move from the edge to the centre, economically. In the digital economy, small companies can be global exporters of products, skills and knowledge that were never before portable across time zones or borders. It couldn’t be more important for the Evocities to get it right.

Indeed, it is important for businesses to maximise the efficient use of existing ICT infrastructure.

Importantly, the Federal Government’s National Broadband Network (NBN) will be Australia’s first national wholesale-only, open access communications network delivering high speed broadband and telephone services within the reach of all Australian premises. The NBN will utilise fibre, fixed wireless and new satellite technologies to enable significant improvements in connectivity between people, homes, businesses and governments – throughout Australia and with the rest of the world. For this reason, to capitalise on the emerging ‘digital economy’, it is critical that regions such as the South West are “NBN ready” when the physical roll-out of the infrastructure begins this year.
3 CREATIVE WORKFORCE AND BUSINESSES IN SOUTH WEST REGION

Summary
This section presents the contribution of the creative sector to the South West Region’s economy, profiling the number of employees in the industry, the amount of revenue, gross regional product and exports that these workers generate, and the number of businesses in the sector. The section draws on relevant data from the Australian Bureau of Statistics (ABS), including the most recent census of 2011, as well as other national accounts data produced by the bureau.

3.1 Employment statistics

Overview of data sources
Data used in this profile have been sourced from a combination of Industry of employment and occupation of employment data collected during the last census by the Australian Bureau of Statistics (ABS).

The ABS census provides the most up to date detailed data on industry and occupation employment profiles for small area geographies that is available. It is important to bear in mind though that the census usually undercounts people due to several reasons, including people being away or unwilling to provide full information, or incorrectly competing census forms. Anecdotal evidence suggests that many creative workers have moved into the Region since the 2011 census was undertaken. Despite these shortcomings, no other means of data including those sourced from the Australian Taxation Office may suffice to provide as representative results on employment as those captured here.

The ABS uses 2 standard classification systems to define industries and occupations in Australia and New Zealand respectively. The former is known as the Australian and New Zealand Standard Industrial Classification (ANZSIC) and the latter as the Australian and New Zealand Standard Classification of Occupations (ANZSCO). Data from both these classifications are utilised at the 4-digit level of disaggregation to estimate the creative workforce according to the creative trident approach discussed in the aforementioned section. Findings are reported below.

South West Region a key location for creative employment
At the time of the 2011 ABS Census, there were 1,095 employees working in the creative economy of the South West Region (refer Table 1 overleaf). Of these, 383 workers were creative specialists, i.e. these workers were employed in designated creative industries segments in creative occupations. Another 268 were embedded workers, i.e. they were employed in designated creative occupations but in industries that have traditionally not been thought of as being creative. Finally, 444 employees were employed as management and support staff in designated creative industry segments.
TABLE 1. CREATiVE WORkFORCE iN THE SOUtH WESt REgION, 2011

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creative Specialists (A)</td>
<td>383</td>
</tr>
<tr>
<td>Support workers (B)</td>
<td>444</td>
</tr>
<tr>
<td>Total employed in creative industries (A + B)</td>
<td>827</td>
</tr>
<tr>
<td>Embedded workers (C)</td>
<td>268</td>
</tr>
<tr>
<td>Total employed in creative occupations (A + C)</td>
<td>651</td>
</tr>
<tr>
<td>Total creative workforce (A + B + C)</td>
<td>1,095</td>
</tr>
</tbody>
</table>

Source: SGS Economics & Planning calculations based on ABS Census 2011.

Focusing on the different creative modes, it appears that a majority of the creative specialists were employed in architecture, design & visual arts (153 employees) followed by publishing (69 employees), software development (61 employees) and Film, TV & Radio (58 employees). Table 2 presents a breakdown of occupations of these employees within each creative industry segment. Most employees working in architecture & design were employed as photographers, graphic designers, architects and urban and regional planners, whilst a majority of specialists in the Film, TV & radio segment were artistic directors, media producers, presenters and film, TV radio and stage directors.

Over and above creative specialists employed in defined creative industries segments, creative workers were proliferated in all other industry segments which are traditionally not known to be creative. These represent the embedded workers in the South West Region (refer Table 3). A majority of embedded workers were employed in public administration (mostly as urban & regional planners), followed by manufacturing and professional, scientific & technical services (mostly as advertising & marketing professionals or graphic and web designers and illustrators). Interestingly, some creative employees worked as professionals in the mining sector too.
<table>
<thead>
<tr>
<th>Industry Segment</th>
<th>Creative Occupation</th>
<th>Employees</th>
<th>Share of segment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Architecture, design &amp; visual arts (includes arts &amp; craft)</td>
<td>Photographers</td>
<td>51</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Urban and Regional Planners</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Graphic and Web Designers, and Illustrators</td>
<td>32</td>
<td>40%</td>
</tr>
<tr>
<td></td>
<td>Architects and Landscape Architects</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other occupations</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL SPECIALIST EMPLOYMENT IN INDUSTRY SEGMENT</td>
<td>153</td>
<td></td>
</tr>
<tr>
<td>Publishing</td>
<td>Journalists and Other Writers</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Graphic and Web Designers, and Illustrators</td>
<td>11</td>
<td>18%</td>
</tr>
<tr>
<td></td>
<td>TOTAL SPECIALIST EMPLOYMENT IN INDUSTRY SEGMENT</td>
<td>69</td>
<td></td>
</tr>
<tr>
<td>Software development &amp; interactive content (includes gaming &amp; multi-media)</td>
<td>Software and Applications Programmers</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Graphic and Web Designers, and Illustrators</td>
<td>18</td>
<td>16%</td>
</tr>
<tr>
<td></td>
<td>Other occupations</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL SPECIALIST EMPLOYMENT IN INDUSTRY SEGMENT</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>Film, TV &amp; radio</td>
<td>Artistic Directors, and Media Producers and Presenters</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Film, Television, Radio and Stage Directors</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Advertising and Marketing Professionals</td>
<td>9</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Other occupations</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL SPECIALIST EMPLOYMENT IN INDUSTRY SEGMENT</td>
<td>58</td>
<td></td>
</tr>
<tr>
<td>Music &amp; performing arts</td>
<td>Music Professionals</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Actors, Dancers and Other Entertainers</td>
<td>10</td>
<td>11%</td>
</tr>
<tr>
<td></td>
<td>Other occupations</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TOTAL SPECIALIST EMPLOYMENT IN INDUSTRY SEGMENT</td>
<td>42</td>
<td></td>
</tr>
</tbody>
</table>
| **TOTAL CREATIVE SPECIALISTS** | **383** | **100%** | Source: SGS Economics & Planning calculations based on ABS Census 2011.
Collectively, the total creative workforce (defined as per the trident methodology) represents 1.8% of the total workforce in the South West Region (refer Figure 5 overleaf). This share is not much smaller compared to the established mining sector in the region (which commands nearly 2.5% of the total workforce of the region). This implies in turn that the creative economy represents a significant share of total employment in the region than perhaps perceived, and therefore, deserves more recognition and support.

In fact, the share of the creative workforce in the total regional workforce is higher than the share of some other industries in the region of national significance, such as Finance & Insurance Services and Information, Media & Telecommunications.
FIGURE 5. SHARE OF WORKFORCE BY SECTOR IN TOTAL REGIONAL EMPLOYMENT

Source: SGS Economics & Planning calculations based on ABS Census 2011.
Notes: Data based on place of work and not place of usual residence.

FIGURE 6. CREATIVE WORKFORCE EMPLOYMENT AS A PROPORTION OF EMPLOYMENT IN ALL INDUSTRIES, SOUTH WEST AND OTHER REGIONS COMPARED

Source: SGS Economics & Planning calculations based on various sources, including ABS Census 2011, and Americans for the Arts, May 2012.
Indeed, an international comparison reveals that the share of the creative economy workforce in the total workforce of the South West Region is not too dissimilar from these locations, some of which are clearly established creative regions of the world (refer Figure 6).

Austin, which is suggested to be the second most creative city in the United States (after San Francisco) has nearly 2.78% of its total workforce employed in the creative economy. For the United States taken as a whole, approximately 2.15% of its total employees are ‘creative employees’.

**Creative workforce in the South West Region is highly specialised**

The South West Region hosts a high proportion of the state-wide specialist employment in film, TV & radio segment (11%) and publishing (7%).

**FIGURE 7. SHARE OF SOUTH WEST REGION’S CREATIVE SPECIALISTS (BY SEGMENT) IN TOTAL WESTERN AUSTRALIAN SPECIALIST WORKFORCE**

![Graph showing the proportion of creative specialists in the South West Region by segment.](image)

Source: SGS Economics & Planning calculations based on ABS Census 2011.

Within the specialised creative industries segments, there are certain occupations which are over-represented in the South West Region (in proportional terms) when compared with Western Australia taken as a whole. These occupations are predominantly in four industry segments, including film, TV & radio; architecture, design & visual arts; music & performing arts; and publishing. The higher concentrations of these occupations within these industries segments in the region compared with the state-wide statistics, implies that the region is indeed specialised in these occupations within these industry segments compared with the state average (refer Figure 8).
Indeed, the health of each of the South West Region’s creative industry segments can be indicated by their size, level of specialisation and recent and potential growth.

A ‘growth share matrix’, as shown conceptually in Figure 9 overleaf, can be used to illustrate how each creative industries segment is performing in this regard, by placing a circle for the segment along the horizontal axis for ‘rate of growth’ and along the vertical axis for ‘specialisation’ (of employment, as indicated by its location quotient).

The performance and potential of South West Region’s creative industries can be measured using a growth-share matrix. Figure 10 overleaf measures the performance of each of the region’s creative industry segments according to their rate of growth and their specialisation (of employment) relative to Western Australia. The size of the circle represents the relative size of the creative industries segment in employment terms (looking at creative specialists only).

The South West Region’s high performing creative industry segments, that is, those that are or show potential to be in the ‘winners circle’, include Film, TV & Radio and Publishing. Indeed, both these segments demonstrate positive net rates of growth (relative to the Western Australian average for that segment) and higher than average specialisations. Other industry segments including Architecture, Design and Visual Arts and Music & Performing Arts lie within this set too; their rate of specialisation is only marginally above one. There indeed exists great potential for these industries segments to achieve a higher rate of specialisation. All these sectors are prime candidates for growth and support in the one year development strategy as they are already in the expanding stages of production.

In contrast, software development & interactive content is an emerging growth sector; it should be facilitated in the longer term and concerted efforts should be made to integrate the output of this sector with other creative segments in the ten year development strategy.
FIGURE 9. GROWTH SHARE MATRIX CONCEPT

Source: Queensland Creative Industries Strategy, 2004 (supporting documentation)

FIGURE 10. SOUTH WEST REGION CREATIVE INDUSTRY SEGMENT GROWTH SHARE MATRIX

Source: SGS Economics & Planning calculations based on ABS Census 2011.
Bunbury and Vasse are key ‘creative’ locations

A large proportion of creative specialists in the South West Region is concentrated in the Bunbury-Wellington sub-region (nearly 52% of all creative specialists in the South West Region) followed by the Vasse region (44% of all specialists). A similar geographical distribution of jobs is observable when looking at the entire creative workforce, not just the creative specialists.

Put simply, the South West Region is dotted with people employed in creative occupations and/or in creative industries.

**FIGURE 11. GEOGRAPHICAL SPREAD OF CREATIVE WORKFORCE IN THE SOUTH WEST REGION**
Creative workforce in the South West Region is growing rapidly

Growth in the creative workforce over the five years to 2011 in the South West Region was quite rapid at 3.6% per annum, outpacing employment growth in several other traditional industries such as agriculture, mining and manufacturing, retail trade, accommodation & food services, and trailing behind only construction, and professional, scientific & technical services. Indeed growth in creative employment in the South West over this timeframe was only a notch short of that experienced state-wide at 4% per annum (refer Figure 12).

**FIGURE 12. GROWTH IN EMPLOYMENT BY INDUSTRY, (2006-11)**

This strong growth resulted in the share of the creative workforce in the total employment base of the region rising from 1.63% in 2006 to 1.79% in 2011. The Vasse sub-region experienced a substantial lift in the share of creative employment over this timeframe.

In contrast, the share of creative workforce in the state-wide employment total has remained constant between 2006 and 2011, in turn implying the growing significance of the creative sector in the South West Region.
3.2 Business profile

Unlike the detail available when accessing employment statistics, detailed statistics on creative business types and local area regions are unavailable. The only information publicly available at a local area level is that from the Australian Business Registry, but that pertains to the broadest level of industry aggregation. A separate categorisation on ‘creative businesses’ is not available from this dataset. Researchers have also made use of statistics from the Australian Taxation Office (ATO) to count the number of creative businesses. However, the ATO statistics only count registered businesses and may undercount businesses in a region like the South West where many entrepreneurs are not registered as a creative business. Consequently, this report has been unable to pinpoint the number of ‘creative businesses’ in the region. Even if data were available at lower levels of industry aggregation, there is no discernible method of picking which enterprises employ creative employees, given that employees in creative occupations are found in non-creative industry segments.

Consequently, instead of providing data on businesses, several creative industry businesses in the South West Region have been profiled in this section. The importance of access to high-speed, reliable internet connections emerges as a dominant theme, as

The business profiles presented here provide key information on existing South West Region’s creative businesses’ background, key markets, and barriers and enablers to success. These case study profiles show that several businesses have managed to grow with varying levels of assistance from the government, are exploiting unmet market needs, and using innovative ways to access new markets and explore opportunities for diversification.
does the struggle faced by many smaller, internationally-focused businesses in the face of the global economic downturn. Networking, marketing and training opportunities were all highlighted as potential areas of future support to assist in creative industry development in this region.

**Creative Industry Business Profile 1: The Vue Group**

**Background**
The Vue Group was established in 1992 as a boutique documentary and drama business. In 2010 Vue opened a new animation and visual effects studio in Bunbury, in a public/private partnership arrangement with the Western Australian Government and the City of Bunbury.

**Primary Markets**
Vue's primary services include animated movies, animated TV series, live action movies, digital content transmedia, digital experiences for theme parks and museums. A new documentary slate is also in development. Recent projects include:

- The world's first dolphinarium – a photo-realistic animated 360 degree theatre experience for dolphin research and education
- Scoping a connectivity plan for Manchester City's 21,000 square foot SHARP studio in East Manchester - scaled up from Vue's own studio model
- Creating Car Park Whalers, a time-locked trans-media project
- Developing the model for a 360 degree web museum that links regional resources with international resources
- Participating in animated movie co-production productions, nationally and internationally
- Expanding project capacity into the Chinese market.

The long time frames involved in animation (years instead of months) mean that the studio’s workforce needs to be located in the area for extended periods of time. Vue's current slate of productions will have a roll-on effect of many millions of dollars in the region.

**Challenges and Enablers**
The support of the South West Development Commission and the City of Bunbury was fundamental to the decision by the Vue Group to relocate to South Western Australia to focus on digital creation. The managing director, Alan Lindsay, is also on the board of ScreenWest.

Proximity to the local Telstra exchange (the studio is 400 meters away) is an important factor in their business, providing paired high-speed internet which Vue can scale on demand through their fibre optic system.

The main challenge for Vue is sourcing capital for growth. Attracting development capital in Western Australia has been difficult. According to the Vue group, venture capital firms and merchant bankers in Western Australia do not have creative industries in their sights. Further, their business was negatively affected by the global downturn, and the rise in value of the Australian dollar.

While they are committed to the region without additional capital they will be forced to scale back or relocate. Gaining future market share in China and sourcing Chinese venture capital is a priority.
Creative Industry Business Profile 2: Kwokka Pty Ltd

Background
Established in 1999, Kwokka is a design and innovation consultancy, ‘providing clients with ideas, prototypes, strategies and constructive maps that help shape services, systems, events, products and places’. They have a behaviour-centred, design anthropology approach to projects and provide tangible design solutions to the challenges faced by businesses, groups and organizations.

Primary Markets
Kwokka services local, national and international (South-East Asian) markets. They have completed over 300 projects in China alone. While Australia will continue to struggle to be competitive in manufacturing sectors due to labour costs, Kwokka have found that creative input is a scarce commodity and that growing economies like China continue to value such expertise.

Challenges and Enablers
Since the onset of the global financial crisis, revenues have been steady or in slight decline. The high Australian dollar also makes business less competitive.

Access to high-speed internet has been a major enabler in expanding market access. In the past fifteen years it has become accepted practice for businesses to conduct meetings, communicate and transfer documents electronically. There has been a cultural change in the acceptance of clients to engage consultants globally, rather than locally.

Facilitation of market exposure and network connections is the primary areas that will assist this business to grow and prosper. The Emergence Conference is a good example of this kind of effective business support. New technological infrastructure in the South West is improving the speed and efficiency of current business, both locally and internationally. Kwokka see evidence of the Australian market embracing what it means to be “creative”, albeit at a slower rate than other markets.
CREATIVE INDUSTRY BUSINESS PROFILE 3: SONIC LOLLY

BACKGROUND
Sonic Lolly was founded in July 2010, as a music and sound creation, production, publishing and strategy company. It operates out of world-class recording facilities in Margaret River, Western Australia.

PRIMARY MARKETS
Sonic Lolly has a regional and international target market and has developed a presence in local regional and national industries. There is a huge demand for quality recording, production, music business strategy, artist development and publishing in regional Western Australia. Before the business was established, the needs of these markets were not being met. During their market research and market testing phase, Sonic Lolly began offering these services and the initial reception to this business idea has exceeded expectations.

Nothing like Sonic Lolly exists regionally and there are very few companies with comparable credentials operating even in major centres. With the explosion of global digital content Sonic Lolly has a massive opportunity to provide music, sound - in fact anything audio - to meet and fulfil these requirements. The publishing division is a more long-term strategy that enables Sonic Lolly to gain “evergreen” income through publishing exploitation.

Sonic Lolly has market potential in many areas. There are business opportunities in many facets of the industry including film and television, advertising and all the associated publishing activities.

ENABLERS AND FUTURE CHALLENGES
Leveraging cost effective production techniques coupled with depth of experience and industry networks are the keys to Sonic Lolly’s success. Company partner, Noah Shilkin is also a board member of The Western Australian Music Industry Association whose mandate is to develop and promote contemporary music.

Improvement in internet connectivity and the cost effectiveness of recording and music production technology enables Sonic Lolly to service the region in which it is physically located while also successfully competing on the national and world stage.

Through existing word-of-mouth, Internet marketing, music industry associations and affiliations Sonic Lolly is gaining a reputation as the “go to” solution regionally, nationally and internationally.

Sonic Lolly garners brand recognition using online marketing (website presence/promotion, Facebook/other social media networking and search engine optimization techniques) and a bi-annual “sampler” that is electronically distributed to a global network of music supervisors. This sampler contains examples of work created and targeted to specific applications – film and television, advertising, recording artists, music publishers. Sonic Lolly is planning workshops and education programs regionally to expose its expertise, services and facility to potential artists and clientele. Sonic Lolly also benefits from an effective “word of mouth” network that is intrinsic to the music business.

To date Sonic Lolly has not been directly aided by any government agency or funding program. However, they have benefited from guidance and advice from the regional Trade Start Advisor from SWDC.

Incentive programs which aid in employment strategies (subsidies etc.) and facility/“plant” expansion and growth are two areas that would assist in furthering Sonic Lolly’s business.
CREATIVE INDUSTRY BUSINESS PROFILE 4: JACK IN THE BOX

BACKGROUND
Jack in the box is a holistic Marketing and Advertising agency based in Busselton. Established in 2000, the agency provides services across core areas of Strategy, Design, Advertising and Digital. Employment has steadily increased from 3 in 2000 to 9 in 2013 with a peak in 2008 of 10. Though, growth in revenue, employment and exports over the last three or five years post the GFC has been significantly slower than the nine previous years. The agency’s director, Scott Robinson has won two WA Business News 40 Under 40 Awards. Over time, the business has mastered the disciplines of marketing and believes in the progressive process of leading the way rather than following. The business has set about creating concepts which are ahead of their time, and uses this knowledge to craft solutions to complex data requirements. The business facilitates workshops, especially on-line courses to equip small business with the ‘know how’ in internet marketing. Twelve years ago, the business identified Busselton (and the South West) as a future hub for doing business as it offered a quality lifestyle for its existing and potential employees, and was a thriving precinct surrounded by tourism, industry and infrastructural growth.

PRIMARY MARKETS
Primary markets of the business include the South West Region, Perth and the Southern corner of the State (South West/Great Southern Region). The remaining market is obtained from the Eastern States. No export markets have been developed at this stage.

ENABLES AND FUTURE CHALLENGES
All Jack in the box personnel are highly skilled and most have worked internationally as well as in the major capital cities of Australia, New Zealand, England and Europe, promoting revolutionary thinking and futuristic marketing. The business has invested in a ‘cloud’ style operating system, allowing personnel to work remotely and access facilities from any location.

The company has an overall long term strategic plan as well as a yearly plan for both company direction and online activity. The diversification of the business has helped the business sustain income in testing conditions, and change its focus with a change in market conditions.

Nonetheless, the business struggles with clients who are slow to accept working with a business in a remote setup and realising the advantages that can be gained from working with a boutique agency rather than a traditional agency and design studio.

It also advises that most government policies appear to be directed at, and consequently, impact industries outside of the creative circle. Technology is a key driver for many (if not all) of the creative industries and with rising demands on how technology can be used, there doesn’t appear to be much focus on ways to assist the industry.

The business also finds that student training in the region is not up to standard, and it invests between 12 and 18 months training young individuals consequently, the business has steered away from hiring young employees. The government could perhaps assist in promoting apprenticeships in the creative sector during initial months by providing vital ‘real world’ education to these young Australians as well as providing a new resource to the organisation. Having a diverse group (including young people) is vital to the culture of a dynamic organisation such as the one that exists in Jack in the box. It’s also fair to say, that most young people find it difficult to gain employment without experience. Providing them with an apprenticeship to gain that experience would lead to higher success rates within the industry and encourage more young people to develop higher levels of skills.
CREATIVE INDUSTRY BUSINESS PROFILE 5: MCG ARCHITECTS PTY LTD

BACKGROUND
Established in Bunbury in 1998, MCG Architects (MCG) enjoyed steady and positive growth from a sole practitioner office to a Practice of six architects, an interior designer and two administration staff. In addition to continuous success and achievement in the Government sectors, MCG have established a strong reputation for high quality commercial developments, with a particular skill of maximising site potential and consequently return on investment.

PRIMARY MARKETS
MCG have managed to secure significant contracts and commissions for notable projects throughout the region. To date the Practice has serviced more than thirty Local Authorities across the State procuring Libraries, Community Centres, Shire offices and many Sport and Recreation facilities. They have been continuously supported by business support agencies and organisations such as:

- South West Development Commission
- Bunbury Chamber of Commerce and Industries Inc
- Leschenault Small Business Centre

Since 2005 MCG have also been members of the State Government Architectural Services Panel. Through this Panel MCG were awarded fifteen Primary School projects under the Federal Government’s Building the Education Revolution (BER) programme and more recently an $11 million new Primary School at Treendale in Australind.

CHALLENGES AND ENABLERS
MCG has seen steady increase in revenue each year. The GFC had a small impact, with some projects put on hold, however, the broad spread of markets covered by the Practice, along with strong relationships and reputation in the Local Government sector helped it to maintain performance. MCG credit the BER programme with saving, and creating new jobs in the sector.

MCG’s point of difference is its ability to literally ‘fly in’ to local communities: the founder and director, Michel Greenhalgh, holds a Private Pilot’s Licence. Much of the local government work was won because of the efficiencies and economies of time achieved through this “Rural Flying Architect Service”.

MCG see great growth potential throughout regional WA and particularly in the South West, evidenced in the increasing project size, quantities of enquiries and sophistication of clients. A major catalyst for this will be the development of the Busselton Airport into a national and international gateway, leading to the South West and in particular Bunbury, becoming a serious commercial ‘hub’. Other initiatives that will promote growth in the region include the ‘Super Towns’ program, a fast train from Perth to Bunbury and the potential for a container terminal at Bunbury Port.

Population growth in the region promises increased demand for public infrastructure and facilities, and the refurbishment of existing facilities. More commercial and retail space, higher quality offices and more sophisticated medical facilities will also be required, contributing towards new and bigger capital works projects and creating jobs throughout the building and supplies industries. In anticipation of further growth, the practice has recently increased its office size.

A major challenge for MCG and the sector generally is the difficulty in attracting skilled staff, compounded by perceived underinvestment by the State and Federal Governments in professional development (PD) in the region, relative to other industries (such as the medical or construction sectors). MCG would like to see more innovation in PD program support for their sector, such as offering web-streaming courses or a subsidy towards travelling PD sessions to minimise travel costs to Perth.
Summary

Creative industries are indeed acknowledged as significant contributors to regional and national economies around the world. Such is the might of these industries, that governments around the world, especially in the newly industrialising world of Singapore, China and elsewhere in East Asia, are looking to creative industries to drive future growth of metropolitan economies (Wong and Gao 2008).

Consequently, it is important that their contribution to economic activity is accurately measured, which can help policymakers and industry professionals to communicate key concepts, share reliable data, and make the case for greater investment in this sector.

This section reports on the methodology used by this report to estimate the economic impact of the creative economy to the South West Region of Western Australia. Additionally, it identifies the different types of benefits that a prospering creative industry confers on a region; supporting SWDC’s advocacy efforts for more funding for the sector.

4.1 A purpose built South West Region input output model

In order to measure the contribution of the South West Region’s creative economy, this report has used input-output tables (IO tables) published by the ABS in 2012. IO tables provide a means of undertaking detailed analysis of the process of production and the use of goods and services (products), and of the income generated in that production within an economy. These tables provide detailed information about the supply and use of products in the Australian economy and about the structure of and inter-relationships between Australian industries. The published tables in 2012 contain data pertaining to 2009.

The IO model structure has been incorporated into national accounting in many developed countries, and as such forms an important part of measures such as Gross Domestic Product (GDP) and Gross Regional Product (GRP). Most published studies which measure the economic contribution of industries to local and regional economies make use of such tables. Consequently, this report has followed an industry standard procedure to measure the contribution of creative industries.

SGS prepared a purpose-built IO model to assess the economic contribution of creative industries to the South West regional economy. SGS has developed a methodology to scale these tables at the regional level using published guidelines. In doing so, SGS has utilised the latest available localised data (including industry value added components as reported in Australian Bureau of Statistics State Accounts publication, population, and also industry structure to customise the IO model in order to model...
industry inter-linkages for state, statistical district (SD) and local government area (LGA) study area geography.

The IO model produces multipliers, which capture the amount of additional economic activity that is generated from an initial economic stimulus such as a new infrastructure, policy changes, a new or existing business or even an entire industry sector. It is the multiple of this economic stimulus that will result in the overall effects.

These multipliers are used to calculate the ‘direct impact’ and ‘indirect impacts’ (also known as the “flow-on effects”) of an economic stimulus. The ‘indirect contribution’ to the economy of the initial stimulus exists because the initial economic stimulus will require purchases of inputs from suppliers who would in turn spend those dollars on their inputs from other supplying sectors in the economy, and so on.

This relation is illustrated in the image below. As shown in the diagram, the indirect impacts/effects can be disaggregated into ‘production induced effects’ and ‘consumption induced effects’. In order to understand this, consider Company A that spends money on its suppliers and its employees. The indirect effect of Company A relates to the benefits to the economy (or additional economic activity) as the company’s suppliers utilise their earnings from Company A to spend on their suppliers and employees etc (known as production induced effects) and secondly as company A’s employees spend their wages on businesses who in turn spend on their suppliers and employees (known as consumption induced effects).

The direct and indirect impacts are aggregated to estimate the overall economic impact of an industry.

4.2 Economic impacts defined

Each creative industry’s initial effect and its flow-on effects (as described above) are expressed in terms of impacts on regional turnover/revenue, value added (gross regional product) and exports. While these measures describe how these effects are manifest in an economy in different ways, they are not cumulative or additive. Each type of economic impact considered is described as follows:

- **Turnover/revenue** refers to the value of total sales of goods and services produced in the economy by creative industries in the South West Region. That is, the value of goods and services that are produced or induced by the Region operations using a combination of factor inputs, including imports. For example, the sales price of software produced by the software industry is the value of the ‘output’ counted in the local IO table. This sales price includes the cost of any hardware, software or other production inputs used in the production process which have been imported from suppliers external to the local economy or from local suppliers.

- **Gross Regional Product (GRP) or value added** is the equivalent of net output and refers to the creative industries contribution to the value of all goods and services produced in the regional economy less imports and inter-industry supplies of non-labour inputs. Put simply, this is the
difference between the value of final goods produced minus the cost of buying in raw materials and intermediate goods. Using the example of software production, the GRP or value-added is the sales price (value of output) minus the cost of development software, hardware and other non-labour inputs used in the software production process that have been sourced from outside the local economy.

- **Exports** are the value of all inter-regional creative industry exports, that is, exports to other localities in Western Australia, interstate and overseas.

**Key Qualifications**

It is prudent to understand some of the limitations of using an IO model.

First and foremost, the revenue and GRP estimates produced by the table for a particular region are an industry average for that region. Particular businesses in the region may be generating either more or less revenue and utilising either more or less raw materials compared to the industry average benchmark shown by this table. Without a thorough survey of actual businesses in the region, which was beyond the scope of this report, it is difficult to estimate actual revenue of these firms. Having said this, utilising IO models is an established method of measuring output of industries in particular regions. Moreover, entrepreneurs are unlikely to provide a true estimate of their revenues for disclosure reasons even when asked, consequently making a survey based technique to gather such data highly unreliable.

Secondly, IO model assumes that relationships between industries are static. That is, productivity improvements are not factored in and historic relationships are assumed to hold. Additionally, this approach does not account for any ‘underutilised capacity’ at the industry level or additional economies of scale that might ensue, as production expands from its existing base. Consequently, the productivity relationships and underutilised capacity observed in 2009 by the national IO tables are assumed to hold by the analysis undertaken in this report.

As a result of these shortcomings of using these tables, the estimates shown in this report are approximations at best. Nonetheless, the results generated are not undermined to the extent of being unfeasible.

**4.3 Estimated contributions**

Headline contributions made by the creative sector to the South West Regional economy are reported in Figure 14 below, while Figure 15 presents these contributions by various industry segments.

The creative sector contributes $306 million to the South West regional economy and indeed the Western Australian economy annually in turnover. It adds almost $150 million in gross regional product (i.e. regional value added) and helps generate exports of $70 million dollars annually.

Put another way, if employees in creative occupations and creative industries in the South West Region were removed, the state (not only the region) stands to lose annual exports of $70 million, and annual gross state product amounting to nearly $150 million.

Over and above this contribution, the creative industry in the South West Region employs many volunteers, whose contribution is not included within these estimates, as an exact magnitude of these volunteers is unknown. Given that this is not paid employment, imputing a value to the volunteer hours generates additional economic contributions.
Like with employment, the major contributors to industry revenue are architecture, design & visual arts firms followed by publishing firms. Firms in the film, TV & radio industries segment also contribute substantially towards the regional turnover.

Interestingly though, the publishing industry seems to contribute the highest towards regional value-added closely followed by architecture, design & visual arts. That is, publishing generates more value (net of raw materials utilised) compared with architecture, design & visual arts. The software & film, TV & radio segments also contribute substantially towards regionally value-added.

Creative employees embedded in other industries segments (especially manufacturing and mining) help generate more than $20 million in gross regional and gross state product. Importantly, these employees help generate exports exceeding $45 million.

These exports constitute both regional as well as international exports. Consequently, they include exports to other creative and non-creative industries in Western Australia. These exports consequently support the operation of other creative industries in Western Australia, including those in Perth.

South West Region’s creative industries also import $48 million of goods and services from other regional and international markets. In doing so, they further support industries and businesses in other Western Australian regions, including Perth.

Simply put, it is not only businesses in the South West Region which are reliant on creative industries of the region, but others too in other Western Australian locations.
FIGURE 15. CONTRIBUTION BY CREATIVE INDUSTRIES SEGMENTS AND OTHERS

Source: SGS Economics & Planning calculations based on customised Input-Output table.
4.4 Flow-on benefits

The direct stimuli generated by the creative sector (i.e. the direct revenue, gross regional product and employment), result in multiple rounds of buyer and supplier transactions as explained in the aforementioned section. Consequently, the total contributions of the creative sector extend beyond just the direct stimuli.

Table 4 below indicates the magnitude of the flow-on contributions of the creative sector, compared with regional multipliers consolidated for all sectors.

These data show that every dollar in turnover generated by the creative sector (i.e. initial revenue stimulus) results in total revenue for all other industries in the regional economy which is 2.3 times higher than the initial stimulus. Similarly, each dollar in gross regional product generated by the creative sector results in an uplift in total regional value-added by all industries by a factor of 2.4. Finally, each creative employee supports total employment in the region which is 2.4 times the creative workforce.

Importantly, the flow-on contributions of the creative sector are as large as all other sectors taken as a whole. Put simply, the magnitude of entrenchment of the creative sector in the South West Regional economy is nearly as much, if not more, compared to all other sectors of this economy.

**TABLE 4. TOTAL CONTRIBUTIONS (DIRECT + FLOW-ON CONTRIBUTIONS) BY SECTOR**

<table>
<thead>
<tr>
<th></th>
<th>Creative sector</th>
<th>All sectors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue multiplier</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td>Gross regional product multiplier</td>
<td>2.4</td>
<td>2.4</td>
</tr>
<tr>
<td>Employment multiplier</td>
<td>2.4</td>
<td>2.5</td>
</tr>
</tbody>
</table>

Source: SGS Economics & Planning calculations based on customised Input-Output table.

Based on these estimations, the total contributions that the creative sector makes to the South West Region and indeed the Western Australian economy amount to:

- $702 million in total revenue;
- $357 million in Gross State Product (GSP); and
- Support for nearly 2,700 employees.

4.5 Comparative profile

A comparison of the value created by each employee of the South West Region’s creative economy vis-à-vis other Australian and international locations is presented in the figure below.

This comparison reveals that each creative worker in the South West Region adds more value than his/her counterpart in compared locations, including Perth and indeed other world renowned international creative locations. In turn, this finding implies that these workers in the South West are more productive compared with their counterparts elsewhere.

It is important to bear in mind though that value-added measures the salaries and wages as well as gross operating margins paid to employers & employees. Australia in general has a higher wage profile compared to international locations because of its relative isolation from rest of the world. Consequently, Australian workers earn higher wages compared to these international locations, which in part reflects their higher productivity, but also in some sense, reflects current labour market conditions (i.e. low unemployment rates and inability to substitute labour resources from elsewhere).
The degree of automation and use of capital instead of labour is perhaps another factor explaining the high different rates of Gross Regional Product between the South West and other compared locations. The more automated process are, the less the human effort and higher the labour productivity. Given that the Region is dotted with high technology using industries, such as Architecture, web design, film productions, it would indeed be the case that each unit of worker is associated with a very high unit of capital which enhances the estimated productivity, as against musicians or artists who are more predominant in comparator locations, and who do not have as much capital that they work with.

**FIGURE 16. GROSS REGIONAL PRODUCT PER EMPLOYEE IN THE CREATIVE ECONOMY, AN INTERNATIONAL COMPARISON**

![Figure 16](chart.png)

Source: SGS Economics & Planning calculations based on customised Input-Output table.
Notes: the value-added per worker data from other studies pertaining to different locations and years were adjusted for inflationary and wage increases experienced over the tears.

4.6 Additional un-quantified benefits

Apart from the contributions of the creative economy highlighted above, there are other society-wide benefits of the industry to the region (and indeed the state-wide economy) which were not quantified as they fell beyond the scope of this study. These potential additional unquantified benefits are as follows;

- **Skills development**: For the artist, cultural projects and community groups, the opportunity to run a small business grants exposure to a wide range of business management and leadership skills. These could include, but are not limited to: creative and technical skills; general business management skills; sales and accountancy skills; and human resource management and coordination. This 'on the job' training presents savings if compared with formalised skill training sessions, representing a benefit to participants.

- **Improved Brand Value and Enhanced Tourism Visitation**: In fostering and encouraging artists, cultural projects and community groups, the South West Region distinguishes itself within the state as a centre for the arts and artistic communities. This creative element is a strong attraction, both
for tourism and in promoting investment in the region. Exhibitions, fairs, events and concerts hosted by the South West Region attract visitors from far and wide. Provision of spaces within the region and an attractive calendar of events acts as a magnet for visitation. This enhances the ‘brand value’ attached to the South West Region, consequently leading to higher visitors to the region and their associated higher expenditures within the region.

- **Social Inclusion and Identity**: Creative spaces provide a place for social cohesion, pride and networking - for both practitioners and patrons - creating stronger, healthier and more engaged individuals. These foster local identity and a focus for connecting with communities and institutions for strengthening the community.

- **Volunteering**: Participating in group projects fosters networks that create social capital. Community inclusion by volunteers and workers strengthens community resilience, cultural capital, communication, and the mental health of both volunteers and participants. Volunteer opportunities contribute significantly to community cohesion by building resilient communities and social capital. An increase in productivity could occur due to engagement in the workforce for adults (volunteers) who would otherwise be permanently disengaged. These volunteer opportunities enhance the overall social capital of the location/ suburb and may provide stimulation, enjoyment and fulfilment for individual volunteers. In addition, volunteer engagement generates resource savings for projects and society as volunteers’ work enhances the productive capacity of the location/ project without any financial outgoings. These are costs that society would have otherwise incurred had it not been for the volunteers.

- **Consumer surplus**: Consumer surplus captures the difference in the amount that consumers are willing to pay to consume a product and the prevailing market price. Consumer surplus is represented by the area under the demand curve for an industry’s product and the market price. In cases where the consumer’s willingness to pay exceeds the market price for the creative industry product, the consumer enjoys a surplus, which is not captured in the analysis presented above. For example, ‘free’ music concerts and events organised by various councils in the Region result in a positive utility to consumers and patrons, for which they may be willing to pay, but are not required to, thus resulting in a positive ‘consumer surplus’.
5 LESSONS FROM ELSEWHERE

Summary

This section reviews selective case study examples from Australian and overseas jurisdictions, of successful models/projects, transitioning from traditional industries to thriving economies (including creative economies). The objective is to identify the necessary pre-conditions for this transition, and the elements necessary to sustain a growing creative economy.

5.1 Selected case studies

A range of case studies have been selected and reviewed to gain an appreciation of growth of successful industry clusters, including creative industries clusters; what has led to their creation, conditions supporting their growth and the policy levers being used to support them. The case studies were chosen to understand the opportunities and successes of these clusters.

The information in the review of this literature informs the following sections dealing with:

− Necessary pre-conditions for transition;
− Necessary conditions for supporting growth; and
− Required government levers.

Included in the summation of this review (presented in sections 5.2 and 5.3) is recommendations from two papers which identify trends, drivers, and lessons relating to the advancement of creative industries.

It is important to bear in mind that these case study locations are different to the South West Region in population density and their proximity to other capital cities and centres of creativity. Consequently this report has not made any recommendations based on these case studies alone. The recommendations are indeed based on profiles of South West Region creative businesses shown in section 3.2 of this report, and the extensive consultation that we had with creative practitioners of the region and also with local, regional and state government agencies.

Rather, the purpose of presenting case studies in this section is to highlight the role that governments across the world play to help regions transform into successful creative places and sustain the creative element over time. These lessons can provide a guide to the type of role that all levels of governments in the South West Region may need to consider adopting, to support a thriving creative economy over the medium to long term.
**Austin City Texas - USA**

Austin is named by Richard Florida as the second most creative city in the USA (after San Francisco). The value of the creative sector has increased by one third from 2005 to 2010, and employment by 25% over the same timeframe (compared with 10% for all industry sectors). From growth in the music industry in the 1970’s around the University of Texas, the sector also includes film, gaming and the visual arts.

A key economic benefit of the creative sector to the city is attributed to tourism, particularly associated with festival related activity.

The city also has a strong not-for-profit cultural sector which is considered as being very important to enhancing quality of life, and creative energy.

**Growth Drivers of the Industry**

Both local and state governments offer a range of financial incentives for the creative industries. The state sponsors the Texas Moving Image Incentive Program which covers part payment of up to 17.5% of eligible spending within Texas, or up to 29.3% of wages paid to Texas residents. The city pays an incentive up to 7.5% for TV commercials filmed in Austin and 15% for video game companies. Creative industries can also benefit from development franchise taxes of up to 50% and capital investment credits of up to 7.5%, and beyond if companies undertake R&D in the region. Write-offs on rates for several years can also be negotiated.

The city also invests significant funds in extensive branding and promotion of venues as well as through the Austin Convention and Tourism Bureau, including specific commercial initiatives for venues such as Austin City Lights. The ‘Austin City Limits’ television program has a long history of promoting live music in Austin to the country and has inspired the ‘Austin City Limits’ music festival held over two weekends. The city hosts the South by South West festival, which is a unique combination of sectors showcasing innovations in the technical, business, film and music industries.

The tertiary education sector offers a range of creative courses including in digital media, game development, visual communication, and interactive games.

Studies have also acknowledged the interconnectedness of the creative industry sectors, and the need for a strong brand identity in order to stand out in an increasingly crowded market and social network.

Austin in fact will be the second city in the USA to receive the ultra fast Google Fibre broadband network by mid-2014. It is anticipated that this will drive innovation and pressure phone and cable companies to improve their networks.

In 2009 a Cultural Master Plan (CreateAustin) was published which among other things recommended to: (i) establish a CreateAustin Leadership Task Force to assist in implementation of the Cultural Master Plan; (ii) form a community based Creative Alliance (supporting networking and collaboration); (iii) forge partnerships between the creative community and universities/colleges; (iv) increase business development and technical assistance services; (v) develop affordable and accessible cultural space of all types; and (vi) develop a creativity teaching and learning project.

**Key Lessons for South West**

This study highlights the following lessons for the South West Region:

- the need to take a holistic view of creativity and approach to supporting policy development for the sector.
- the need to have a strong calendar of events and marketing the wares of creative practitioners to local residents and in other locations.
- the need for providing a range of fiscal and other financial incentives to help the industry grow.
- the need for coordinated efforts on the parts of various local and state government organisations as well as educational institutions to support the industry.
- the need for appropriate infrastructure (especially, communications infrastructure) for the sector to develop to its full potential.
Wellington’s Creative Industry Boom – New Zealand

Wellington has a reputation of being the ‘creative capital of the nation’. The city is home to national museums, ballet, opera, orchestra; a range of other cultural facilities; and a wealth of private cultural enterprises of varying scale. It is also worth noting that Wellington, being the capital of New Zealand benefits from a focus on investment in the creative industries and government associated business in the creative sectors (e.g. graphic arts, web design, communications).

The city has a vibrant film and theatre industry, with the best known participant being Peter Jackson, with his WETA studios, and production of the Lord of the Rings Trilogy, King Kong and The Hobbit.

Benefits for the Host Region
Because of the presence of the film industry in Wellington, New Zealand has gained a reputation for having a high level of skilled film industry workers, leading technology, and access to a range of film locations, which has led to subsequent features including the Hobbit.

Growth Drivers of the Industry

Wellington has two inner city universities which support the education of creative workers and innovation. Specific creative education includes the School of Computer Graphics (Victoria University) and the Creative Technologies Diploma (WELTEC).

Financial support from the Government for the film industry is strong, including: (i) production financing of up to $2 million for locally produced films; (ii) up to $750,000 for documentary makers via a Joint Documentary Fund; (iii) up to $2.5 million for film production via the Screen Production Incentive Fund; and (iv) 15% cash grant on film production expenditure via the Large Budget Screen Production Grant. The New Zealand government considers such incentives provide good value for money, encouraging local spending, employment, international exposure, and tourism.

The government has also introduced laws to protect Peter Jackson’s companies from union action.

‘Grow Wellington’, the economic development agency for the region, identifies some creative sectors as priority (with the aim of doubling the revenue of this sector from 2010 to 2020). The agency highlights the range of innovation and creative thinking in the area with a range of online case studies of successful creative business enterprises.

Importantly, ‘Film Wellington’ (a branch of Grow Wellington) offers a free service to film producers (local and international) to support their activities including sourcing locations and obtaining necessary permits.

‘Grow Wellington’ also offers other support services including: (i) assisting entrepreneurs in getting innovative offerings to market; (ii) facilitating an innovative environment; and (iii) engaging with a range of agencies to encourage innovation.

The focus for the digital, creative, and services sector under this suite of initiatives includes the development of an investment fund, working closely with educational institutions to better service industry needs, and development of a business case for a digital innovation concept (based on the very successful ‘start-up house’ concept in San Francisco). There is also a focus on incubation and acceleration services for digital start-up firms.

Key Lessons for South West

This study highlights the following lessons for the South West Region:

– the need to highlight creative success stories in the local and regional markets, and assisting businesses with marketing, adopting innovative practices, and technical/ business development skills.

– the need for providing a range of fiscal and other financial incentives to help the industry grow, including establishment of dedicated funds for sector specific activities.

– the need for coordinated efforts on the parts of various local and state government organisations as well as educational institutions to support the industry.
“Creative Brighton”, Brighton and Hove - UK

Brighton and Hove is the “creative powerhouse” of the south eastern region of England, with the biggest cluster of creative industries and businesses outside of London. Almost one in five businesses in the city reside within the “creative economy”, defined similarly to the ABS categories as including: ‘advertising, architecture, art and antiques, computer games, crafts, design, designer fashion, film and video, music, performing arts, publishing, software and TV and radio’ (LGID 2009).

In the five years to 2011, the creative industry sector in Brighton and Hove grew by 5% (making it the fastest growing business sector).

GROWTH DRIVERS OF THE INDUSTRY

The local government supports the development of this sector through a number of targeted strategies aimed at raising the profile of the sector, as well as facilitating better networking and long term development. Key activities included:

- **Supply of inexpensive studio space** for artists and games companies when the creative boom began.

- **Building the information base and profile** of creative industries by auditing creative industries, and commissioning of the creative industries workspaces study to establish baseline statistics and forward planning targets. The sector is promoted as a key employment sector in both local and regional economic strategies.

- **Creation of a dedicated staff role** within the local government authority for the creative industries to facilitate long term strategic planning and ensure ongoing advocacy and mainstreaming of the needs of creative industries in policy and strategic documents.

- **Formation of ‘Creative Brighton’**, an independent partnership group for the local creative industries sector providing ‘independent and arms length sector-led vision, advocacy and dialogue’.

- **Place-making initiatives** through the locating of a ‘cultural quarter’ in an area of Brighton with a significant concentration of creative industries and development of the ‘Brighton Media Centre’, initially to house ‘Lighthouse’ - a digital media production, exhibition and training facility. The Local Strategic Partnership and Economic Partnership program was also seen as instrumental in developing and maintaining the ‘economic partnership’ approach and underlining the importance the city places on culture. The local authority reported that the public face of the city was ‘revitalised’ through the forward planning and investment place making activities, including investment in the seafront and cultural assets.

- **Lobbying for resources and support** for the sector from the national government, including for the refurbishment of key cultural buildings. In fact, this has led to the recent announcement by the European Union of £650,000 in funding for the sector to be used to provide workspace, and the use of empty retail space for showcasing creative work. Similarly, Brighton Fuse was recently funded by the Arts and Humanities Research Council as “a two year research and development project” to map, measure, and assist Brighton’s creative, digital and IT (CDIT) cluster.

- **Business development and support services**, including free business clinics to provide local enterprises with face to face review sessions with a business link advisor.

The **University of Brighton provides not only technical but business management skills**. It developed a business research program called Profitnet which provides business training and strategic advice for 500 small and medium sized enterprises, with regular forums and meetings to focus on productivity and profitability. The program allows businesses to learn from each other, and also from the expertise of the University, and offers on-line support between face to face sessions.

Venture capitalist support for the industry is also strong, with regular face-to-face meetings held in Brighton between creative practitioners and capitalists.
KEY LESSONS FOR SOUTH WEST

This study highlights the following lessons for the South West Region:

- the need for providing a range of fiscal and other financial incentives to help the industry grow, including lobbying for state/national government support and facilitating discussions with other private funding sources.
- the need for ongoing partnerships and support groups for business to work together and leverage support and funding for the creative industries.
- the need to invest in providing dedicated and affordable creative spaces and invest in improving the amenity of the city/locales using place based initiatives.
- the need for a dedicated local government personnel to support planning and development for the creative industries.
- the need to invest in not only technical education, but in teaching business practices and management skills.
- the need to highlight creative success stories in the local and regional markets, and assisting businesses with marketing, adopting innovative practices, and technical/business development skills.
North Rhine-Westphalia - Germany

This area is dotted with small and medium sized enterprises as well as large enterprises alike. Some of the bigger companies including Bayer, Bertelsmann, Deutsche Post DHL, Deutsche Telekom, E.ON, Metro, Rewe, RWE and ThyssenKrupp. The area has seen a significant increase in innovation and creativity, supporting the traditional sectors of the economy. The predominance of services has grown markedly with the sector experiencing a growth in share of total gross value-added increase from 42% in 1970 to reach 70% by 2011. Important servicing industries include those classified as creative industries (biotechnology, ICT, innovative materials, media, Microsystems technologies, and nanotechnologies). However there are many traditional sectors where creative workers are adding significant value and keeping these industries at the forefront in terms of innovation and productivity (e.g. automotive, energy, food, and logistics).

Growth Drivers of the Industry

North Rhine-Westphalia (NRW) is known as a significant area for technological research including 69 universities, and a range of research institutes (e.g. medicine, aerospace, and technology), and business incubation centres. There are 48 technology and business incubation centres providing firms with professional infrastructure facilities and networking with a range of potential partners. There are also 30 ‘technology transfer units’ which support the transition from academic research to business enterprises.

NRW has a strong marketing brand; ‘Germany at its best’, which highlight the achievements of the region, including the area ranking as (i) Germany’s No. 1 investment location; (ii) host to the most foreign investors in the state; (iii) largest economy in Germany; (iv) home to the world’s largest inland port; (v) largest trade fair venue in the world; (vi) hosting the densest research network in Europe; (vii) Germany’s most important logistics location; and (viii) helping achieve top industry, science and research results.

Robust government financial incentives have has also supported growth of the sector. The region receives several cash incentives, investment grants and allowances, with the film & TV segment enjoying other special incentives including tax breaks. For instance, the European Union and the German government have collaboratively supported a $100 million film production/ studio complex in the region.

Key Lessons for South West

This study highlights the following lessons for the South West Region:

- the need to acknowledge the predominance of creative talent in sectors beyond traditionally identified ‘creative’ sectors of arts and music. Creative is entrenched in most traditional industries too, and is helping these industries innovate and transform.
- the need for specific financial incentives for growing sectors of the region, and to lobby for state/ national government support.
- the need to advocate to practitioners and government for strong integration with R&D, and lifting the technology capacity of the sector, which can then aid other traditional sectors of the economy transform.
- the need for tertiary institution support both directly in education, but also in research and business development.
- the need for entrepreneurship development programmes, and other forms of investment and support for the successful growth of the creative industries (especially from a smaller base).
- the need for ongoing partnerships and support groups for business to work together and leverage support and funding for the creative industries.
- the need to highlight creative success stories in the local and regional markets, and assisting businesses with marketing, adopting innovative practices, and technical/ business development skills.
Bristol – UK
Bristol is described as part of the ‘golden triangle’ of creative centres along with London and Manchester.

**BENEFITS FOR THE REGION**
According to the Bristol Local Economic Assessment of March 2011, the highest proportion of local businesses is in creative industries (12.3% of the total). Creative industries have also been one of the major engines of economic growth over the preceding 10 years, lifting Bristol to national and international prominence.

**GROWTH DRIVERS OF THE INDUSTRY**
The creative industries sector in Bristol has good relationships with the local universities.

A number of specific initiative projects in the creative space have been undertaken in Bristol recently, which are profiled below.

*Watershed*, a key creative industry organisation in Bristol, is a multi-faceted hub offering physical collaboration and exhibition space, an online hub for sharing creative content, and a specific not-for-profit company which encourages creative work utilising a digital component.

*Watershed* began in the 1970’s as an arts centre with a focus for British Film, and in the early 1980s it moved to a heritage building supported by a partnership of the British Film Institute, JT Group, and Bristol City Council. The focus was on media, particularly film and photography. It provides space for creative exhibition and research, cinemas, and café/bar. It supports a network of over 100 artists, technologists and academics exploring the future of mobile and wireless media.

It delivers a diverse cultural program; a strong level of public engagement; audiences and participation are at the heart of the organisation. Watershed seeks to facilitate collaboration, combining creativity with technology and utilises a combination of physical and online presence.

*iShed* began in 2001, and evolved with the advent of digital technology and the capacity to share a huge amount of digital media online. It is described as an “online showcase of creative work” (and also acts as an archive for that work).

*iShed* began in 2007, and is a community interest company delivering cultural brokerage by connecting organisations, knowledge and research through collaborations. *iShed* includes a research studio, a creative industries commissioning scheme, and commissioning for theatre companies with a focus on the use of digital technologies.

*Bristol Creatives* is an organisation which is aimed at connecting creative workers and marketing their offerings through a common internet portal. It was initially supported through government funding but now relies on a subscription service to be self-funded.

**Funding for these initiatives is supported by a number of local and state government sources** including: Arts Council England; Bristol City Council; Europa Cinemas; University of West England; The British Film Institute; Creative England; and TLT LLP (top 100 UK commercial law firm specialising in technology and intellectual property).

**KEY LESSONS FOR THE SOUTH WEST**
Bristol provides an example of supportive structure for creative industries, particularly in film and visual arts where the South West also has a significant strength. This shows the potential success of public and private sector partnership and the successful impact of public funding.

It also provides an example of how the South West could provide an on-line presence/showcase for creative industries and do this in conjunction with an affordable physical space which could provide not only a forum for creative talent, but also for research and collaboration.

Finally, it underscores the impact of collaboration of practitioners and supporting sector specific initiatives, which bring creative practitioners together and provides them an outlet to explore their joint strengths.
Creative Economy Association of the North Shore - USA

The Creative Economy Association of the North Shore (CEANS) is a leading creative economy agency in the United States of America located on the north shore of Massachusetts. CEANS started from a task force initiated by Salem State College, which initiated studies on the creative industries in the region; seeking expert advice; approach to, and involvement of local government leaders; action planning; and organising a regional creative industries conference. While initially funded by State grants, the group has moved to membership based funding as a largely self-funding model. Additionally, the Salem State College hosts an Enterprise Centre which is a small business incubator and virtual centre for entrepreneurs in the area. The Enterprise Centre is self-supporting, with most funding through leasing of space, which is complemented by grants and sponsorship.

The area has a significant export focus (almost half of the customers are outside of the area). Just over half of the creative enterprises are in design (including computer systems and software), business and management consulting, engineering/R&D, artists, and advertising.

GROWTH DRIVERS OF THE INDUSTRY

CEANS stresses the importance of lifestyle amenity, combined with access to ‘big city’ energy. One of the key initiatives is ‘bumping’; an active form of networking that results in collaboration and business to business synergies.

A number of initiatives have been suggested recently as part of the North Shore Creative Economy Market Analysis and Action Plan for advancing economic development outcomes via leveraging creative energy. These actions are briefly described below.

Regionalisation Strategy: the focus is on involving a broad range of stakeholders, including regional organisations, local areas and educational institutes throughout the region, in planning for and supporting the development of creative industries. This strategy also includes the action of hiring a “professional program director” responsible for implementation and co-ordination.

Convergence Strategy is focussed on consolidating the benefits of the industry cluster, by encouraging businesses to interact, and creatively collaborate. This is to be done by promoting networking, events, new initiatives, and competitions, at physical centres as well as virtually, with a physical centre being a longer term goal.

Support and Development Strategy, focused on expanding capacity through greater knowledge sharing, management skills, training (including appropriate college training and curriculum), workshops, and supportive public policies. Part of this strategy is to improve access to capital and financing through the creation of a financing guide, particularly aimed at creative industries, and about supportive land use controls, use of public space to showcase creative output, branding/signage/marketing of the creative aspects of the region, and events and programs.

Marketing Strategy, which aims to develop recognition of the area as a creative industries hub, through marketing, communications and branding.

KEY LESSONS FOR THE SOUTH WEST

CEANS provides an example of a community based organisation (although starting from an educational institution base) which has the ability to promote creative industries.

The current clustering of creative industries in the South West could benefit from an industry led action group which in turn is supported by education providers and government agencies. Like CEANS, such a group could support research, collaboration, strategic actions and potentially physical facilities (e.g. Salem Enterprise Centre) to foster creative business development. Key outcomes of the CEANS network which would enable creative industries in the South West are co-operative action (e.g. marketing, regional co-ordination, mutual support, and collaboration).

Finally, the necessity for appropriate lifestyle benefits and maintaining land use controls cannot be underestimated.
Eastern and Northern Ontario - Canada

This region includes the major centres of Toronto, Montreal, Ottawa, and Kingston, which are collectively supported by small and medium sized businesses in surrounding rural area responding to increasing demand for ‘original and local place-based products and services’, including those in the areas of information technology, graphic design, food, wine, and hospitality.

Ontario’s ‘creative food economy’ is cited as one success story in this area, which relies on expanding ethnic diversity, demand for niche products and proximity to large markets.

Industry research also indicates that film and TV production generates approximately $2 billion annually for the provincial economy. Ontario’s creative and entertainment sector is the third largest in North America by employment after California and New York, with more than 276,000 jobs.

GROWTH DRIVERS OF THE INDUSTRY

The high amenity and quality of place is a major strength of many small communities in the corridor which, in conjunction with cultural planning efforts, is a key attractor for creative enterprises. Efforts in these regions are consequently focused on enhancing the inherent qualities of environment, combined with providing quality education, affordability and natural amenity to attract creative practitioners.

Recent studies have shown that connectivity of rural areas with major urban centres is a key strategy to address regional imbalance in growth of creative industries. A key opportunity is seen as strengthening the economic ties between the smaller urban centres and rural areas, to the larger urban centres where greater markets, export opportunities and economic diversity exist. Key areas of action to support creative industries in the rural regions include: co-ordination of stakeholders; physical and virtual networking to support collaboration and creativity; support for business development and expansion; building a strong place brand that has the features to attract and retain creative workers; and supporting innovation and new technology in traditional areas such as mining and forestry.

Besides these initiatives, a number of financial incentives are also in place. For instance, on February 20, 2009, the McGuinty government announced changes to make permanent the enhanced 35 per cent Ontario Film and Television Tax Credit and the enhanced 25 per cent Ontario Production Services Tax Credit. The 2009 Ontario Budget announced a $10 million pilot program that would refund a portion of the costs associated with intellectual property development to Ontario companies in the screen-based industries.

Specific initiatives to overcome known challenges for growth of creative industries in the area (including youth out-migration, lack of demographic diversity, and lower tertiary education attainment) have also been suggested. These include: strategic investments and regional partnerships; a focus on the potential of regional areas rather than a negative comparison with metropolitan areas; regional innovation and geographically sensitive policy approaches; and the importance of civic capital to assisting partnerships and collaboration.

KEY LESSONS FOR THE SOUTH WEST

This case study includes a number of predominantly rural areas like the South West, which face additional challenges in developing creative industries. It highlights the following lessons for the South West Region:

– the need for large rural areas to have good connections to larger urban centres, to focus on the lifestyle attractions of rural areas, a focus on local job creation and youth retention, and more importantly, instituting regionally sensitive policies to help integrate creative industries with the mainstream traditional economy.

– the importance of focusing on the particular sense of place which sets creative endeavours apart.
Silicon Valley, California

One of the most well recognised industry clusters in the world is the information, technology and communications industry centred on the southern part of the San Francisco Bay Area, popularly known as ‘Silicon Valley’. The cluster stretches across parts of San Jose, San Francisco and Oakland leading to a large dispersion of employment and firms that are said to form part of this cluster. This industry cluster is significant in its scale as well as scope. Silicon Valley is recognised as being at the forefront for innovation and development in the technology industry.

The creation of Silicon Valley began with the location of the Shockley Semiconductor Laboratory in the Santa Clare Valley, an area previously dominated by agriculture.

GROWTH DRIVERS OF THE INDUSTRY

Entrepreneurs played a leading role in driving the development of the sector, including the founder of Shockley Semiconductor Laboratory, William Shockley, and followed by such industry giants as Bill Hewlett and Dave Packard (of Hewlett-Packard). The ideas and principles of these leaders – along with strong demand for information and digital products - helped to attract new talent and drive investment in the industry.

The success of Silicon Valley lies in its concentration of a highly skilled labour force, competitive environment and institutional links with education providers such as Stanford University. It emerged largely unaided by government intervention – and, initially, regulation - with the emergence of several successful computer technology companies in the area in turn attracting a number of venture capital firms and ‘dot-com’ start-ups into the area.

These firms took advantage of and added to the pool of skilled labour, which in turn acted as an incentive to businesses looking to recruit similarly skilled people. While the scale and scope of this Industry Cluster is incomparable to most examples of industry clustering, it clearly demonstrates the process and drivers of organic cluster development.

KEY LESSONS FOR THE SOUTH WEST

This case study highlights the following lessons for the South West Region:

- the importance and value of creating strong institutional links between creative industries, creative industry clusters and key education institutions.
- linking up creative workers with opportunities for further knowledge development, research funding and avenues by which to spread and promote their work will help to both raise the profile of the region and encourage creative workers to seek out opportunities.
- the need to identify areas of regional strength and competitive advantage, in order to target investment assistance and fiscal incentives in such areas.
The Australian Technology Park was developed in 1995 on the grounds of a former railway and industrial site in Redfern, Sydney. The development was a collaboration between the Government of New South Wales, the University of Sydney, University of Technology, Sydney and University of New South Wales. The Park operates under the control of the Redfern Waterloo Authority, but is wholly-owned by the New South Wales Government’s Urban Growth Development Corporation (UGDC).

The vision was to create a world-class technology precinct, with a ‘campus-like’ environment that would deliver “inspirational leadership, innovation, sustainability and community engagement that embraces our cultural heritage”.

It has been largely successful, with a diverse collection of companies housed there, including science, communications and IT companies. There are also conferencing and exhibition venues. In 2009, Seven Network moved its production operations to the Park.

Since the park’s opening, numerous ads, music clips, photo shoots and filming productions have been filmed within the conference centre at the park, including the 2008 Australian MTV Awards, MasterChef Australia, Junior MasterChef Australia, some parts of Australia’s Next Top Model and the 56th episode of The Renovators.

The technology business accelerators, ATP Innovations and bizCapial, are located on site, offering commercialisation and funding support to emerging businesses in the biotechnology, ICT and electronics sectors.

**GROWTH DRIVERS OF THE INDUSTRY**

The NSW government aimed to achieve creative synergies through the **co-location of researchers alongside companies with the capital and expertise to commercialise ideas**.

The creation of the two business accelerators complemented the locational advantages of the site, by providing **financial and networking support to emerging businesses**.

The **location benefits of the site** were also important considerations for the investment – the site is located less than 10 kilometres from both the Sydney CBD and the Sydney International Airport at Mascot.

**KEY LESSONS FOR THE SOUTH WEST**

This case study highlights the following lessons for the South West Region:

- Government can play an active role in identifying key sites in competitively located precincts for development of industry cluster areas. The agglomeration benefits of co-location are well recognised.

- Development of a purpose-built facility can be complemented by business development support, enabling emerging companies to access the knowledge and start-up finance necessary to see ideas develop to commercialisation.

- Partnering with major institutions assists both in raising capital as well as building important linkages between knowledge creation (research) and commercialisation.
Creative Scotland - Film and Television Cluster

‘Helping Scotland’s creativity shine at home and abroad.’

In the 1950s a series of government funding cutbacks led to the development of the Films of Scotland Committee, a voluntary association aimed at stimulating Scottish film production.

The agency effectively operated as an intermediary that brought together public and private sector sponsors for the film and television industry, and funded low budget experimental films, enhancing local opportunity. In the 1980s, an annual directory of Scottish film personnel, facilities and related firms was published, and the Scottish Association of Independent Producers was created. In 1997 the array of agencies were amalgamated into Scottish Screen, a new organisation which enhanced support for the industry. New associations and agencies were steadily created including the Glasgow Film Fund which was created by local public agencies. The Film Fund assisted by covering funding gaps on low budget projects.

Another key agency, Creative Scotland, established partnerships with the Edinburgh International Festival and the Edinburgh International Film Festival, working with the organisers, partners, local authorities and the Scottish Government to support content curation and to promote cultural tourism. This agency has a three-yearly corporate plan, setting a vision (and associated action areas) for Scotland’s creative development.

GROWTH DRIVERS OF THE INDUSTRY

Institutional collaboration in the face of adversity was a major driver of the development of this Scotland’s Film and Television Cluster.

Through the advocacy and fundraising capabilities of the various cooperating associations, a number of policy changes were achieved that encouraged investment and promotion in the Scottish film and television industry.

Scotland’s creative sector is now actively supported by several government agencies and there are hubs of creative businesses and arts institutions to support the needs of creative businesses.

Other important factors included investment by the BBC, collaboration between the film and television industries and cross-promotion.

Various agencies provide support grants, information on collaboration, and marketing opportunities for low cost films to market their product. This has been successful in driving economic growth in the industry. The synergies across the industry have created demand for video, music, performing arts, visual arts, advertising, publishing, design activity, software and new digital media.

KEY LESSONS FOR THE SOUTH WEST

This case study highlights the following lessons for the South West Region:

- Given the high concentration of media occupations in the South West region (and particularly media producers, advertising and marketing and film, TV and radio) it would be prudent to focus some strategy effort in meeting the particular needs of this sector, assisting in raising the profile of this important industry.

- The creation of dedicated industry associations (either through industry links or by government) can play a decisive role in advocating for the interests and development of creative industry sectors.

- Creation of a dedicated online portal and branding presence could also assist with this.
Copenhagen Creative Cluster - Denmark

The Copenhagen Creative Cluster is the largest business cluster in Denmark. The cluster focuses mostly on creative industries that also involve some form of cultural production, including literature, art, radio, film, television, music and fashion. However, architecture and design are key components, along with furniture making.

The creative industries in Denmark employ approximately 85,000 people, accounting for between 6 and 7 per cent of the total Danish employment and revenue, and up to 10 per cent of Danish exports.

Creative industries have been recognised as a major competitive sector in the Copenhagen region, with this reputation drawing further investment through major firms such as Microsoft, Broadcom, Cisco, Samsung and Toyota locating their design and development centres there.

GROWTH DRIVERS OF THE INDUSTRY

The Danish Governments has directed significant financial investment in promoting the creative industries as well as in supporting education institutions to train the next generation of creative practitioners.

It was the first country in the world to pass the Design Act (1996), emphasising the importance of this sector to the culture and economy of Denmark. In 2011 the Government announced its intention to see Copenhagen recognised as the premier design city of the world.

Examples of direct investment by the government include the Export Council’s ‘Born Creative’ programme, offering free export preparation for new creative businesses, promotional tours and support for major events such as Copenhagen Fashion Week, Copenhagen Design Week and the world’s biggest design award, the INDEX: Award.

Recently, the Copenhagen Film Fund was established, a foundation aiming to support film makers to wish to make a film in the Copenhagen area.

Copenhagen also has over a dozen major creative industry research and development and education institutes, including the Danish Fashion Institute, the Danish Design Centre, and Imagine - Creative Industries Research, Institute of Organization housed at the Copenhagen Business School.

KEY LESSONS FOR THE SOUTH WEST

This case study highlights the following lessons for the South West Region:

- Government recognition of the importance of creative industries to the regional culture and economy.
- The role for online industry portals and information dissemination, linking up creative practitioners in their field and providing a supportive, inspiring and competitive environment.
- The need to link up creative practitioners with international markets through support and education programs.
- The holistic nature of a ‘creative’ society is represented in the Danish Government’s commitment to see design embedded at all levels of society, helping to realise the creative society necessary to nurture further industry growth.
5.2 Necessary conditions supporting growth

Recapping the aforementioned discussion from case studies, the following elements are found to drive growth of creative industries elsewhere, which have direct relevance to promoting the growth of these industries in the South West.

- Acknowledgement that creativity extends beyond the traditional realms of creative industries and that creative enterprises can play a significant role in innovation and transformation of traditional industry sectors including manufacturing, mining and agriculture. This perhaps requires institution of regionally sensitive policies which help integrate creative industries with the mainstream traditional economy.

- Strong marketing and branding efforts for the outputs of the creative industry

- Supporting strong tourism attractions using a strong calendar of events and marketing the wares of creative practitioners to local residents and in other locations.

- Provision of a range of fiscal and other financial incentives to help the industry grow.

- Provision of appropriate infrastructure (especially, communications infrastructure) for the sector to develop to its full potential.

- Development of industry clusters led by an industry action group supported by education providers and government agencies, supporting research, collaboration, strategic actions and potentially physical facilities to foster creative business development.

- Provision of an on-line presence and physical spaces to showcase creative talent, but also for research and collaboration.

- Robust tertiary institutions supporting not only training but business development outcomes.

- High amenity locations and public spaces for creative practitioners to congregate and display their talent, as well as attracting large local, regional and international audiences.

- Dedicated personnel to support planning and development for creative industries.

- Strong protection of intellectual property rights and copyrights are important in supporting the creative industries.

- Adequate emphasis on the role of larger businesses, and appropriate support for them, as these play a significant role in employment and economic output.

The factors above require the support of education, state and local government, and the private sector. In the case studies there is often a significant degree of government and educational involvement, and this seems particularly important in the developmental phases; however it is noted by Foord (2008) that more mature clusters have less reliance on government support.

5.3 Available government levers

Government has an important role to play in supporting economic development, and the development of the creative industries in particular. As noted by Foord (2008) many of the same levers are used in both cases. Government support can range from a broad strategy level to specific interventions. While the government actions in relations to a particular area, such as the South West Region may vary, there are a range of options available, which are detailed below. These are split into two sub-sections: available government levers to help industry transition, and available government levers to support growth.
Helping industries in transition

- Provide funding for business development and business start–ups. This may include subsidies or incentives to attract businesses to the area but also higher level intervention such as research grants, and international marketing.

- Support initial training in business planning and development, particularly where primary skills of creative practitioners are in a creative field and business acumen may not be a strength.

- Provide education and training specifically to creative industries – sometimes this is not a direct government responsibility, but government influence can be used to improve the provision of education and training. That is, the government is in a strong position to play a support role. This may include supporting tertiary education, but may also encompass less structured training, such as short courses or advice in business planning and operation. This includes support for the commercialisation of creative ideas into products and the consideration of business models that are responsive to modern marketing avenues.

- Support a full calendar of events or festivals.

- Provide specific infrastructure for creative industries, such as an art gallery or theatre, as well as incubator spaces for ideas to come to fruition and for business networking and support.

- Provide and maintain adequate infrastructure such as roads, community facilities, and parkland. These can assist the creative industries directly through supporting business operations, but also indirectly through enhancing the quality of place that will continue to attract creative workers. Some infrastructure (such as mobile networks and internet) may rely on private providers, but the government can still work with such providers to explore better provision or alternative provision models.

- Provide regulatory support, either directly through elements such as regulations pertaining to planning and local laws, and permits for filming or events, or indirectly, in terms of supporting quality of place through better urban design and planning frameworks.

- Provide a liaison service to industry which can facilitate approaches to relevant government agencies and assisting in gaining required approvals and permits that creative industries may need. Such a service could also provide information on available funding and assist in making applications.

Supporting growth of creative industries

- Highlight the importance of the creative industries, usually through studies which measure the value of the industry at a point in time as a proportion of total economic activity, and also changes in the industry over time.

- Advocate for attraction of private venture capital to boost long term growth and development of creative businesses. This should be supported through co-ordinated promotion and marketing the area and its creative economy.

- Highlight the importance of innovation, research, and technological change to all industries whether they have a particular creative focus, or the potential for having a greater degree of embedded creative workers. This may include publicising case studies of industries which have undergone successful transition or start-ups.

- Uphold protection of intellectual property rights. This is critical to the commercialisation of creative ideas. This includes copyright, patents, trademarks, and protection against piracy.

- Support trade with other countries and provide significant assistance to firms wishing to export creative services or products. This can be through existing overseas trade agencies or through leveraging off international visitation and events.
– Promote the area in a coordinated manner. Actions could be linked with tourism marketing (i.e. using common themes or branding). Effective branding is a common factor in strong, mature creative clusters.

– Strive for better coordination between government agencies to strengthen support for the creative industries.
6 ISSUES AND OPPORTUNITIES FOR STRATEGIC PLANNING

Summary

This section presents the key issues and opportunities for the South West Region's creative industries, which was informed by integrating the results of a literature review and stakeholder interviews with creative industries stakeholders in the region, an industry representative body (Creative Corner) and state and local government agencies. 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 South West Region’s creative industries.

The industry consultation presented the opportunity for participants to discuss and prioritise activities which local and state government could actively pursue.

In doing so, this section identifies (i) conditions necessary to support the development of the industry within the region; (ii) potential emerging opportunities to expand, diversify and innovate the industries and; (iii) areas of market failure which inhibit growth. A broad overview of the funding programs and streams available to creative practitioners is also shown. The identification of these issues and opportunities is critical to informing practical strategies that the SWDC and its partners (industry and government) can pursue to grow the creative industries in the region.

6.1 Introduction

Several key documents underpinning the established strategic framework were reviewed to inform this assessment. These are summarised below.

- **Strategic Plan 2010-2025, South West Development Commission (2010)** - The Strategic Plan 2010-2025 (the Plan) is a broad outline of SWDC’s approach to building quality of life in the South West Region across a broad range of social, economic, environmental and governance issues. The Plan articulates the following vision for the future “By 2025 the South West of Western Australia is recognised internationally as a region of excellence”. Three strategic themes are identified as the future directions for the SWDC’s activities during the period 2010-2025, these being (i) Investing in People and Place, (ii) Investing in Infrastructure and Environment and (iii) Investing in Knowledge, Enterprise and Innovation.

- **South West Regional Plan 2012-13, Regional Development Australia South West (2012)** - The South West Regional Plan (the Plan) outlines the priorities Regional Development Australia (RDA) South West has identified for the region. This Plan provides a snapshot of the South West, describing its geography, key features, industries and its people. It also identifies drivers and opportunities and gaps and needs across a range of priority areas, with the expectation that the priority areas established will inform funding by all levels of government to provide solutions to the region’s challenges.
South West Action Statement, South West Development Commission - The South West Action Statement (the Action Statement) is a snapshot, or business plan, of important projects that are likely to contribute to the South West Region's development to improve quality of life. The document is designed to communicate what immediate projects should be forwarded for consideration of State and Federal funding. The proposed actions are a derivative of the strategic plans of the SWDC and Regional Development Australia South West.

South West Framework, Western Australian Planning Commission (2009) - The South West Framework (the Framework) is a broad planning blueprint to guide the future development of the South West Region over the next twenty years. The Framework provides direction on the distribution of future population growth and housing development, and identifies strategies for dealing with economic growth, environmental issues, transport, infrastructure, water resources, agriculture, tourism and the emerging impacts of climate change. The Framework is intended to represent an agreed government position on the broad future planning direction for the South West and guide the preparation of local planning strategies and local planning schemes. The Framework is also intended to inform investment decisions by the public and private sectors.

Workforce Development Plan, Western Australian Creative Industries (FutureNow) (2012) - The Creative Industries Workforce Development Plan (the Plan) describes the environment in which the creative industries are currently operating in Western Australia. Specifically, the Plan sets out the critical labour and skills needs which are necessary for future growth of the creative industries sector; identifies issues, barriers and opportunities for the sector; and identifies priorities and actions to ensure these industries remain sustainable not only to support vibrant and functioning local communities, but also to attract and retain skilled people to live and work in Western Australia. One of the key objectives of the Plan is to “Identify the skills and workforce development priorities for Western Australia’s Creative Industries and foresee emerging influences on workforce development and training issues”.

Capes Regional Arts and Cultural Facilities Needs Assessment (2012) - A needs assessment of arts and cultural facilities and services located within the City of Busselton and the Augusta/Margaret River, undertaken in 2012, to determine the current and future requirements for arts and cultural facilities in the region and identify what planning strategies, resources, management and operations are required to support these needs.

Feasibility Study - A Performing Arts and Creative Industries Centre for the Shire of Busselton (2008) - The Shire of Busselton commissioned a feasibility study for a performing arts and creative industries centre in response to an identified lack of a performing arts centre within the Shire and a gap in the provision of cultural services. The feasibility study examines potential management models, user groups and uses, design options, urban vitality considerations, regional partnerships and sustainability issues for the proposed centre.

Aside from this review, stakeholder consultations were also held with several government organisations and creative practitioners themselves during the month of March 2013, to inform this assessment. Representatives of the following organisations were interviewed:

State Government:
- South West Development Commission
- Department of Culture and the Arts
- Department of State Development
- ScreenWest

Local Government:
- Busselton Shire
6.2 **Strengths for the development of the industry**

An industry’s strengths are its key features that contribute to its long run sustainability and the extent to which it is globally competitive.

An assessment of the South West Region reveals that it is a great location for sole practitioners and relatively large creative firms. It offers a great lifestyle opportunity, growing cultural diversity and extensive government support for the creative sector.

---

**Appealing lifestyle**

The main attraction of the area is the quality of life and natural environment. The South West offers a family-friendly, ‘laid back’ environment that is more affordable than the capital cities. This lifestyle is appealing to artists and creative workers generally. Many argue that this lifestyle should be central to the region’s promotional efforts to attract and retain the creative class.

**Growing cultural diversity**

As argued by prominent author Richard Florida (2000) and others, regions and locales which convey an environment that nurtures diversity will be attractive to the world’s creative workers. Anecdotal evidence suggests that the population of the region is becoming more multicultural and the youth culture is emerging as a key audience. The range of creative enterprises now in the area are adding to its diversity and in turn attracting other creative industries.

**An established creative industry in the region**

The South West Region is an established hub of creative individuals, entrepreneurs, businesses and enterprises.

The South West region is home to a small but growing group of creative professionals whose work is making a big impression on the global market. Visual artists, musicians and filmmakers are just some of the creative people finding success on the world stage from their base in the South West.

New and improved infrastructure is making it easier for smart and creative professionals to work from the region. The establishment of a world-class data centre at the Bunbury library, for instance, recently led to an international digital animation studio moving its operations to the city. With a strong and diverse regional economy and a high quality of life, the South West Region is often recognised as a region of choice for those involved in the creative industries.
As identified in the SWDC’s current investment outlook for the creative industries, the following segments are well established in the South West: film and commercial television; music and music festivals; publishing; performing arts; visual arts; and digital industries.

Consultation also suggested existing strengths in the segments of architecture, traditional craft (woodworking, painting, sculpture, and jewellery), graphic design, industrial design, and performing arts.

The region regularly attracts national and international interest, particularly in the film and television and music segments. A number of recent successes for the industry, such as the filming of the movie ‘Drift’ and the Emergence Creative Festival, reaffirm the strength of the creative industries in the South West Region.

The region offers distinctive locations, particularly for the film industry. The existing social and cultural diversity and broad world view is seen as a positive by film producers because the communities are easy to work with, and importantly, are accommodating of any disruptions caused during filming, because they understand the community benefits of filming in the region. Nonetheless, more work could be done in this regard to assist the activities of film makers (see below).

Consultation revealed examples of a number of businesses which have established export markets and international reputation. This has occurred predominantly through tourism exposure and/or internet marketing.

Having an existing creative industries base presents a dual advantage: (i) the region has an established creative workforce and existing arts and cultural infrastructure and assets, as well as (ii) an existing market with strong engagement by the community in creative activities.

The combination of having a strong existing creative industries base, along with the region’s lifestyle opportunities, presents a strong foundation in which to grow the industry.

**Contribution to tourism**

Consultation in the region revealed the opportunities for creative industries associated with local tourism. The region receives a high number of tourists including interstate and overseas tourists. While many tourists are attracted to the natural environment and wineries, there are also many other visitors attracted to festivals and events, often with a creative focus. This provides not only a large pool of customers for the industry, but also creates exposure for the range of creative industries in the area, and interest in doing business with local creatives, either by relocating in the region, or working remotely.

Wineries and existing festivals have indeed established a reputation in the area; but interestingly, they also provide venues for music and dance performances, showcase of talents, and sales.

While tourism is a major strength of the area, the average stay of visitors is restricted to under three nights, which limits spending opportunities (see below).

**Strong government support**

Different levels of government and government organisations recognise the significance of creative industries and the exponential growth of this sector in the South West Region. Consequently, they have articulated their commitment to further growing the creative industries in the South West Region through a range of policies, programs and projects. For example, through its Action Statement, the SWDC identified the following immediate projects it will focus on for consideration of State and Federal funding:

- Expansion and upgrade of the Bunbury Regional Entertainment Centre;
– More comprehensive mobile phone coverage across the South West; and
– Developing infrastructure to better support the Boyup Brook Music Bowl.

Having strong support from government to facilitate growth in the creative industries is a key strength in helping the South West Region realise its full potential in growing and developing its creatives industries. With the support and assistance of government, more focussed efforts and a more coordinated approach to growing and developing the creative industries can be undertaken.

While consultation did not raise government support as an existing strength, the State Government contacts did note a shift in focus to greater diversification of the economy. While the details of this shift are not yet apparent, it could present opportunities for the sector.

There is a range of funding support from the government to support creative industries, as well as growing government recognition of the importance of creative industries in development of a diversified and more sustainable State economy. The Department of State Development offers avenues for international exposure and marketing.

This highlights the lack of complacency on the part of the government to overlook opportunities in emerging sectors due to the reliance on a vast natural resource base in the region.

**Community ties and support**

Consultation highlighted the ties of the creative industries with the community, which provides a mutual benefit for both. Presence of these industries helps consolidate the cultural and social diversity in the community, whilst also providing an avenue for building cooperation within the community.

By providing economic opportunities for people regardless of age, race and gender, including women and Indigenous groups (often through mining companies), creative industries help build an economically diversified base within the region which has traditionally been a mining and agricultural belt. There are anecdotal examples of school children agreeing to complete projects, and women entrepreneurs working in creative fields. Additionally, the sector employs a large number of volunteers, thereby helping enhance community pride and active community engagement.

Business successes (such as “Drift” filming, or local artist exports) also raise the community profile, in turn lifting community confidence, which benefits everyone. The involvement of the creative industries with schools was seen as a significant strength. This included key programs of music, eisteddfods, and the ‘Cinefest Schools Program’.
6.3 Weaknesses of, and threats for the industry

Weaknesses may be the absence of certain strengths or the presence of features that inhibit the ability of the industry to maximise profitability and growth.

Threats include changes that may diminish the future viability of the industry or its ability to compete in local and global markets.

An assessment of the South West Region’s creative industry reveals several weaknesses and threats. Significant among these are limitations of skills, infrastructure, affordable spaces and business acumen.

---

**Limited mobile phone coverage**

Large areas across the South West Region have limited or no mobile phone coverage. The SWDC recognises that this is a significant limitation for those operating in the creative industries, particularly creative businesses. This severely inhibits the use of the mobile phone in either promoting content or marketing purposes. Examples of missed opportunities for the creative industries as a result of limited mobile phone coverage include:

- Mobile ticketing (i.e. for festivals and events);
- Mobile content purchases (i.e. ringtones, games);
- Limited opportunities to use mobile phone apps; and
- Limited delivery of online information services and purchases.

As articulated in RDA South West’s Strategic Plan, complete mobile phone coverage and removal of all coverage black spots would offer significant advantages for individuals, businesses and organisations in the creative industries such as: improved communications/connectivity with employees/employers, customers and vendors; productivity improvements, particularly through increased mobility; and increased profitability.

---

**Limited internet capacity**

Aside from limited mobile phone coverage, internet services in most regions are inadequate. This restricts the ability of these businesses to conduct their normal day to day business (especially content creation businesses which are hugely reliant on transfer of large data files), staying connected with their city counterparts, or employ people from overseas.

Internet bandwidths are limited and often businesses experience a slowdown in internet speeds between 5 pm and 8 am when the available bandwidth is shared amongst more people using Internet at home.

Arguably the National Broadband Network (NBN) will improve bandwidth and available internet speeds; however, construction of the fibre network has not commenced in several places across the region as yet.
It might take up to three years before homes and businesses in the region are connected with the high speed internet network.

**Limited creative ‘spaces’**

Several studies have been carried out across the South West Region regarding the need for arts and cultural facilities to support the growth of the arts sector. Those studies that have been reviewed as part this project clearly articulate the need to increase the adequate provision of arts and cultural infrastructure in order to meet community and industry expectations, as well as strengthening and diversifying the offering of the arts.

The need for more purpose built spaces is often highlighted by these studies, with the feasibility study for a performing arts and creative industries centre in Busselton offering a case in point. It identifies the need for more purpose built spaces that meet the functionality requirements of its user groups, with existing converted facilities often being constrained in terms of space, size and amenities.

These studies highlight that new and improved facilities would likely lead to increased utilisation by a greater range of users, and consequently, increased financial sustainability.

Consultation also highlighted this point, and it was argued that the limited amount of non-commercial arts facilities is a significant limitation, both for community benefit and for visual and performing artists to display their talents.

Most emerging visual and performing artists and musicians cannot afford to pay market rents for commercial premises to create, practice and display their art. More flexible and affordable exhibition spaces as well as meeting/forum spaces are required for the City’s emerging artists, perhaps in the form of a ‘creative industries incubator’, where creative workers could collaborate, learn, and develop ideas.

**Lack of cultural precincts**

There are not many identifiable cultural/creative precincts in the region. The area around the Busselton Arts Centre was mentioned as a suitable area to develop such a precinct.

**Lack of support to develop business acumen/organisation**

Consultation in the region highlighted the challenges faced by creative workers is turning their ideas into commercial enterprises. Creative practitioners (much like business start ups in other industries like food, retail etc) are driven by passion, and have the skills and creativity, but at times, lack the commercial acumen to develop and grow their businesses. Mentoring/business development support is not uniform across the region, and where it is available, it may not be well utilised.

Practitioners are described as often being individualistic, and therefore lacking in cooperation, and appreciation of broader issues (e.g. marketing, common branding, and support for studies). Where there is a will for cooperation, it is often difficult for small enterprises to find the time to participate in group activities or organisations as they cannot afford time away from their business.

**Limited funding opportunities**

Financing of creative industries was an issue raised during consultation, where it was suggested that money was available for business ‘start ups’ but there was a lack of funding for further development of businesses.

There is generally a lack of private capital investment, failure of co-ordination in funding, and a lack of authority vested with local bank personnel to approve loans to the sector.
Increasing regional and global competition

Regional Competition
As articulated in the South West Regional Plan, arts practitioners in the South West Region often compete with metropolitan based counterparts who are able to access a wider range of resources to secure grant funding, resulting in the metropolitan applications being more competitive. It was also noted that regional audiences are often perceived to be less sophisticated than those in the city, consequently leading to a tendency to deliver more conservative events in regional areas which fail to attract a large audience, especially from other regions.

The South West Region must therefore continue to reaffirm its place as a creative hub, using its comparative advantages to ensure it can continue to compete with other areas trying to attract the same talent and funding. This requires a combination of instruments such as marketing and promotion, the provision of adequate physical and functional infrastructure, business assistance programs, education and skills development and effective governance and coordination.

Global Competition
As stated in the Workforce Development Plan, increased access to high speed broadband through the NBN rollout and the emergence of the digital economy will not only present opportunities to creative practitioners, but will also increase exposure to global competition, particularly in relation to e-commerce. Creative businesses must therefore be equipped to compete in a global economy (related to point below).

Rapid changes in technology
To ensure continued growth, it is essential that the creative industries sector is well equipped to respond to changes in technology. Developments such as high speed broadband (through the NBN rollout) and the digital economy present significant challenges for those operating in the creative industries, especially those engaged in the digital media industry. In order to remain competitive, businesses will need to, for example: know how to respond to customer needs in a digital economy; grasp new business models and processes such as marketing and commercialisation; ensure they have the appropriate knowledge and skills; and ensure they have the appropriate IT infrastructure.

The creative industries will also be challenged by rapid changes in technology and industry structure as new occupations and fields emerge (Western Australia Creative Industries Workforce Development Plan, 2010). It is expected that workers with cultural and creative skills will be increasingly sought by other industries as a driving force for design, innovation and creativity. Consequently this may lead to skills shortages in some ‘traditional’ creative industry segments (see section below ‘Human Capital’).

Shortage of a skilled and productive labour force

Human Capital
The supply of skilled labour for creative industries now and in the future is essential for the industry’s long term sustainability. As articulated in the Western Australia Creative Industries Workforce Development Plan, there is currently a critical shortage of skilled telecommunications technicians and ICT project managers in Western Australia. There are also a number of creative skills that are in high demand such as camera operators (film, television or video), gallery or museum curators, arts administrators or managers and music professionals (record label operators and music publishers).

Furthermore, attracting and retaining skilled creatives appears to be a challenge in Western Australia, with many of the state’s creative practitioners being attracted to opportunities on the Australian eastern seaboard. Promoting the South West Region as a desirable place to live and work could be used to help attract a skilled workforce.
Limited education and training opportunities

Consultation highlighted the lack of local tertiary educational support for creative industries. There have been issues leading to the closure of courses that were available. It was suggested that alternative educational models are available. The Byron Bay SAE Institute was cited as a possible model.

Governance and coordination shortfalls

Consultation raised some issues with weaknesses in governance. It was highlighted that industry and community development roles were generally excluded from the portfolio of local governments. While the SWDC has taken steps to facilitate growth of industry in local areas, it was highlighted that the needs of industry may be more fine grained than what the Development Commission can cater to or provide.

There was some level of consensus on a lack of recognition on the part of the government about the significance of creative industries in the region. The strength of mining and its associated economic contributions was seen as overshadowing the contributions made by other emerging sectors. Quantification of the benefits of creative industries is considered important to attract government interest and support.

In particular, the film industry considers it generally difficult to deal with government agencies in terms of obtaining planning approvals, road closures, and a general lack of understanding of the needs of the industry.

Inadequate connectivity and servicing infrastructure

Infrastructure and services issues were raised as a weakness during consultation. This included the lack of connectivity via direct air travel (with limited direct flights to the region from the Australian seaboard), lack of lifestyle service offerings (e.g. retail opening hours), and inadequate signage specifically for tourists.

6.4 Opportunities for the industry

Opportunities are avenues by which an industry can expand or grow profitability or consolidate a favourable position.

There are several opportunities for the South West Region’s creative industries to leverage its strengths in order to diversify its product mix and maximise local job and value creation. These opportunities form the basis of the strategy outlined in the next section.

Capitalise on the existing creative industries base

Bunbury

Bunbury has a range of regional entertainment and cultural facilities that support a strong music and performing arts sector. The town is recognised as an emerging hub of creatives industries with a clear strategic vision in place to strengthen its contribution to the South West economy through growth in this sector and the establishment of contemporary performing arts venues.
The Bunbury Regional Entertainment Centre is a regional theatre venue for arts and cultural events in the South West, as well as for national and international events. The need to upgrade and expand the facility has long been identified in numerous government policies, which presents an opportunity to expand the offering of arts and cultural activities, as well as generate direct economic flow on effects from other industry segments (i.e. expanding the Bunbury conference market). Strong community support for upgrading and expanding the facility presents a good opportunity to advocate for funding.

**Vasse Region**

In recent years, the Vasse Region has experienced a rapid growth in creative industries, high value professional services, and similar styles of entrepreneurial businesses. The Shire of Busselton indicates that the Vasse Region has some 536 existing creative industries, with software development and interactive content, design and visual arts and publishing being particularly strong segments.

This existing base presents opportunities to grow and develop the area’s creative industries locally, regionally, nationally and internationally, through a range of interventions such as direct investment in key business infrastructure, facilitating the work of intermediary organisations, agencies and support programs and effectively marketing the region as the destination of choice for creative industries.

Focussing on providing factors which attract creative practitioners to locate in a certain area becomes imperative (i.e. lifestyle, creative community, access to high speed broadband, lower business costs).

Furthermore, the growth share matrix presented above in Figure 10 identifies different creative industries segments which are at various stages of development. For instance, Film, TV & Radio; Music & Performing Arts; and Publishing are in the expanding stages of production and need immediate support to continue on their growth trajectory. In contrast, Software Development & Interactive Content is a maturing industry and needs development support over the longer term.

**Capitalise on the growing community engagement in arts and creativity**

The literature highlights the growing interest and increasing engagement from the community in creative activities, particularly arts and culture. For example, the Workforce Development Plan identifies that arts and culture are generally strongly supported by the community, attitudes towards arts and culture are increasingly positive and interest in Aboriginal art is growing.

Furthermore, the use of information and communications technology in the arts is expected to rise considerably. Recent trends for arts and culture show an increase in technology used to produce and deliver a wide range of content in Western Australia, as well as being used as a marketing and promotion tool. These trends, along with the South West Region’s existing creative industries base, presents significant opportunities to further grow arts audiences in the wider region, the State and Australia.

Engagement of the community with the creative sector is important in terms of supporting creative endeavours (e.g. accepting disturbances associated with filming), providing opportunities for those seeking employment (particular those who struggle to find work), boosting community interaction through arts and culture, and enhancing community spirit through culture and creative successes.

**Increase funding and commercialisation support across creative sectors**

Presently much of the focus of government funding programs is on arts and culture, film and fashion design, which offer significant potential and community benefits. However, there are many other creative industries in the area including architecture, graphic arts, and design companies, which have the potential for growth, and the ability to integrate with, and supply inputs to other traditional industries,
such as agriculture and mining. Mining in particular was mentioned during consultation as a leading example of an established industry, which was increasingly seeking innovative ideas and outputs from creative practitioners.

The many small to medium businesses in the region have the potential to grow significantly, provided they receive the right support, whether it be in the form of adequate seed funding and beyond, business growth and mentoring support, business training, or the right partnerships. Importantly, there needs to be an encouragement for businesses thinking beyond current local markets, to tap into regional, national and international markets. Equally important is the encouragement to broaden the range of services provided and think about servicing niche markets.

There needs to be a much greater level of opportunity for creative workers and businesses to collaborate and share ideas, resources and marketing avenues. This is tied with the opportunity to market the creative cluster of the region, focusing on the unique attributes of place which can permeate creative outputs, perhaps in conjunction with tourism marketing.

**Leverage growth through tourism**

The creative industries in the South West Region are strongly embedded in the region’s thriving tourism sector. Festivals and cultural events such as the Boyup Brook Country Music Festival, Groovin in the Moo, Nannup Music Festival, CinefestOz and the Truffle and Manjimup Cheery Harmony Festival often attract national and international talents and audiences to the South West Region. Collaborative strategies between the creative industries and tourism sectors can help build ‘place recognition’ and further promote the South West Region’s creative activities, having direct economic flow on effects. There is also much more potential to grow the level of cultural tourism including appreciation of local cuisine, Indigenous culture and arts, and ecological assets.

The benefits of tourism and its synergies with the creative sector could be enhanced by longer average tourist stays and more attractions during the winter months which are currently quiet.

**Promote the digital animation industry**

The SWDC, along with other government and industry stakeholders, have been active in supporting the development of a digital industry in Bunbury through a range of projects and initiatives. One such project is the newly established Australian Centre for Digital Innovation (ACDI) located in Bunbury. This venture, being a partnership between the Vue Group and ISA Technologies, is intended to establish Bunbury as a centre for excellence for digital animation production for the film and TV industry, and advanced 3D visualisation for mining and associated industries.

This project presents an opportunity to position and promote the region as a hub for digital animation. There is scope to work in partnership with productions nationally and internationally, provide local industries with access to world-class digital services and partner with the Edith Cowan University in Bunbury which offers digital content education.

**Utilise opportunities of the digital economy**

Access to high speed broadband (through the National Broadband Network) and the emerging digital economy offers significant opportunities for creative industries in the South West Region. Essentially this technology will enable creative industries to be more flexible in their location, commercialisation and collaboration. RDA South West identifies several opportunities from high speed broadband access, for example:

- Improved communications/connectivity between employees, employers, customers and vendors;
Productivity improvements, particularly through increased mobility; and

Increased opportunities for innovative delivery of information and services.

High speed broadband and the emerging digital economy also presents some challenges for the creative industries that need to be acknowledged (see Section 6.5 Rapid Changes in Technology).

Western economies are increasingly moving from reliance on manufacturing to a 'knowledge economy' – that is, an economy which is “directly based on the production, distribution and use of knowledge and information” (OCED, 1996). The creative industries are a key component of a knowledge economy. The growing knowledge economy together with the impact of globalisation highlights the importance of strengthening relationships between education and training, financial and creative industries. In order to compete in a global economy, it is essential that we have the capacity to maximise production through innovation, reduce the cost of labour (as cheaper labour is outsourced from overseas) and the market imperative to stimulate new ideas, consumer demands and creative endeavours.

### Improve governance and coordination between agencies

One of the key issues for governance appears to be the coordination of efforts to promote the region and provide the support and infrastructure required by the creative industries. One of the recurring requests from the film industry was for a local government liaison officer who would facilitate film activities, including use of public land, permits, and road closures.

This role could be expanded well beyond film activities to assist business in gaining a range of permits and approvals, information regarding grants, and providing a single coordinated point of contract for interaction with government and industry. Governance is an important area in terms of providing the key support, but also in coordinating efforts to grow the creative industry sector.

### Improve training outcomes

Consulted stakeholders suggested that alternative educational models are available, and the Byron Bay SAE Institute was cited as a possible model to emulate in the region.

There are some ongoing programs in schools and these required ongoing support and may be expanded. For instance, the wine making course offered at the Margaret River Education Campus could be expanded to train more creative practitioners in other fields. Importantly, the space at the campus could be let out to creative practitioners on an ongoing basis.

Continued development of human capital through education, skills and training is essential for the creative industries in order to:

- Adapt to rapid changes in technology and industry structure as new occupations and fields emerge;
- Meet demand for the production and consumption of creative content and services; and
- Ensure that creative and digital skills are leading to a more innovative and productive workforce over time.
- Improve training outcomes

### Expand the infrastructure and services base

Key opportunities raised during consultation were related to:

- the potential redevelopment of the Busselton airport to be able to accommodate direct commercial flights from Australian capital cities;
– development of a major cultural and conference facility in Busselton; and
– provision of a dedicated creative incubator facility in Margaret River.

There may also be other specific project opportunities which other local councils need to prioritise.

**Promote the benefits of networking and collaboration**

Lately, networking activity between creative practitioners has received a boost with the creation of the ‘Creative Corner’, with the Emergence Creative Festival held in February 2013 also presenting such opportunities to entrepreneurs. Whilst consulted stakeholders revealed some issues related to networking, including a lack of available time for self employed persons, and an individualistic approach by many creatives, the significant potential for the sharing of information, ideas and collaboration within the creative community was highlighted as an opportunity.

This network could possibly be facilitated through common space, cooperation with education providers, and also via an online forum. This could include an archive of projects, and sharing of information and profiling of creative business success stories.

**Promote full time employment**

There is an opportunity to train crew workers in the film industry so they can work across other industries during quiet periods. Likewise, many businesses/workers with technical skills, such as mechanics, electricians, could be trained to assist with crew work.

6.5 **Funding programs**

The following sections provide an overview of Federal, State, local government and independent funding sources available to the creative industries in the South West Region. Table 7 provides a comprehensive list of funding grants and programs, their intended purpose, those that benefit and the amount of funding on offer.

The majority of the funding grants are intended to benefit creators, presenters and consumers within the music and performing arts, design and visual arts, and sector marketing realms. A few funding grants are noted to benefit all art forms, however these tend to have broader objectives beyond just developing the creative industries (i.e. to encourage youth engagement or to drive economic development in regional areas). A limited number of grants are available for film, television and radio.

Most funding from larger government bodies is provided on an annual basis, often with recurring deadlines at specific times of the year. Local governments and independent organisations generally accept funding applications year-round. Local governments tend to offer regular small grants to support local projects and events, whereas larger government bodies offer more substantial grants for regional projects or events.

A large proportion of the funding available in the South West Region is directed at supporting events and festivals, with strong links to the tourism industry.

**Commonwealth Government**

The Australia Council for the Arts is the main Commonwealth Government body that facilitates funding and advisory services for the arts. Each year, the Australia Council for the Arts delivers more than $160 million in funding for arts organisations and individual artists to support and strengthen the arts sector across Australia. Its funding programs support a wide range of industry initiatives such as skills
development and capacity building, marketing, building new audiences, innovation and cultural engagement.

The Australia Council’s art form boards are the principal administrators of its arts funding role. The seven boards are: Aboriginal and Torres Strait Islander arts board; Dance board; Literature board; Major performing arts board; Music board; Theatre board; and Visual arts board.

**Australian Screen Production Incentive**

In 2007, the Australian Government introduced the Australian Screen Production Incentive, a package of tax incentives designed to encourage private investment in Australian-produced films, television shows and documentaries. The Incentive replaced all the previous schemes.

The key elements of the scheme include:

- the Producer Offset, to encourage the production of Australian film and television projects. This offsets 40 per cent of “eligible Australian expenditure” for production of Australian feature films, and 20 per cent for television productions (projects may include series, telemovies, mini-series and documentaries). Screen Australia administers this scheme.

- the Location Offset, a 16.5 per cent rebate which supports the production of large-budget film and television projects shot in Australia.

- the PDV Offset, a 30 per cent rebate which supports work on post, digital and visual effects production (PDV) in Australia, regardless of where a project is shot. The minimum qualifying expenditure for this offset has recently been reduced from $5 million to $500,000.

**Western Australian Government**

The Department of Culture and the Arts, Eventscorp Division of Tourism Western Australia, and ScreenWest are the three main State Government bodies that facilitate funding for the creative industries in Western Australia. Through its grants and funding programs, the Department of Culture and the Arts supports all art form areas except film, television and radio. The Department offers a large number of specifically targeted grants for contemporary music creators and presenters, fashion designers and related businesses, Indigenous artists and arts organisations, visual arts and craft curators and organisations, and for youth engagement in the arts.

Eventscorp, Western Australia’s Government Event Agency and a division of Tourism Western Australia, provides funding for events that increase the number of visitors to regional Western Australia from tourism. Eventscorp provides two main funding programs, the Regional Events Program and the Regional Events Scheme, both of which are jointly funded by the Department of Regional Development and Lands through its Royalties for Regions program. Royalties for Regions funding also represents a significant opportunity for the creative industries across a wide range of areas such as education and skills development, business support and infrastructure provision.

The SWDC also provides funding via its South West Events Program. The Program provides financial assistance for organisations staging events, festivals and markets with priority given to events that attract visitors from outside the South West Region or that demonstrate economic and community benefits.

ScreenWest is Western Australia’s main screen funding and development agency that works in partnership with the screen industry to develop, support and promote film, television and digital media production in Western Australia, to deliver cultural and economic benefits. ScreenWest offers several funding programs to support the screen industry, ranging from funding for television productions,
documentaries, drama productions, Indigenous television productions and the production of innovative digital content. The funding programs are mainly offered to individual producers and production companies based in Western Australia. Compared with other funding programs, some of those offered by ScreenWest are quite significant, the largest being up to the value of $800,000.

**Local Governments in the South West**

The local government authorities comprising the South West Region offer a wide range of grants and funding programs for their local communities. These are usually intended to support community development objectives, rather than designed specifically to support creative industries. The number of grants offered by local governments to support events is noteworthy; again reaffirming the prominence of events and festivals in the South West Region.

**Independent Organisations**

Several independent organisations have been identified that offer funding for creative individuals, groups and organisations. Financial support is provided to support both professional and personal needs, covering a range of costs such as travel, materials, promotional costs, documentation, venue hire, specific project costs, professional development and income support. Most grants are focussed on supporting the development of self-sufficient artists.

**6.6 Fiscal incentives and industry support in Western Australia**

Western Australia has a small collection of fiscal incentives and support scheme that help to support creative industries in the State. Incentives and schemes such as these have the potential to offer Western Australian businesses and individuals a competitive advantage over their counterparts in other Australian states and may act as an incentive to either locate or invest in Western Australia in order to access the incentive.

*Information on such fiscal incentives is not readily available. There is opportunity here for more information and targeted schemes to be developed to support creative industries Western Australia and the South West particularly.*

**Royalties for Regions**

Through Royalties for Regions, the equivalent of 25 per cent of the State’s mining and onshore petroleum royalties are be returned to the State’s regional areas each year as an additional investment in projects, infrastructure and community services. As noted above, some of this funding has been directed toward the creative industries through the Regional Events Scheme.

**FutureNow - Creative and Leisure Industries Training Council Inc**

FutureNow brings together industry leaders, training organisations and action groups to make recommendations to government regarding workforce development strategies for Western Australia.

Working across the creative and leisure industries, FutureNow claims that it ‘facilitates the continual improvement of workforce skills to drive productivity and deliver a competitive edge for our industries now and looking forward’ (2010). The key objective of FutureNow’s Creative Industry workforce development plan is to:

*Identify the skills and workforce development priorities for Western Australia’s Creative Industries and foresee emerging influences on workforce development and training issues*. 
The plan identifies data gaps (particularly in the lack of comprehensive analysis of industry trends) as a serious obstacle to the development of sustainable business plans by industry operators. Other key areas identified for improvement and support include:

- Funding: Insufficient funded training hours for the creative industries.
- Industry image: Industry image proves a challenge in attracting the right people to undertake training in the sector
- Technological barriers: Funding to allow training providers to acquire capital equipment is insufficient
- Lack of Career Information and Advice: The supply and promotion of industry relevant and realistic information remains a barrier to providing appropriate training advice.

Updates to this report are provided on an annual basis.
7 STRATEGY AND ACTION PLAN

Summary
This section presents a one-year action plan to accelerate immediate growth of the industry, and a ten year development strategy to leverage opportunities for the creative industries in the region. A framework for strategy development precedes the presentation of the actual strategy and action plan.

7.1 Introduction
Section 6 of this report conceptualised the issues and opportunities for the sector in terms of
- People and places;
- Strategic infrastructure and facilities;
- Education; and
- Funding.

This insight has informed a framework for categorising key actions into ‘strategic activity areas’. This section presents a list of key actions that form the basis of a one year action plan and a ten year development strategy for facilitating creative industries growth in the South West Region.

The seven strategic activity areas are designed to be pragmatic in that they recognise that the SWDC has limited jurisdiction and limited funds to facilitate local and regional economic development. The strategic activity areas are:

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

The proposed actions are designed with SWDC’s role as a facilitator of economic development and agent of change in mind. These actions require the coordinated efforts and support of various agencies and organisations in government, in academia and the private sector. Indeed it is recommended that the SWDC review the proposed actions and work across government and industry to facilitate those most important to the future development of creative industry in the region, and importantly, decide which organisation should take the lead in coordinating activities pertaining to each action.
The recommended actions are informed by a series of one-on-one interviews held with various creative industries stakeholders in the South West Region, and several state and local government representatives, as well as key lessons learnt from successful businesses in the Region profiled in section 3.2 above and from other successful creative cluster case studies profiled in section 5 above.

The one year action plan focuses on remediation of existing challenges, which are immediate priorities for the Region as adjudged by stakeholders for the economic advancement of the sector.

Importantly, the actions proposed under the one year action plan would perhaps remain relevant over a medium to long-term timeframe for the perpetual economic advancement and development of the sector.

Having said that, the ten year development strategy adopts a longer term view, and includes actions which the SWDC will perhaps need to review on a continuing basis to maintain and grow the importance of a maturing creative sector.

Put simply, this report has proposed actions which should be undertaken immediately to help and aid growth of the creative industries in the South West Region under the one year action plan, and others which need to be implemented for aiding growth of a maturing industry over a longer timeframe, as part of the ten year development strategy.

The strategic activity areas and actions are not listed in any particular order of priority.

### 7.2 One-year action plan

**STRATEGIC ACTIVITY AREA 1: BUSINESS ASSISTANCE FOR THE REGION’S EMERGING AND ESTABLISHED creative industries**

Recommended actions, some of which apply to specific creative industry segments and some which apply to all segments, include the following:

**All Creative Industries Sectors**

- Promote the importance of the creative industries in the Region using the results contained in this report to creative practitioners and government agencies alike. Importantly, communicate to these agencies how the creative workforce is entrenched in all sectors of the regional economy, and its ties with other parts of Western Australia via exports.

- Advocate to the ‘Creative Corner’ to organise discussions between creative practitioners of the region to identify common issues facing these businesses and ways to remove market barriers. This could be done either at the sub-regional or at individual council level.

- Pro-actively communicate business development, research and marketing opportunities (relayed via local council’s advisory services) to the region’s creative businesses and individuals. These communications could include for instance, information on: (i) funding grants and tax incentives available to creative practitioners, (ii) university and TAFE courses available to creative practitioners of the region, and (iii) trade missions and fairs being organised in different regions of the state or internationally.

- Review the possibility to establish a Creative Practitioner Mentoring/ Business Development Office or an Officer, as a first point of contact with the following roles: (i) offering business advice for creative industries start-ups or micro-businesses / sole operators, across all creative industries segments on potential sources of government and private funding, investments, market need, business expansion etc (ii) is responsible for the collation of information on activities and successes of creative practitioners from across the region and (iii) acts as the first point of contact for new
business start-ups and investors/ venture capitalists for investment facilitation/ site location/ information dissemination purposes. This could be an offshoot of the regional Trade Start advisor role, focused on creative industries segments. This office or officer could also help in undertaking other coordination activities (explored in greater detail in Strategic Activity Area 7 below). This position can lead and oversee the implementation of SWDC’s priority actions across the cultural and creative industries. In short, the role is that of strengthening networks and business and market development assistance.

- Continue to lobby for state and federal government funding grants and tax incentives for creative practitioners in the region, and for specific productions, events and festivals. This may include subsidies or incentives to attract businesses to the area but also higher level intervention such as research grants, and international marketing.

Film and Television

- This is an expanding industry cluster as identified by the growth share matrix in Figure 10 above. Explore opportunities, through agencies including ScreenWest, for sources of early stage risk capital that understand creative industries, and may be willing to invest in businesses in the region.
- Advocate for the continuation of tax concession schemes for smaller budget productions such as television programs and/or a ‘package of productions’.

Music

- This is an expanding industry cluster as identified by the growth share matrix in Figure 10 above. Investigate opportunities to include performances by the region’s artists/bands at other creative industries events or general Council events held in the region.
- Continue to support and promote local emerging musicians through hosting events and festivals.

STRATEGIC ACTIVITY AREA 2: AFFORDABLE SPACES

- Investigate the feasibility of a creative industries ‘incubator’ facility at various locations (perhaps in the capital city of each sub-region) that serves a range of users including visual and performing artists, architects and designers, musicians, film makers, and others. Importantly, this space could lead organically to the development of an industry cluster. Research suggests that such a facility would need to offer: flexible spaces; studios; information support (e.g. on local, state and federal government business support programs for which creative businesses are eligible to apply); general administration/office support; exhibition and possibly performance/rehearsal space; business mentoring services; marketing and promotional services. This facility could be attached to an existing prominent, central and accessible location.
- Explore the possibility of using any redundant or underutilised buildings that could potentially be leased to emerging creatives and creative organisations. There are various examples around the country where Councils do this including:
  - The Dandenong Ranges Community Cultural Centre in Victoria (www.drccc.org.au);
  - Gorman House Arts Centre in the ACT (www.gormanhouse.com.au); and
  - Tanks Arts Centre in Cairns (www.tanksartscentre.com).

2 Alternative incubator management models and physical designs should be considered. For example, space for rehearsal, performance and display might be housed separately to other incubator functions as some creative may require dedicated space to display their wares without the need for other incubator facilities and services.
Studio conversion examples exist in Soho, New York and Sydney. For instance, the space available at the Margaret River Education Campus could be let out to creative practitioners or students wishing to commercialise their productions on an ongoing basis.

If spaces could be identified, explore appropriate leasing arrangement models for such purposes and consider methods for determining the eligibility of potential users or user groups.

**STRATEGIC ACTIVITY AREA 3: MARKETING AND COMMUNICATION**

- Encourage creative practitioners to prepare case study profiles of significant projects/business success stories (similar to the ones shown in this report in section 3.2). This can assist businesses to gain insights into successful strategies used by their peers, as well as niche products and markets that can be serviced by businesses in the region. Importantly, a brochure of business profiles in the region can be developed to showcase their product/service to potential investors.
- Promote local success stories (prepared using case study profiles) on individual council’s websites as well as that of the SWDC, and via other means, including local and national newspapers, and state tourism bodies such as Western Australia Tourism.
- Work with the Department of State Development and other state government agencies to highlight the South West Region as an attractive investment destination and the potential of the creative industries in the region.

**STRATEGIC ACTIVITY AREA 4: TOURISM PROMOTION**

- Encourage local and regional tourism marketing bodies to have an emphasis on featuring creative and cultural events to be hosted by the Region in promotional materials of these organisations.
- Advocate Western Australia Tourism and regional flight operators for more direct flights to the Region, including to Busselton Airport.
- Advocate local councils to advertise the existing route connections to national and international destinations provided by local airports in the region.

**STRATEGIC ACTIVITY AREA 5: TRAINING AND EMPLOYMENT**

- Encourage to undertake an audit of existing courses and the need to re-institute previously available courses to aspiring creative practitioners.
- Encourage existing training and research institutes to integrate business development programs in the curriculum for creative practitioners and constantly encourage creative practitioners to seek value adding propositions to their creative work. This could possibly be achieved by highlighting success stories of existing businesses in the Region.
- Explore and encourage opportunities for employment and training of the region’s locals in national and international productions, festivals and projects being made or staged in the region.
- Explore the possibility of commissioning an apprenticeship programme in the region that provides funding for apprenticeship positions to businesses in the region.

**STRATEGIC ACTIVITY AREA 6: HARD AND SOFT INFRASTRUCTURE SUPPORT**

- Advocate to local governments for improving signage directing motorists to cultural hotspots and other tourist locations in the region.
- Advocate for improved connectivity improvements at the Busselton airport and to increase awareness amongst travellers of direct flights to the South West Region.
Advocate to Regional Development Australia and to the National Broadband Network Company to put the South West Region on the map for an early rollout of the NBN.

Similarly, advocate to mobile phone providers in the region for improving service delivery in the region.

STRATEGIC ACTIVITY AREA 7: COORDINATION WITH OTHER GOVERNMENT AGENCIES

Advocate to local government for maintaining appropriate land uses and built form of strategic tourism and creative hot-spots which are conducive for attracting and retaining creative practitioners in the region. Encroachment of open spaces by retail outlets and industrial uses should be carefully evaluated in light of their impact on the established creative industry in the region.

Continue to advocate to local government for providing appropriate regulatory support pertaining to planning and local laws, and permits for filming or events in the region.

Investigate and identify ways to continue to develop information sharing between local, regional and state governments responsible for cultural and creative industries facilitation, for example:

- regular updating of information of state government department activities and funding programs.
- Coordinating with Economic Development Units of major councils to request greater involvement in the planning of activities which state government agencies are undertaking within the region, and vice versa.
- Provide information to state government agencies on cultural and creative industries activities and events in the region which could be incorporated into the promotional activities sponsored by the state government agencies.
- Introduce and briefly describe the content and usefulness of the Australian Government Culture and Recreation Portal, www.cultureandrecreation.gov.au and the Australia Council for the Arts fuel4arts site, www.fuel4art.com.au in Council produced information resources, e.g. business information packs, the “What’s Hot!” monthly e-newsletter, other Council newsletters, Council’s website, etc.

7.3 Ten year development strategy

All recommended actions in the aforementioned section may perhaps remain relevant for inclusion in the ten year development strategy. The applicability and validity of these actions will need to be assessed for inclusion in the rollout of this strategy at appropriate time intervals. The next section describes this in greater detail.

The recommended actions for the ten year development strategy are an extension of the actions proposed under the one year action plan, assuming that government and industry will need to respond to challenges of a more mature industry over this timeframe compared to the state of play today.

STRATEGIC ACTIVITY AREA 1: BUSINESS ASSISTANCE FOR THE REGION’S EMERGING AND ESTABLISHED CREATIVE INDUSTRIES

- Advocate for the attraction of private venture capital to boost the long term growth and development of creative businesses. This should be supported through co-ordinated promotion and marketing the area and its creative economy.
- Highlight the importance of innovation, research, and technological change to all industries whether they have a particular creative focus, or the potential for having a greater degree of embedded
creative workers. This may include publicising case studies of industries which have undergone successful transition or start-ups.

- Initiate engagement with the Western Australian Music Industry Association to identify current industry priorities and how the Association might assist at the regional level to improve the recognition and status of musicians and music companies (of all types) in the South West Region and in Western Australia generally.

- Initiate engagement with state-wide bodies such as the Western Australian Chapter of the Design Institute of Australia (DIA) to identify current industry priorities and how the government and other bodies might assist at the regional level to improve the recognition and status of designers (of all types) in the South West Region and in Western Australia generally.\(^3\)

- Uphold protection of intellectual property rights. This is critical to the commercialisation of creative ideas. This includes copyright, patents, trademarks, and protection against piracy.

- Establish a one stop shop internet portal which showcases information on upcoming events and festivals featuring creative industries segments in the region, case studies of selective businesses, appropriate planning permits framework required by potential investors, funding available to creative practitioners in the region, and a forum where potential and new creative practitioners can exchange ideas and information with each other.

- Review the possibility to establish ancillary Business Development Offices in each capital city of the sub-regions over time.

- Review small business assistance programs that are available to creative industries in other municipalities and states that might apply to film makers, designers, writers, visual artists and other ‘creatives’ in the South West Region. Compare these with what is on offer in the Region. Use this intelligence to pro-actively liaise with the State Government on program design and delivery for the benefit of creative industries in the region.

- Explore ways to undertake regularly updated qualitative and quantitative market research to aid the region’s existing and emerging creatives. For example, qualitative and quantitative data detailing the public’s preference for entertainment, willingness to pay, demographic data of key markets, etc.

- Consider surveying and profiling creative businesses on an ongoing basis to capture information on employment, performance, business needs so as to respond to market needs of businesses more adequately.

- Promote expanding and emerging creative industries segments such as Software Development & Interactive Content by exploring ways and means of enhanced collaboration between different industries segments.

- In consultation with the established Industry Working Group and other representatives who research financing for film and TV, prepare a list of alternate film and television production funding mechanisms. For example, explore the concept of a local listed film industry fund that could be created to attract investors or seek opportunities to raise capital for new projects.

**STRATEGIC ACTIVITY AREA 3: MARKETING AND COMMUNICATION**

- Provide assistance to entrepreneurs wishing to export creative services or products to other parts of Western Australia or indeed globally. This can be through existing overseas trade agencies or through leveraging off international visitation and events.

---

\(^3\) The Design Institute of Australia is a multidisciplinary representative organisation of designers which works to improve the community’s recognition and the status of designers. It provides opportunities for networking, industry intelligence, professional development and events.
To assist with investment attraction (and people attraction) efforts, review the possibility to develop a cohesive marketing strategy for the South West Region’s creative industries, promoting the region as the premier hub of creative industries in Western Australia. Develop appropriate visual marketing material (logo, etc.) to communicate the ‘Creative City’ brand.

**STRATEGIC ACTIVITY AREA 4: TOURISM PROMOTION**

- With the assistance of state government agencies such as Western Australia Tourism, collate and distribute information on annual domestic and international tourism numbers and visitor demographic details to local entertainment venues so that they can better target their marketing and advertising campaigns. This work could potentially also profile the demographics that typically work within creative industries. This could help inform the type of people that the region should attract.

**STRATEGIC ACTIVITY AREA 5: TRAINING AND EMPLOYMENT**

- Encourage an in-principle agreement that there will be better integration between all educational institutions, industry, creative practitioners and the community. An example activity may be to organise an annual or biannual event where all institutions can showcase their students’ work and proposed curricula for the coming year.

**STRATEGIC ACTIVITY AREA 7: COORDINATION WITH OTHER GOVERNMENT AGENCIES**

- Utilise local talents as a priority (perhaps through a local procurement policy) in the organisation and staging of local festivals and events.

### 7.4 Next Steps

Implementation of actions contained in the one year action plan and the ten year development strategy will require concerted actions by a multiplicity of various state and local government organisations as well as the SWDC and the private sector. It will also require effective communication and/or collaboration amongst these organisations and individuals. This includes those with a direct interest in the Region’s creative industries as well as government funding agencies that have the capacity to support SWDC’s creative industries facilitation efforts, either financially or in-kind. These include:

- State government agencies such as the Department of State Development, Department for Culture and the Arts, Department of Commerce, Industry, Science and Innovation unit and ScreenWest.
- Institutional stakeholders such as universities, TAFEs, Western Australia Tourism and others.
- The private sector and its representative bodies (e.g. Design Institute of Australia, Western Australia Division and the Creative Corner).

In order to implement the recommended actions shown here, the SWDC will need to review the proposed actions and work across government and industry to facilitate those most appropriate to the future development of the creative industries of the Region.

One of the possibilities to prioritise actions and implement those believed to be most advantageous for the Region is for the Commission’s Place Making, Economic Development and Major Projects Team to appoint a steering committee of private and public sector stakeholders to:

- Develop, monitor and report on the highest order actions contained in this action plan and strategy;
- Agree on the top five actions to be implemented over the course of the next 12 months;
- Ensure that government agencies and the private sector allocate sufficient human resources to implementation of these actions;
- Review progress of these top five actions (in 12 months time);
- Review and adopt new strategies due to changing circumstances, and to remove strategies and actions no longer applicable;
- Coordinate lobbying and advocacy for the region’s creative industries and to assist other local/regional stakeholders with their own lobbying activities; and
- Develop stronger linkages with State Government agencies, to ensure there is an effective partnership between the Commission and the State Government to effectively support creative industries prosperity in the South West Region.
## APPENDIX 1: INDUSTRY AND OCCUPATION CLASSIFICATIONS FOR THE CREATIVE TRIDENT

### TABLE 5. CREATIVE SPECIALISTS (INDUSTRIAL SECTORS AND OCCUPATIONS)

<table>
<thead>
<tr>
<th>Creative Industry Segment</th>
<th>ANZSIC 4-digit industry</th>
<th>Activity Description</th>
<th>Creative Occupations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising and Marketing</td>
<td>6940 Advertising Services</td>
<td>Providing advertising services such as the creation of advertising campaigns and materials; and media planning and buying (i.e. placing advertisements).</td>
<td>225113 Marketing Specialist, 225111 Advertising Specialist</td>
</tr>
<tr>
<td>Architecture, Design and Visual Arts</td>
<td>2591 Jewellery and Silverware Manufacturing</td>
<td>Manufacturing custom-made or costume jewellery, trophies, badges or medals, or minting coins, jewellery or silverware using precious or semi-precious metal and stones, and the cutting of such stones.</td>
<td>232313 Jewellery Designer</td>
</tr>
<tr>
<td></td>
<td>6921 Architectural Services</td>
<td>Providing architectural services such as planning and designing buildings and structures; or planning and designing the development of land.</td>
<td>232111 Architect, 232112 Landscape Architect, 232611 Urban and Regional Planner, 233916 Naval Architect, 232312 Industrial Designer</td>
</tr>
<tr>
<td></td>
<td>6924 Other Specialised Design Services</td>
<td>Providing specialised design services not elsewhere classified.</td>
<td>232311 Fashion Designer, 232411 Graphic Designer, 232511 Interior Designer</td>
</tr>
<tr>
<td></td>
<td>6991 Professional Photographic Services</td>
<td>Providing still, video or computer photography services, including the video taping of special events such as weddings.</td>
<td>211311 Photographer</td>
</tr>
<tr>
<td></td>
<td>8910 Museum Operation</td>
<td>Preservation and exhibition of heritage objects and artefacts and/or visual arts and crafts</td>
<td>224211 Archivist, 234911 Conservator</td>
</tr>
<tr>
<td>Creative Industry Segment</td>
<td>ANZSIC 4-digit industry</td>
<td>Activity Description</td>
<td>Creative Occupations</td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------------------------</td>
<td>----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td><strong>Film, TV and Radio</strong></td>
<td>5511 Motion Picture and Video Production</td>
<td>Producing motion pictures, videos and television programs or commercials.</td>
<td>212111 Artistic Director, 212114 Television Presenter, 212311 Art Director, 212312 Director, 212313 Director of Photography, 212315 Program Director, 212317 Technical Director, 212399 Film, Television, Radio and Stage Directors nec.</td>
</tr>
<tr>
<td></td>
<td>5514 Post-production Services and Other Motion Picture Activities</td>
<td>Providing post-production services and other motion picture and video activities, including specialised motion picture or video post-production services such as editing, film/tape transfers, titling, subtitling, credits, closed captioning and computer-produced graphics, animation and special effects, as well as developing and processing motion picture film.</td>
<td>212314 Film and Video Editor</td>
</tr>
<tr>
<td><strong>Music and Performing Arts</strong></td>
<td>5610 Radio Broadcasting</td>
<td>Broadcasting audio signals, using radio broadcasting studios and facilities, to transmit aerial programming.</td>
<td>212113 Radio Presenter, 212315 Program Director, 212399 Film, Television, Radio and Stage Directors nec.</td>
</tr>
<tr>
<td></td>
<td>9002 Creative Artists, Musicians, Writers and Performers</td>
<td>Individuals or groups mainly engaged in the regular creation of original artistic or cultural works who may or may not also produce and perform their works.</td>
<td>211211 Composer, 211213 Musician, 211299 Music professionals nec.</td>
</tr>
<tr>
<td></td>
<td>5521 Music Publishing</td>
<td>Acquiring and registering copyrights for musical compositions and promoting and authorising the use of these compositions in recordings, radio, television, motion pictures, live performances, print, or other media.</td>
<td>211212 Music Director</td>
</tr>
<tr>
<td>Creative Industry Segment</td>
<td>ANZSIC 4-digit industry</td>
<td>Activity Description</td>
<td>Creative Occupations</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-------------------------</td>
<td>---------------------</td>
<td>---------------------</td>
</tr>
<tr>
<td>Performing Arts Operation</td>
<td>9001</td>
<td>Providing or producing live theatrical or musical presentations or performances.</td>
<td>211111 Actor, 211112 Dancer or Choreographer, 211113 Entertainer or Variety Artist, 211199 Actors, Dancers and Other Entertainers nec, 211213 Musician, 211214 Singer</td>
</tr>
<tr>
<td>Music and Other Sound Recording Activities</td>
<td>5522</td>
<td>Producing original (sound) master recordings such as tapes and CDs and releasing and distributing these sound recordings to wholesalers, retailers or directly to the public.</td>
<td>211211 Composer, 211212 Music Director, 211213 Musician, 211214 Singer, 211299 Music Professionals nec</td>
</tr>
<tr>
<td>Publishing</td>
<td>5411 Newspaper Publishing</td>
<td>Publishing (creating and disseminating) newspapers.</td>
<td>212412 Newspaper or Periodical Editor, 212415 Technical Writer, 212499 Journalists and Other Writers nec, 599913 Proof Reader</td>
</tr>
<tr>
<td></td>
<td>5412 Magazine and Other Periodical Publishing</td>
<td>Publishing (creating and disseminating) magazines, journals and other periodicals.</td>
<td>212412 Newspaper or Periodical Editor, 212415 Technical Writer, 212499 Journalists and Other Writers nec, 599913 Proof Reader</td>
</tr>
<tr>
<td></td>
<td>5419 Other Publishing (except, Software, Music and Internet)</td>
<td>Publishing (creating and disseminating) activities (except software, music and internet publishing) such as greeting card, postcard and art print publishing.</td>
<td>212413 Print Journalist</td>
</tr>
<tr>
<td></td>
<td>5413 Book Publishing</td>
<td>Publishing (creating and disseminating) books including atlases, textbooks and travel guides.</td>
<td>212211 Author, 599913 Proof Reader</td>
</tr>
<tr>
<td></td>
<td>7000 Computer System Design and Related Services</td>
<td>Providing expertise in the field of information technologies such as writing, modifying, testing or supporting software to meet the needs of a particular consumer; or planning and designing computer systems that integrate computer hardware, software and communication technologies.</td>
<td>261212 Web Developer, 261311 Analyst Programmer, 261312 Developer Programmer, 261313 Software Engineer, 261399 Software and Applications Programmers nec</td>
</tr>
<tr>
<td>Creative Industry Segment</td>
<td>ANZSIC 4-digit industry</td>
<td>Activity Description</td>
<td>Creative Occupations</td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------------------------</td>
<td>----------------------</td>
<td>----------------------</td>
</tr>
<tr>
<td>5420 Software Publishing</td>
<td>Creating and disseminating ready-made (non-customised) computer software.</td>
<td>261312 Developer Programmer</td>
<td></td>
</tr>
<tr>
<td>5700 Internet Publishing and Broadcasting</td>
<td>Publishing and/or broadcasting content on the internet.</td>
<td>232413 Multimedia Designer, 232414 Web Designer, 261211 Multimedia Specialist</td>
<td></td>
</tr>
</tbody>
</table>

Source: SGS Economics & Planning based on data sourced from the ABS and CCI (2007).
<table>
<thead>
<tr>
<th>Creative Industry Segment</th>
<th>ANZSIC 4-digit Industry</th>
<th>Activity Description</th>
<th>Creative Occupation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising and Marketing</td>
<td>6940 Advertising Services</td>
<td>Providing advertising services such as the creation of advertising campaigns and materials; and media planning and buying (i.e. placing advertisements).</td>
<td>212411 Copywriter, 131111 Advertising and Public Relations Manager</td>
</tr>
<tr>
<td>Architecture, Design and Visual Arts</td>
<td>2591 Jewellery and Silverware Manufacturing</td>
<td>Manufacturing custom-made or costume jewellery, trophies, badges or medals, or minting coins, jewellery or silverware using precious or semi-precious metal and stones, and the cutting of such stones.</td>
<td>399411 Jeweller</td>
</tr>
<tr>
<td></td>
<td>6921 Architectural Services</td>
<td>Providing architectural services such as planning and designing buildings and structures; or planning and designing the development of land.</td>
<td>312111 Architectural Draftsperson</td>
</tr>
<tr>
<td></td>
<td>9002 Creative Artists, Musicians, Writers and Performers</td>
<td>Individuals or groups mainly engaged in the regular creation of original artistic or cultural works who may or may not also produce and perform their works.</td>
<td>139911 Arts Administrator or Manager</td>
</tr>
<tr>
<td></td>
<td>8910 Museum Operation</td>
<td>Preservation and exhibition of heritage objects and artefacts and/or visual arts and crafts with aesthetic, historical, cultural, and/or educational value.</td>
<td>224212 Gallery or Museum Curator, 399311 Gallery or Museum Technician</td>
</tr>
<tr>
<td></td>
<td>6991 Professional Photographic Services</td>
<td>Providing still, video or computer photography services, including the video taping of special events such as weddings.</td>
<td>399915 Photographer’s Assistant</td>
</tr>
<tr>
<td>Film, TV and Radio</td>
<td>5511 Motion Picture and Video Production</td>
<td>Producing motion pictures, videos and television programs or commercials.</td>
<td>212112 Media Producer, 212318 Video Producer, 212416 Television Journalist, 399512 Camera Operator, 399517 Television Equipment Operator, 599912 Production Assistant</td>
</tr>
<tr>
<td></td>
<td>5610 Radio Broadcasting</td>
<td>Broadcasting audio signals, using radio broadcasting studios and facilities, to transmit aerial programming.</td>
<td>212414 Radio Journalist, 399511 Broadcast Transmitter Operator, 599912 Production Assistant</td>
</tr>
<tr>
<td>Creative Industry Segment</td>
<td>ANZSIC 4-digit industry</td>
<td>Activity Description</td>
<td>Creative Occupation</td>
</tr>
<tr>
<td>---------------------------</td>
<td>-------------------------</td>
<td>---------------------</td>
<td>-------------------</td>
</tr>
<tr>
<td>5621 Free-to-Air Television Broadcasting</td>
<td>Free-to-air television broadcasting of visual content, in the form of electronic images together with sound, through broadcasting studios and facilities.</td>
<td>399511 Broadcast Transmitter Operator, 399517 Television Equipment Operator</td>
<td></td>
</tr>
<tr>
<td>5622 Cable and Other Subscription Broadcasting</td>
<td>Broadcasting television programs on a subscription or fee basis (such as subscription cable or satellite television broadcasting) to viewers.</td>
<td>399511 Broadcast Transmitter Operator, 399517 Television Equipment Operator</td>
<td></td>
</tr>
<tr>
<td><strong>Music and Performing Arts</strong></td>
<td><strong>9003 Performing Arts Venue Operation</strong></td>
<td>Operating venues for the presentation and rehearsal of performing arts.</td>
<td>212316 Stage Manager, 399513 Light Technician, 399514 Make Up Artist, 399516 Sound Technician, 399599 Performing Arts Technicians nec</td>
</tr>
<tr>
<td><strong>Music and Performing Arts</strong></td>
<td><strong>1620 Reproduction of Recorded Media</strong></td>
<td>Reproduction of pre-recorded audio, video, software and other data on electronic, optical and magnetic media.</td>
<td>211299 Music Professionals nec</td>
</tr>
<tr>
<td><strong>Publishing</strong></td>
<td><strong>6010 Libraries and Archives</strong></td>
<td>Providing library or archive services.</td>
<td>224611 Librarian, 399312 Library Technician, 599711 Library Assistant</td>
</tr>
<tr>
<td><strong>Software and Interactive Content</strong></td>
<td><strong>7000 Computer System Design and Related Services</strong></td>
<td>Providing expertise in the field of information technologies such as writing, modifying, testing or supporting software to meet the needs of a particular consumer; or planning and designing computer systems that integrate computer hardware, software and communication technologies.</td>
<td>225211 ICT Account Manager, 225212 ICT Business Development Manager, 261111 ICT Business Analyst, 261112 Systems Analyst, 263211 ICT Quality Assurance Engineer, 263213 ICT Systems Test Engineer, 263299 ICT Support and Test Engineers nec</td>
</tr>
<tr>
<td><strong>Software and Interactive Content</strong></td>
<td><strong>5921 Data Processing and Web Hosting Services</strong></td>
<td>Providing electronic data processing or hosting services.</td>
<td>313113 Web Administrator, ICT Support and Test Engineers nec</td>
</tr>
<tr>
<td><strong>Software and Interactive Content</strong></td>
<td><strong>5910 Internet Service Providers and</strong></td>
<td>Providing internet access services.</td>
<td>313113 Web Administrator, ICT Support and Test Engineers nec</td>
</tr>
<tr>
<td>Creative Industry Segment</td>
<td>ANZSIC 4-digit industry</td>
<td>Activity Description</td>
<td>Creative Occupation</td>
</tr>
<tr>
<td>---------------------------</td>
<td>--------------------------</td>
<td>--------------------------------------------------------------------------------------</td>
<td>------------------------------------------</td>
</tr>
<tr>
<td>Web Search Portals</td>
<td></td>
<td>Publishing (creating and disseminating) directories, mailing lists and collections or compilation of fact such as mailing addresses and telephone directories.</td>
<td>Engineers nec</td>
</tr>
<tr>
<td>5414 Directory and Mailing List Publishing</td>
<td></td>
<td>Publishing (creating and disseminating) directories, mailing lists and collections or compilations of fact such as mailing addresses and telephone directories.</td>
<td>225211 ICT Account Manager, 263211 ICT Quality Assurance Engineer</td>
</tr>
</tbody>
</table>

Source: SGS Economics & Planning based on data sourced from the ABS and CCI (2007).
APPENDIX 2: FUNDING SOURCES AVAILABLE TO CREATIVE PRACTITIONERS

### TABLE 7. GRANTS AND FUNDING PROGRAMS

<table>
<thead>
<tr>
<th>Funding Organisation</th>
<th>Grants / Programs and Intended Purpose</th>
<th>Key Beneficiaries</th>
<th>Amount Available</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commonwealth Government</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Australia Council for the Arts</td>
<td>Festivals Australia - provides funding support for arts activities at Australian regional, remote and community festivals. The program supports new or special arts activities which are distinct from the usual festival activities and which add to the quality and diversity of those offered at festivals.</td>
<td>A wide range of creative practitioners and consumers</td>
<td>No maximum amount</td>
</tr>
<tr>
<td></td>
<td>Playing Australia – assists the touring of professionally produced performing arts tours across state and territory boundaries, including regional and remote areas, where this is not commercially viable and there is a demonstrated public demand.</td>
<td>Performing arts practitioners and consumers</td>
<td>No maximum amount</td>
</tr>
<tr>
<td></td>
<td>Hopscotch - supports the national and international touring of innovative Australian live art and is designed to build national and international markets for Australian artists and arts organisations.</td>
<td>Performing arts practitioners, music creators and presenters, visual artists and consumers</td>
<td>Up to $10,000</td>
</tr>
<tr>
<td></td>
<td>Visions of Australia – supports the development and touring of major public exhibitions of Australian cultural material throughout Australia, particularly into regional and remote areas.</td>
<td>Organisations such as museums, galleries, libraries, archives, science centres, tour coordination organisations and other cultural and heritage organisations</td>
<td>No maximum amount</td>
</tr>
<tr>
<td>Funding Organisation</td>
<td>Grants / Programs and Intended Purpose</td>
<td>Key Beneficiaries</td>
<td>Amount Available</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------------------------------</td>
<td>------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td><strong>Contemporary Touring Initiative</strong> – supports the development and touring of contemporary creative visual arts and crafts exhibitions throughout Australia, particularly into regional and remote areas.</td>
<td>Organisations, such as galleries, committed to collecting and exhibiting Australian arts and craft at a national, state or territory level</td>
<td>No maximum amount</td>
<td></td>
</tr>
<tr>
<td><strong>Partnership Development: Community Partnerships</strong> – supports the development of partnerships between arts and non-arts sectors that seek to achieve positive community arts and cultural development outcomes and enable future projects.</td>
<td>Creative individuals, groups and organisations</td>
<td>Up to $5,000</td>
<td></td>
</tr>
<tr>
<td><strong>Creative Communities Partnerships Initiative: Community Partnerships</strong> - supports major community arts and cultural development projects of excellence that bring together arts and non-arts partners and have clear outcomes that extend beyond the life of the project.</td>
<td>Creative organisations</td>
<td>Between $50,000 and $600,000, with a maximum of $200,000 in any one year</td>
<td></td>
</tr>
<tr>
<td><strong>Infuse – Inter-Arts</strong> - supports interdisciplinary arts development programs across regional areas and aims to foster new relationships between emerging and established artists.</td>
<td>Creative organisations</td>
<td>Up to $15,000</td>
<td></td>
</tr>
<tr>
<td><strong>New Art - Creative Development Grant</strong> – supports artists wishing to explore innovative ideas and collaborations to make major new art work. Specifically the grant encourages artistic practices that intersect with broader cultural activity, including: digital culture and creative opportunities for the National Broadband Network; Indigenous and intercultural collaborations; community participation and artistic interventions into public spaces; and urban renewal and ecology projects.</td>
<td>A wide range of creative individuals and groups</td>
<td>$30,000</td>
<td></td>
</tr>
</tbody>
</table>
| **Regional Development Australia Fund** - financial assistance to support the growth and development of Australia’s regions, through projects that support infrastructure needs and enhance economic and community growth. | Community, public and private organisations | Round 3: Between $50,000 and $500,000 with a total funding pool of $50 million  
Round 4: Maximum of $15 million, with a total funding pool $175 million |
<table>
<thead>
<tr>
<th>Funding Organisation</th>
<th>Grants / Programs and Intended Purpose</th>
<th>Key Beneficiaries</th>
<th>Amount Available</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Western Australian Government</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South West Development Commission</td>
<td><strong>South West Events Program</strong> – provides financial assistance for organisations staging events, festivals and markets with priority given to events that attract visitors from outside the South West Region or that demonstrate economic and community benefits.</td>
<td>Creative organisations and consumers</td>
<td>Up to $6,000 per event - with a maximum of $4,000 to host an event and $2,000 for professional event management expenses</td>
</tr>
<tr>
<td>Royalties for Regions</td>
<td><strong>South West Regional Grants Scheme</strong> – financial assistance for the development of infrastructure, services and community projects and to assist in the broad development of the community.</td>
<td>Community, public and private organisations</td>
<td>Not specified</td>
</tr>
<tr>
<td>Department of Culture and the Arts</td>
<td><strong>Contemporary Music Grants Program</strong> - assists musicians and music businesses to access commercial markets for their products, to develop skills and infrastructure, and to build new audiences for WA contemporary music.</td>
<td>Musicians and music businesses</td>
<td>Not specified</td>
</tr>
<tr>
<td></td>
<td><strong>Designer Fashion Grants Program</strong> - assists fashion designers and fashion design businesses to access commercial markets for their products, to develop skills and infrastructure, and to develop new markets for WA designer fashion.</td>
<td>Fashion designers and fashion design businesses</td>
<td>Not specified</td>
</tr>
<tr>
<td></td>
<td><strong>Indigenous Arts Grant Program</strong> - supports Indigenous cultural maintenance and the professional development of Indigenous artists by providing grant funding for Indigenous arts activity in all art form areas (excluding film, television and radio).</td>
<td>Individuals and organisations involved in Indigenous arts activity</td>
<td>Not specified</td>
</tr>
<tr>
<td></td>
<td><strong>Young People and the Arts Program</strong> - assists young people to participate in a broad range of arts and cultural activities.</td>
<td>Individual and organisations involved in music, dance, writing, visual arts, theatre and multi-arts.</td>
<td>Not specified</td>
</tr>
<tr>
<td></td>
<td><strong>Royalties for Regions Regional Events Program</strong> – intended to attract and develop major events that will generate state-wide, national and international attention to regional Western Australia.</td>
<td>Creative practitioners, tourism industry, consumers and regional communities</td>
<td>$50,000 +</td>
</tr>
<tr>
<td>Eventscorp Division, Tourism Western Australia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funding Organisation</td>
<td>Grants / Programs and Intended Purpose</td>
<td>Key Beneficiaries</td>
<td>Amount Available</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>(jointly funded by the Department of Regional Development and Lands through its Royalties for Regions program)</td>
<td><strong>Regional Events Scheme</strong> - designed to assist with the development of events as tourist attractions within regional Western Australia.</td>
<td>Creative practitioners, tourism industry, consumers and regional communities</td>
<td>From $5,000 - $50,000 with a total funding pool of $750,000</td>
</tr>
<tr>
<td>ScreenWest</td>
<td><strong>ABC Matched Primetime Television Production Fund</strong> - funding for eligible primetime projects produced in Western Australia, by independent producers, with a broadcast commitment from the Australian Broadcasting Corporation (ABC) commissioned for either ABC1 or ABC2.</td>
<td>Independent producers</td>
<td>Matching funding provided by the ABC up to a maximum of $600,000</td>
</tr>
<tr>
<td></td>
<td><strong>Documentary Production Investment Fund</strong> - provides production financing for broadcast documentaries, feature documentaries with market attachments and factual cross-media projects with significant third party funding and broad audience reach.</td>
<td>Production companies</td>
<td>10% of the production budget up to $400,000</td>
</tr>
<tr>
<td></td>
<td><strong>Drama Production Investment Fund</strong> - provides production financing for feature films and television drama with strong market attachments and narrative cross-media projects with significant third party funding and broad audience reach.</td>
<td>Production companies</td>
<td>Up to $800,000 for each project to WA based producers or up to $500,000 for non-WA based producers</td>
</tr>
<tr>
<td></td>
<td><strong>Matched Development Investment Fund</strong> - Where a project receives project development funding from a nationally or internationally recognised broadcaster or distributor, Screen West will match this funding.</td>
<td>Individual producer or WA production companies</td>
<td>Matching funding up to a maximum of $25,000</td>
</tr>
<tr>
<td></td>
<td><strong>Industry Enhancement Fund</strong> - provides financing to realise ‘game changing’ activities that will generate significant screen industry outcomes and help build the independent screen content production capacity of the WA industry.</td>
<td>Individuals or companies with an international track record in the business or financing sector</td>
<td>Up to $100,000</td>
</tr>
<tr>
<td></td>
<td><strong>Indigenous Low Budget Television Fund</strong> - funding for Indigenous low budget television productions.</td>
<td>Indigenous Western Australian Film Practitioners and Production Companies</td>
<td>Up to $25,000</td>
</tr>
</tbody>
</table>
### Funding Organisation

<table>
<thead>
<tr>
<th>Grants / Programs and Intended Purpose</th>
<th>Key Beneficiaries</th>
<th>Amount Available</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Digital Innovation Production Fund</strong> - supports the production of innovative digital content to encourage the growth of digital producers, digital creatives and production companies.</td>
<td>Digital producers, digital creatives and production companies</td>
<td>Stage One: up to $15,000 per project</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Stage Two: up to $50,000 per project</td>
</tr>
<tr>
<td><strong>Digital Factual Extension Fund</strong> - designed to encourage experienced factual producers to engage with WA digital producers to scope the creative, technical and market potential of substantial digital outcomes associated with a factual project in development or production that is intended for broadcast or theatrical release.</td>
<td>WA production companies</td>
<td>Up to $15,000 per project</td>
</tr>
</tbody>
</table>

### Local Government

<p>| Shire of Augusta Margaret River | <strong>Shire of Augusta Margaret River Community Development Fund</strong> – support for community groups and organisations through small grants for events, activities and organisational development. | Incorporated community-based volunteer and not-for-profit organisations | Up to $1,000 |
| City of Busselton | <strong>Community Bids Program</strong> - financial assistance to organisations that provide services or activities that align with the City’s Strategic Plan and deliver sustainable social, environmental and/or economic benefit to the City of Busselton community. | Not for profit groups and organisations                                           | Minor grants: up $5,000 | Major grants: $5,000+ |
| Event Sponsorship Program – financial assistance to attract year-round events to the region. | Creative practitioners and consumers                                                | Not specified                                                                      |
| Shire of Nannup | <strong>Community Grants Program</strong> – financial assistance to organisations that provide services or activities that deliver sustainable social, environmental and/or economic benefit to the community. | Not for profit community organisations, however individuals may also be eligible in some circumstances | $500 general purpose funding, $1,000 matching funding (the applicant must match these funds) and $3,000 event funding |
| Shire of Manjimup | <strong>Events Grants</strong> – financial assistance to support events which target a broad audience, such as those that attract state, interstate and international visitors. | Creative organisations                                                               | Up to $5,000 |</p>
<table>
<thead>
<tr>
<th>Funding Organisation</th>
<th>Grants / Programs and Intended Purpose</th>
<th>Key Beneficiaries</th>
<th>Amount Available</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Youth Project Assistance Grant</strong> – financial assistance to support youth groups, workers or projects.</td>
<td>Creative organisations</td>
<td>Total funding pool of $35,000</td>
<td></td>
</tr>
<tr>
<td><strong>General Grants</strong> – financial assistance for community groups and not for profit organisations for projects/activities that have a target focus on benefiting the community.</td>
<td>Creative organisations</td>
<td>Not specified</td>
<td></td>
</tr>
<tr>
<td><strong>Community Grants Scheme</strong> – financial assistance to initiate projects that will benefit the local community.</td>
<td>Creative organisations</td>
<td>Up to $500 for minor community events, $501 - $5,000 matching funding (the applicant must match these funds)</td>
<td></td>
</tr>
<tr>
<td><strong>Donnybrook Balingup Shire</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Independent Organisations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Seed</td>
<td><strong>Art on the Street</strong> – supports the development of visual arts projects for the public realm, for free, as part of the annual Next Wave Festival.</td>
<td>Visual artists and consumers</td>
<td>Up to $5,000</td>
</tr>
<tr>
<td></td>
<td><strong>Professional Development</strong> – financial assistance to support emerging musicians through mentoring and teaching by a practitioner of excellence, in order to grow their skill set and work towards becoming self-sufficient artists.</td>
<td>Musicians and consumers</td>
<td>Up to $3,000</td>
</tr>
<tr>
<td></td>
<td><strong>Money for Managers</strong> – supplements the income of emerging managers potentially during a period of heavy workload and little commission.</td>
<td>Managers in the music industry</td>
<td>Up to $5,000</td>
</tr>
<tr>
<td></td>
<td><strong>Publicise It</strong> – funds managers (including self-managed artists) to contract a publicist for a promotional campaign.</td>
<td>Self managed artists</td>
<td>Up to $5,000</td>
</tr>
<tr>
<td>Country Arts WA</td>
<td><strong>Share the Risk Fund</strong> - funding in the form of a guarantee-against-loss to assist regional Western Australian communities to present professional performing arts events.</td>
<td>Performing artists</td>
<td>Up to $10,000</td>
</tr>
<tr>
<td></td>
<td><strong>Drug Aware YCulture Regional Fund</strong> – funds community arts projects by young people for young people across all artforms. Funding covers project costs like artist fees, artist travel, materials, promotional costs, documentation or venue hire.</td>
<td>Young creatives</td>
<td>Up to $6,000</td>
</tr>
<tr>
<td>Funding Organisation</td>
<td>Grants / Programs and Intended Purpose</td>
<td>Key Beneficiaries</td>
<td>Amount Available</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------</td>
<td>-------------------------------------------------------</td>
</tr>
<tr>
<td>Phonographic Performance Company of Australia Pty Ltd</td>
<td><strong>PPCA Performers’ Trust Foundation</strong> - provides non-recurring grants to promote and encourage music and the performing arts.</td>
<td>Music creators and presenters, performing artists</td>
<td>$2,500 for an individual or $5,000 for a group or organisation</td>
</tr>
</tbody>
</table>
REFERENCES

- AuthentiCity (2009), Canada’s Creative Corridor; Connecting creative urban and rural economies within Eastern Ontario and the mega region. Accessed via: http://pelacfd.ca/photos/custom/Final%20Report_EN_cover.pdf
http://martinprosperity.org/media/pdfs/Innovation_and_creativity_on_the_Periphery-H_Hall-B_Donald.pdf

- Kennedy, N & Green, R (2009), ‘The Northern Sydney Global Technology Corridor Study’, ESA/Macquarie University
- Watershed. Accessed via: http://www.watershed.co.uk/
Contact us

BRISBANE
PO Box 1177
Level 1, 76 McLachlan Street
Fortitude Valley QLD 4006
+61 7 3124 9026
sgsqld@sgsep.com.au

CANBERRA
Level 1, 55 Woolley Street
Dickson ACT 2602
+61 2 6262 7603
sgsact@sgsep.com.au

HOBART
Unit 2, 5 King Street
Bellerive TAS 7018
+61 (0)439 941 934
sgstas@sgsep.com.au

MELBOURNE
Level 5, 171 La Trobe Street
Melbourne VIC 3000
+61 3 8616 0331
sgsvic@sgsep.com.au

SYDNEY
Suite 12, 50 Reservoir Street
Surry Hills NSW 2010
+61 2 8307 0121
sgsnsw@sgsep.com.au