

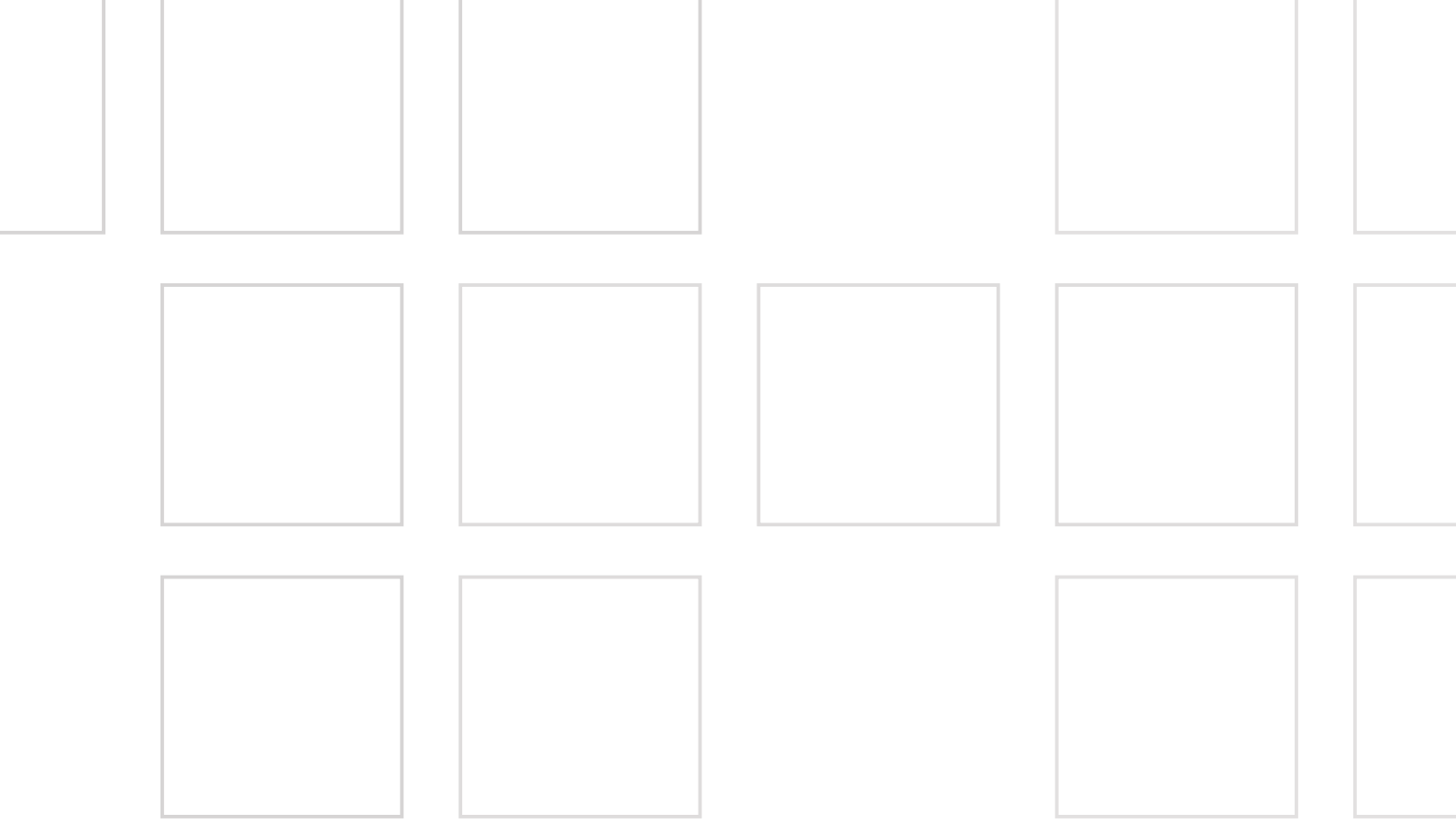


CREATIVE ISLAND
SECTOR ANALYSIS 2017
CREATIVE ISLAND REPORT

Justin O'Connor

Monash University

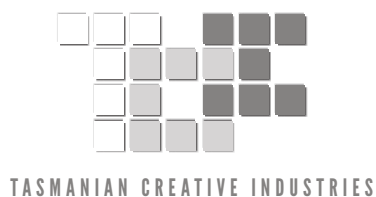
TASMANIAN CREATIVE INDUSTRIES 2018



‘If ever there was a canary
at the bottom of the world,
it is Tasmania’.

Anna Krien.

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We pay respect to the Tasmanian Aboriginal Community as the traditional and original owners, and continuing custodians of this land on which we gather, work, play and create and acknowledge Elders – past and present.

EXECUTIVE SUMMARY

CREATIVE ISLAND SECTOR ANALYSIS 2017



Dr Kristy de Salas – Chair

Tasmanian Creative Industries



The tip of the Iceberg

The reasons for this research are twofold.

First, posing the question directly to the sector, who are ‘we’ and what do ‘we’ contribute to the life of the state, – and how sustainable is this work for the individuals, businesses and institutions who work within it.

Second, how do we use this data in a meaningful and productive way with Government and partners and across the sector.

By way of introduction to this suite of documents, Tasmanian Creative Industries acknowledges the widespread dissatisfaction from the ‘arts’ community with the term Creative Industries and its reflections in the various permutations of Cultural / Creative economy. However, we do have to accept that like Education, Health and other ‘social’ areas of life, the cultural and creative sector exists large in government and commercial policy and in places like Tasmania is increasingly seen as one of the pillars of the State’s viability.

So throughout most of 2017 TCI , worked with Justin O’Connor, Professor of Cultural Economy at Monash University, Dr Kim Lehman from The University of Tasmania and the Department of State Growth, to better describe the State’s cultural and creative sector – that sector defined as

“those activities involved in the making and dissemination of goods, services and practices whose primary value lies in their meaningfulness to us – as enjoyment, transformation, education, information, challenge, dissent, and the making and celebration of individual and collective identities”.

We stress that we don’t believe that this is the only way to define the sector, but rather it is an aggregable position to start from.

Part of Creative Island’s research program was to get a ‘dry’ quantitative base line picture of the sector: how many people it employs, what economic value it has, where it’s located and what networks it operates within. Through work with teams at UTAS and RMIT, and based on extant data, we can paint a picture that the States

Cultural and Creative sector contributes at least \$216,801,463 (1.7% of Gross State product) and employs 2% of the state working population and has grown 6% over the past 5 years. That the cultural sector sits at the heart of many other Tasmanian sectors (tourism, Hospitality et al) makes it easy to estimate that with the inclusion of allied sectors, the overall contribution to the state is over 6% of the GSP and employment is over 6% of the workforce.

This 'dry' data was cross-referenced to a series of qualitative focus groups and an on-line survey, conducted by Professor O'Connor. This attempted a snapshot of the health and sustainability of the sector, what it felt about its strengths and weaknesses in Tasmania, and how they felt they were valued by government and the wider community.

In attempting to assess the health and sustainability of cultural producers and the wider creative ecosystem, the research sought to give full weight to the cultural value of the sector and what it contributes to the life of the state. Whilst not downplaying its important role in generating other social and economic benefits, the research sought to find a language in which its cultural contribution could be valued in itself – just as the outcomes of health, education and community development are valued on their own terms.

The cultural sector has felt increasing pressure to justify itself in terms of its economic benefit, or its contribution to specific social or event health outcomes. Whilst some of this might be a necessary corrective, there is increasing disquiet as to how it has tended to strip the cultural sector of the value it, uniquely, can bring. Those in the cultural sector often speak two languages, one full of impact and outcomes, value-added and innovation effects, the other where they try to say how vital it is in making life worth living.

This has meant that cultural policy has been increasingly framed as a consumption economy, where the job of policy (and makers, artists and producers) is to facilitate the supply of cultural goods and occasions for their purchase, often at the expense of quality – bums on seats not hearts and minds. Though the growth in tourism stimulated by festivals and the enormous success of MONA is to be welcomed, the state also needs to think about the creation of cultural content – and supporting those who produce it.

So Ironically at a time of unprecedented cultural activity we are finding that local participants are just 'surviving' and see things (at a personal level) as not particularly better or worse than 5 years ago. This level of stasis at a time where the State currently invests more than any other in Arts and Cultural Activity (approximately \$170 per head of population –

VIC and NSW's at \$70), is creating a barely sustainable sector. While the final report by Dr O'Connor is primarily a commentary of where Tasmania is in the context of an international cultural sector conversation and less of a 'how to fix-it guide', there are a few key questions that the state – and the currently jostling political parties – need to ask in the formation of future policy or strategies.

SOCIAL POLICY IS CULTURAL POLICY

Affordable housing, workspace, education, health care, public transport: all these are as important as grant schemes and the like. Tasmania's economic growth is making these issues of affordability and liability (in the south at least) increasingly relevant. Similarly, the evidence suggests that cultural workers earn less – sometimes far less – than the average (and women far less than that!), this in an economic environment that is more constrained than the mainland.

EDUCATION AND TRAINING

Tasmania's bottom of the table performance in education is rightly identified as a serious problem. This is especially so for the cultural sector, as it concerns the kinds of education and training offered and resources and facilities present (generally supported by tertiary bodies elsewhere) to enable other activities. Similarly, there is a growing sense of disconnect between Tertiary and Vocational training bodies and the greater Cultural Sector ecology and how the public engages with it.

GROWTH: NOT 'ONE SIZE FITS ALL'

Increasing the prosperity, productivity (in all senses) and resilience of the cultural sector has to be a primary objective (but) it's job is to produce culture not to create jobs, even if we can't have that culture without jobs.

REGIONALITY AND 'ISLANDNESS'

The strategic significance of Hobart, and the increasing potential of Launceston and the North West of the State are clearly recognized throughout all the research: these dispersed urban centres are what makes the economic difference to Tasmania and distinctive from the rest of Australia. Their size provides the connective intensity and a significant volume of global flows of ideas, people, money and media that unpins a range of active cultural sectors. It is essential that the connections between these hubs be maintained and strengthened, to increase capacity but maintain the diverse character of the State's Cultural sector.

INEQUALITY AND ACCESS

However, while it is recognised that the small scale and embedded nature of the cultural sector is part of the solution to inclusive growth, minimal infrastructure for the existing cultural sector (and limited population) make the opportunity for growing diversity in the sector a very real concern, leading to noticeable deficits amongst women, first people, ethnic minorities, lower socio-economic groups and young people. 81% of the people engaged through the research program did not believe that the sector represents the diversity of Tasmanian society and that this should change.

THE ROLE OF TOURISM

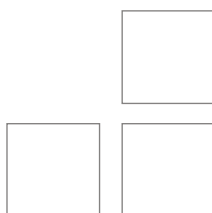
All cultural policy needs to understand the economic and cultural dynamics of tourism, from the perspective of production and consumption. How can future policies, aiming to increase tourism to the state, equally support ‘the whole value chain’ of Tasmania as a destination, as well as a area of production and creativity?

.....
The reality of the research to date is that it highlights how little we know about the mechanisms, both structural and interpersonal that support the cultural and creative networks within the Island state. Nor does it address every aspect or issue within the cultural and creative sectors, both subsidised and commercial. Similarly it only addresses the production, the making side, of the sector and not the consumption of culture. Finally it should also be recognised that the report doesn’t touch upon the issues of First Nation’s people and the underpinning of traditional culture and language in the cultural sector, something that is recognised in other country’s creative sector strategies. TCI hopes that these questions and gaps can be addressed in further research.

But through this research we can argue that unlike other state cultural ecosystems, we must operate in a far more fluid way, with the opportunity for specialisation only available for some members of the community. Similarly, we must be less reliant on existing infrastructure, resources and the economic pillars that large cultural and tertiary institutions provide. Importantly Tasmania has both the facets of a primary and tertiary cultural / creative economy in that it both operates in its own ‘ecology’, as well as existing through the proximity of much larger cultural ecologies in Sydney and Melbourne.

Rather than be impediments to the creative and cultural economy, these issues seem to add to the unique flavour of the Tasmanian Creative and Cultural Experience.

We would like to thank all who participated in the research program and hope that over time these documents will provide a useful resource the sector and government alike in providing the questions and considerations that should frame creative practice and policy in the state.



TASMANIAN CREATIVE INDUSTRIES CREATIVE ISLAND REPORT



Justin O'Connor

Monash University



The primary focus of both the qualitative and quantitative studies was cultural production. It did not look directly at audiences or end users (such as tourists), though these are of course crucial. So when we talk about participation, or access, or diversity we are looking at those involved in some form of cultural production.

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1. Background

'If ever there was a canary at the bottom of the world, it is Tasmania'.

Anna Krien.

In early 2017 TCI commissioned Justin O'Connor to conduct a qualitative survey of the Creative Industries sector in Tasmania. Some of the findings were presented at the *Undisciplined* conference 19–21 October 2017. Feedback was also sought from a TCI steering committee meeting on 2nd November 2017. In late November a quantitative study commissioned by TCI from the University of Tasmania's Centre for Cultural Value was made available. Finally, the Tasmanian Chamber of Commerce and Industry's (TCCI) annual report on the state of the economy, written by economist Saul Eslake came out in early December. This final document takes account of all of these, and is part of an ongoing conversation, led by TCI, on the future of creative industries in Tasmania.

The primary focus of both the qualitative and quantitative studies was cultural production. It did not look directly at audiences or end users (such as tourists), though these are of course crucial. So when we talk about participation, or access, or diversity we are looking at those involved in some form of cultural production (and for the qualitative survey, this can mean unpaid or secondary work).

The aims of this survey were threefold:

1. To determine the health of the creative industries ecosystem in Tasmania;
2. To identify what the sector feels government and other major cultural/ educational organisations might do to support it and enhance its sustainability;
3. To sound out the sector's view on its current position in public policy and how it might be reframed to government and the wider public.

This was primarily a self-assessment by the sector of the health of the creative ecosystem and its relationship to public policy and government. We chose the word *health* to reflect a concern with the well-being and sustainability of the sector, and its overall ability to deliver cultural value. Whilst the creative sector is clearly an economy in itself (it has contracts, markets, employment, supply chains etc.) and does make a contribution to the wider Tasmanian economy, the report starts from the perspective that its primary value lies in its ability to deliver cultural goods, services and practices which inform and entertain, enhance and enrich our individual and collective lives. 'Ecosystem' was used to describe the complex mix of individuals,

businesses and institutions involved. We drew on the definition used by Creative Victoria:

Creative industries are an evolving mix of sectors spanning arts, culture, screen, design, publishing and advertising. They cover disciplines as diverse as game development and graphic design, fashion and filmmaking, performing arts and publishing, architecture and advertising, media and music, comedy and craft. They include activities that are commercially-driven and community-based, experimental and export-intense.

Across all disciplines, [Tasmania's] creative industries are driven by a powerhouse of small organisations, micro businesses and sole practitioners, comprising the vast majority of the sector. They operate within a creative ecosystem that extends from iconic cultural organisations and global businesses to educational institutions, government bodies and community groups.

However, this report also identifies some key differences between such metropolitan centres and the cities and regions of Tasmania.

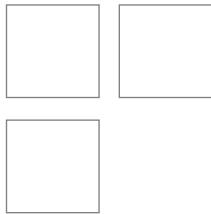
Our interviews and on-line survey focused on:

- **opportunities** for participation;
- **diversity** of practitioners and product;
- **sustainability** of working conditions, availability of skills, people, audiences and materials; **sociality** of networks and the infrastructure of cultural value;
- **connectedness** within the sector and with other sectors as purchasers, suppliers, collaborators, neighbours;
- **recognition**, how it is viewed and valued by publics and governments.

These findings are based on a series of seven discussion groups and six one-to-one interviews conducted in August 2017, and an on-line survey with 311 responses.

2. Definitions

Underlying these efforts was a sense that ‘culture’ was now much broader than the subsidised arts, and that we needed to acknowledge and identify the full range of activities involved in the expansion and industrialisation of cultural production since 1945. In this way, as UNESCO and others argued from the 1970s on, we could make better, more democratic cultural policy.



2i The Question of Definition

Definitions have become a mainstay of creative industry documents. Until the 1990s, the cultural ‘sector’ (sector: a relatively cohesive set of activities producing an identifiable set of related products) was statistically invisible. Its different activities, even where they were identified by occupational and industrial codes, were scattered across multiple statistical regions, with a few salient parts – ‘the arts’ or ‘museums and libraries’ – poking out. The work of statistically identifying a ‘cultural sector’ was commenced from the mid-1990s and was more or less finished in the UNESCO classifications of 2009¹.

This push to statistical collection also formed part of a shift in the way culture was viewed by policy makers, at least in the West. At a time, from the late 1970s, when the public sector in general was deemed to be a fetter on economic development rather than an enabler, it was increasingly felt that the cultural sector might be better served in presenting itself as, amongst other things, an economic sector. Presenting itself in this way involved lead bodies being able to speak to government as an economic sector alongside other ‘industries’. They needed to instil a sense of collective identification within the sector so as to better collect and present cohesive policy messages to government. And they needed to collect economic indicators in the same way other industries did so as to allow direct comparison – hence the drive to statistical taxonomy.

This shift to being an ‘industry’ could never be straightforward. It undermined much of the self-understanding of those working in the sector, who often saw themselves as anything but ‘industries’ – and this persists today even amongst those too young to remember the 1990s. But of course, developed countries were shedding ‘industry’ – mass production in factories – that was seen as part of an older, now redundant economic era. This allowed the cultural sector’s traditional opposition to ‘industry’ to be parlayed into its taking a lead role in an emergent post-industrial economic agenda. The cultural industries, and subsequently ‘the creative industries’, were not just statistical agglomerations of a particular sector. They became part of a wider narrative around transformations in contemporary economies that moved the cultural industries from being marginal anomalies to cutting-edge exemplars of the new economy.

Definitions then are not only about statistics but ways of organising the world in ways that allow us to act upon it. As such they are implicated in wider narratives, some of which we touch upon in this report.

For example, we might see the cultural sector as a service sector, in which it is distributed across different areas: social services (public and private provision of public cultural goods, such as arts and community arts, public broadcasting, libraries and galleries, leisure and recreation etc.); personal services (the consumption of entertainment and leisure goods); and producer services (design, marketing, advertising, architecture). There are multiple links of culture to manufacture and retail, as well as culture consuming and providing services to other sectors.

Compared to those other social services of health and education, we might say that culture is much more dispersed and ambiguous. In some parts it is seen as a core function of the state; in others purely as a matter of personal consumption choice. Some of its sub-sectors are bigger and growing more quickly than others; some may have a direct impact on product and service innovation; some are provided for directly out of taxation; others are purely private; some are exportable, some less so; some are able to increase their productivity, others are relatively impervious to this.

The growth of cultural consumption (related to increased education, wealth, leisure time) and the importance of cultural services to other manufacturing (or 'transformative') and producer service sectors have caused a kind of legitimisation crisis in cultural policy. There are real debates about if, how, and how far the public should directly subsidise culture. But also, if, how and how far the state ought to be concerned with the general parameters, quality, level of provision of culture and media. This makes for difficult and complex policy-making².



2ii Culture and Economics

At this stage we put forward a definition of the cultural sector as:

those activities involved in the making and dissemination of goods, services and practices whose primary value lies in their meaningfulness to us – as enjoyment, transformation, education, information, challenge, dissent, and the making and celebration of individual and collective identities.

As the theme of *Undisciplined* made clear, this meaning is not purely cerebral but involves our senses and our bodies: digital signals, aural pleasures, movement and intense materiality. It involves 'art' and 'popular culture', and it folds in crafted clothes and objects, food and drink, landscapes and buildings. How we produce, share and evaluate this culture is part of an on-going collective conversation at multiple

levels of everyday life, cultural production, communal organisation, public opinion and government policy.

This survey takes as its starting point the *cultural* value of the cultural sector. This is not about opposition to economic growth. Growing the cultural sector economically can be win-win, expanding cultural activity and increasing the availability and sustainability of cultural employment. Opposition to the reduction of culture to purely economic outcomes is NOT the same as the old industrial-age opposition of ‘art for arts sake’ versus philistine utilitarianism (which suited those rich enough to afford art). The focus on cultural value is to focus, first, on what culture does and how it can do it better and, second, on what kind of economy is involved in the cultural sector, who does it help or harm, where do the benefits go, and to what kinds of culture does it give rise. Inevitably then, asserting the cultural value of culture is also to ask questions about what kind of cultural economy we might want, as well as fuzzing the lines around what we actually mean by ‘economy’ (see Section 5).

For, as with ecological and sustainability agendas, the problems tend to arise not when ‘economics’ comes first – inevitably the question of the allocation of scarce resources is always going to be a primary concern. Problems start when a particular arrangement of measurement apparatuses and proxies that make up the ‘formal’ economic system (GDP growth, aggregate employment, average income, shareholder returns and so on) become the primary determinant and sole means of justifying economic and social policy writ large. This might mean that steady employment figures can mask wage stagnation, or increased insecurity, or a decline in the quality of work experience. It might mean that domestic labour, or the environment, can be bracketed off from economic calculations – even though workers couldn’t turn up with lunch and clean clothes without that (unpaid) domestic labour, and massive environmental costs are made invisible in formal economic terms. And we are becoming increasingly aware of how the profitability calculations of proprietary social network platforms take no account of the real conditions of the everyday social activity, which generates the network-value and data-flows on which these profits depend. More generally, the narrow focus on a set of economic indicators and models can easily make us ignore the wider social context which both makes that economy possible and, indeed, makes life worth living.

The key point is that measurement through proxies is useful but they are only meaningful when properly assessed in terms of our wider values as a society. Debates about the things we value and how we might sustain and develop these is what the democratic process allows for.

Over the last forty years, these values have been increasingly trumped by an abstract mathematical model called ‘the economy’ which stands in for the real situated complexity and the lived experience involved in the allocation and use of scarce resources. As we are ever more aware, beyond a certain limit, simply pointing to a set of economic indicators no longer works as a legitimisation for wider political purpose. More generally, as we discuss at the end of this section, standard indicators of economic benefit – more money and more things bought – no longer makes us so happy. In this context, the reduction of culture to economic value can only make things worse.



2iii Creativity

The definition of the cultural sector (like the word ‘culture’ itself) was always complex, and was made more so when governments took a lead from UK New Labour in 1998 and began to use the term ‘creative industries’ or ‘creative economy’. ‘Creative’ seemed to avoid the associations ‘culture’ sometimes had with elitist, or conservative/preservationist policy approaches. It was often used to signal a more contemporary, even ‘popular-democratic’ approach to culture. At the same time ‘creativity’ was being associated with a new ‘knowledge economy’ – “making money from ideas”³ – and a more general claim that ‘creativity’ was now a human resource to be fostered in everybody, not just ‘artists’. Many of these seemed perfectly reasonable aspirations, and the cultural sector was mostly willing to associate itself with something that seemed to ride the wave of the future and which governments now seemed to take more seriously – along with the resources which tend to flow from this⁴.

However, the new terminology tended to isolate and extract one aspect of culture – ‘creativity’ – and position it as an ‘input’ or a distinguishing value-added (‘novelty’) which could define a set of industries and occupations⁵. From this point on, a set of statistical definitions that had been fairly straightforward in the 1990s, when these surveys were pioneered, became freighted with all sorts of philosophical distinctions most statisticians were not qualified to make.

‘Creativity’ was extended to activities which had not previously been included in the cultural sector – mainly ‘software and computing’. This was in part to do with their production of copyrighted products, in part the similarity of their working conditions with cultural workers, in part because ‘the digital’ seemed absolutely crucial to transformations in the cultural sector. Whilst some claim that ‘symbol workers’ are part of any definition of culture, this would make advanced maths

(and by implication most of contemporary science) the same as aesthetic-cultural production. It would also mean that database coders in a mining company were part of the cultural/ creative sector. The inclusion of ‘software and computing’ increases employment figures by around 40 percent; this is attractive to policy-makers looking for such figures but in the end it does not help understand what the cultural/ creative sector actually does. Most serious scholars and policy analysts separate ‘software and computing’ out and either discard it or put it in some support or infrastructure category – as with audio-visual equipment manufacture, for example⁶.

This is not to say that ‘the digital’ has not permeated the cultural sector in multiple ways, or that software directed at the cultural sector and infused with its ‘cool’ has not taken over the planet. It is to say that software and computing have transformed every other sector too, from health to public administration, to logistics, to retail. Lumping in ‘software and computing’ with the cultural sector might give a short term policy sugar-rush – the fast-growing sector pulling culture into the foreground of economic growth – but it provides no pointers to how we might understand and support the cultural sector. Nor in fact, is it useful for the ‘software and computing’ sector either, who look to innovation strategies as their main route to government support.

Software is part of a general problem of definition: if creativity is a universally distributed capability of producing the new, then what is not creative? Science, financial services, education, health, business information, everyday life – are these not creative? On the other hand, many aspects of culture, which are often about continuity, collective identification, celebration and so on, are not necessarily ‘creative’ in this sense. UK Labour and others stopped at software; in East and South East Asia, for example, they include anything that generates IP (and not even restricted to copyright) or deals with ‘ideas’ or ‘design’ – business consulting, biotech, hairdressing, automobile design and so on. So much so that many East Asian governments have been forced to re-introduce the category of ‘culture’ in order to assert an area that is not just creative (i.e. commercial) but also about meaning and values.



2iv Culture

Creativity is not the same as culture.

Culture, at its most general, refers to the systems of meaning which we use to understand and transform the world. This is what we mean when we say that ‘culture’ separated early humans from a purely biological evolutionary processes. This certainly involved the development of

new tools and techniques (including language) and thus ‘creativity’; but it also involved how to deal with death and disease, sexuality and procreation, kinship and enmity, to cope with the unpredictable natural world, to account for justice and violence, determine how power should be distributed, or to set out basic rules of conduct in everyday life. More generally, it tried to give emotionally and intellectually satisfying meaning to the lives of individuals and collectives.

In the world of modernity culture tends to refer to two domains: public knowledge (not just information but the complex systems involved in its production, on-going assessment and communication) and artistic-aesthetic experience (which includes ‘entertainment’). Both are embedded in culture understood in a broader sense as “relations between elements in a whole way of life”⁷.

Since the 18th century parts of that ‘whole way of life’ – the economy, primarily, but also the legal-administration system, and the scientific-technological – have separated into different systems which are not normally considered ‘culture’ in the modern sense. Culture – public knowledge and artistic-aesthetic experience – formed part of a public sphere which sought to monitor, understand, process, discuss, improve and restrain those powerful systems of economy, state power and technological advance. Culture in both domains has also been part of citizen and nation building projects. Since the 1960s, these have been implicated in class, gender and ethnic questions, conflicts and debates around the attempted extension of ‘cultural citizenship’ sometimes known as ‘identity politics’ or even ‘culture wars’.

In more recent years, culture and communications policy have tended to separate. This relates to a large-scale shift in public policy for culture and communications in the 1980s, which was at that time organised around a nationally-focussed public broadcasting framework, arts infrastructure (including museums and libraries) and public education system. The rise of privatised and globalised tele-communications companies and ‘content-providers’ (now joined by ‘content aggregators’) saw many governments step back from any other role other than market framing and adjudication (competition laws, consumer rights, infrastructure provision). Cultural policy has tended to focus more exclusively on the artistic-aesthetic dimension and is now asked, on the one hand, to deliver on a range of social, health and national ‘soft power/ identity’ issues and, on the other, to deliver economic growth under the guise of creative/ cultural industries.

Finally, as is commonly recognised, the above developments have paralleled, in the last 40 years, a more general shift in public policy towards the dominance of economic legitimation. It is not only that ‘the

economy' is held to be the primary justification for most policy (and indeed personal) actions but that models derived from economics and the private sector have been used to reorganise and evaluate areas of public policy such as health, social services, education and culture.

This shift worked perfectly with the term 'creative industries' – as it was intended to. So, apart from the definitional confusion which has dogged statistics we have the definitional confusion as to the purpose or value of the cultural sector. Creativity was clearly a term derived from the cultural sector (at least in Western countries), yet its links to wider cultural values were easily disavowed. In that way it became easier to talk about it in primarily economic terms – not just in terms of employment, income and tax generation but also to apply economic-market models to its functioning. The persistently 'cultural' elements of a cultural business were absorbed into these models via various new terms – brand identity, experience value-added, art as R&D, network positioning, even 'lifestyle'. These do perhaps explain the activities of many cultural businesses but ultimately there are multiple aspects of the cultural sector whose value – for us and for them – is not directly derived from economic (exchange for profit) motivations.



2v Good Living

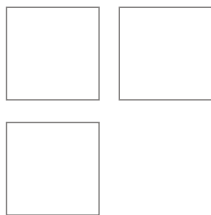
The discontent with purely economic metrics has animated not just feminist, ecological and developmental economists but is now becoming mainstream.

This was sometimes called 'post-materialist', suggesting that after basic material needs have been met we can move on to personal fulfilment⁸. A range of recent studies has shown that the proliferation of choice in consumer goods has hit a limit in terms of the pleasures and satisfactions delivered⁹. This was often used as a justification for growth of the creative industries, floating on the rise in the consumption of cultural goods and services, the demand for which, unlike utilitarian goods tied to finite material needs, is inexhaustible. This model of infinite choice made available to individuals in the most technologically and economically efficient (i.e. needs satisfaction in a context of scarce spending resources) is increasingly the default position of contemporary cultural policy. However, the massive expansion of commercial (ability to pay) cultural consumption, the fragmentation of audiences into niche markets, sold on to advertisers/ databases, and the decline in cultural experiences in-common has also become subject of concern. What, in the end, holds us together?

Many people and communities, both national and global, are finding that economic growth, as expressed by myriad aggregated economic indicators, has simply not made their lives any easier or more secure or more meaningful. The things they value, the qualities of their lives do not seem to appear in cost-benefit models. These concerns underpin the rise of new kinds of metrics around quality of life, capabilities, well-being or simply 'happiness'. Some of these are quite sophisticated, others pretty simplistic; some are very useful, others just aggregate yet more metrics. However, one thing is certain, on any definition, the value of 'culture' is to be sought not primarily in its contribution to the consumption economy but in how it adds to the quality of our lives, individually and in common.

The Latin Americans use *Bem Viver* (Portuguese) or *Buen Vivir* (Spanish); there are many indigenous words from that continent as well as our own which speak to a sense in which personal flourishing, sustainable living *with* the natural world, and social justice should exist together. In the European tradition this would be Aristotle's 'the good life' (*Eudaimonia* being not just about material plenty but also ethical living), a concept which has informed those economists (such as Amartya Sen) and philosophers (such as Martha Nussbaum) associated with the capabilities approach to economic development¹⁰. However, we are to conceive of *ben viver*, good living, or the good life: culture, as primarily concerned with the meanings we give to the world and our aesthetic and emotional sensibilities, has to be central to this mix.

3. Survey Results



3i Taxonomy Used

The statistical definition we used for this qualitative survey was based on the TCI definition, which in turn was adapted from that of UNESCO. (Statistical taxonomy is discussed in Section 4).

- Music and Performing Arts
- Visual Arts
- Architecture and Design
- Media and Publishing
- Screen, Radio and Television
- Advertising and Marketing
- Festivals, Events and Museums
- Online and Interactive Entertainment

In order to make both the interviews and the on-line survey as fine-grained as possible we disaggregated some of the categories above as:

Advertising and Marketing

- Architecture
- Crafts
- Design
- Fashion Design
- Computer Games;
- Events and Festivals
- Film, TV, Video and Radio
- Literature
- Live and Recorded Music
- Museums, Galleries and Libraries
- Newspapers and Publishing
- On-line Media
- Performing Arts (Theatre and Dance)
- Visual Arts



3ii Respondent Profile

The largest number of on-line respondents were from Performing Arts (21%) and Live and Recorded Music (21%) with Visual Arts next (10%). The rest were around 5% or under.

- 94% were based in Tasmania.
- 40% were under 45; the rest over, with 12% over 65.
- 60% identified as female, 1% as Aboriginal or Torres Strait Islander.
- Around two thirds were based in Greater Hobart, 80% broadly from the South, with 10% from Launceston.

The interviews were conducted in Devonport and Launceston (two), with the other four in Hobart. Of the Hobart groups, one was focused loosely around community based practice, another on government actors, the other two drawn from a cross-section. The following is drawn from both interviews and on-line survey.



3iii Opportunity and Diversity

The sector is locally embedded. Just over half were educated at secondary level in Tasmania and just under half at tertiary level – both primarily in Hobart. 10% were educated (secondary and tertiary) overseas. Over half have been based in Tasmania for ten years or more. They travel outside the state and have connections there, but their work is very much based on the island. Greater Hobart represents by far the major concentration of respondents. The qualities that attach them to the island are multiple but clearly the environment, and pace and quality of life are major factors.

The sector is well qualified, with over 70% receiving vocational or tertiary education related to the creative sector. This accords with international benchmarks. It shows high levels of professionalism and the crucial role of educational institutions in preparing cultural producers. Interviews highlighted the gaps in provision by UTAS (theatre and dance, for example) and a role for both on-going professional development and community engagement in this area. The new Creative Industries Academy will be very important in this respect, and with UTAS more generally is crucial to any strategic development of the creative sector.

The highly qualified nature of the sector will inevitably magnify unequal access to that education, especially in a state with high levels of early school leaving. There were concerns about challenges facing young people coming into the sector generally, or seeking to ‘make it’ on the mainland. The latter is probably not a route for those without tertiary education. We heard concerns about the decline of craft based training facilities in Tasmania, as well as the shift towards more ‘academic’ kinds of creative training at universities. Equally, we were made aware of the kinds of debt now involved in going to university, and the reluctance of lower socio-economic groups and ethnic minorities to either take on such debt or do so within what is often perceived to be a ‘soft’ career option. Other barriers to do with lack of access to networks, the challenge of low income and cultural prejudices more generally are also likely to be in play.

Indeed, two thirds thought the sector ‘did not’, or only ‘somewhat’, represent the diversity of Tasmanian population/ communities, with just 18% thinking it did. Nearly three quarters thought the sector did not, or only somewhat, provide equal opportunities to participate for all sectors of the Tasmania community, with only 13% saying they thought it did so. That registers a real concern that participation in cultural production is for the few not the many, and that the cultural sector may exclude certain sections of the population.

In short, a focus training and education will be a crucial aspect of any creative industries strategy, but these need also to be concerned with:

- a. access to opportunities for those sections of the Tasmanian population who do not go to university;
- b. encouraging participation from Tasmanians with diverse ethnic and cultural backgrounds.

These will be discussed further in Sections 5 & 6 below.



3iv Sustainability

For those who work in the sector, did they manage to make a sustainable living? 60% suggested that they did, or mostly did, make a living from their creative practice. Of the remaining 40% a quarter said they had ‘marginal’ or ‘no income’ from their work’; 15% had ‘some contribution’.

To put this in context, in a 2015 TCI survey of creative industries 54% of responses were from businesses that identified as sole traders. An additional 21% were companies; two thirds of these creative companies employed under 10 people. This is primarily a sole trader, small business sector.

As such it follows a pattern familiar in most creative industry sectors. UK and European surveys over the last 20 years, for example, have shown 90% of CI businesses to be SMEs, representing 60/70 % of total CI employment. The larger metropolitan ecosystems have some very large scale public or private companies around which these SMEs organise. Tasmania, as a relatively small, non-metropolitan creative industries ecosystem, has fewer such large organisations, which gives it a character which it shares other similarly non-metropolitan places. We might also note here that the 2017 TCCI report suggests Tasmania as a whole is a small business economy. This is discussed below in Section 5.

In our survey 35% identified their annual income from business as less than \$20 000, followed by 15% with income between \$20 000 – \$50 000. There may be multiple sources of income of course. But on this showing half of the sector earn below the 2016–17 average Tasmanian salary of \$52,931 (Australia’s lowest, 23% below the national average \$68,474)¹¹. The Utas survey used ABS 2016 average national earnings data, which has ‘Information, Telecommunications and Media’ at 84,000 per year, ‘Education and Training’ at 60,000 per year, and ‘Arts and Recreation’ at 42,000 per year. David Throsby’s more detailed report for the Australia Council had the ‘average gross annual income for artists

(from all creative and non-creative sources) as \$48,400¹². Again, we might point to the generally lower average income in Tasmania, though whether and to what extent this applies to creative occupations in Tasmania we do not know.

As with the creative sector across Australia and in other OECD countries, half of the sector is a low paid one ('for the love of it'), with a proportion (40%) of reasonably average incomes (within a low average pay sector) and a top 10% of high earners. At the same time, over half the businesses have been around for ten years or more, suggesting a high degree of resilience rather than a sector bent on growth. The 2015 survey suggested that the vast majority did not plan to grow their businesses in the near future by anything greater than employing one or two additional staff.

The rise in self-employment is a major trend in OECD countries, the USA and UK leading the way. According to one source, small businesses employing under 20 people account for 45% of private sector employment in Australia¹³. One of the arguments around cultural/ creative industries in the 1990s was that this kind of creative, self-directive, flexible, passion-driven work was the way of the future. However, the erosion of the divide between work and play, working because you love it, the portfolio career and so on have their downsides. The expectation of always being available, tendencies to self-exploitation ('sacrificial labour'), the insecure 'gig' economy, 'zero-hours' contracts, and the 'bad autonomy' of self-employment as with *Uber* and *Deliveroo* all suggest some serious downsides to this tendency¹⁴. (This is discussed in Section 5 below).

Our survey found that in Tasmania those in the creative sector were not particularly 'self-exploiting', though of course most suggested they were very busy. Over a third worked the 'standard' 30/45-hour week, 20% working upwards of 46 hours a week. Over two thirds thought their working life was, or mostly was, sustainable in relation to their personal, social and family life. Over two thirds thought sustaining their work was getting easier or staying the same – though three quarters thought it was about the same (54%) or getting harder (26%).

The sector's motivation is overwhelmingly vocational in the original sense of a 'calling'. 'Commitment to artistic practice', 'getting paid for something you love doing' and 'personal skills and ability' were the outstanding reasons for getting involved and staying in the sector. In addition, the Tasmanian social, cultural and natural environment, whilst it brings challenges in terms of work opportunities and limited markets, is a crucial factor in their commitment and resilience. Those in the sector are intensely embedded in the place.

In the interviews many talked about the need to be ‘entrepreneurial’, but this did not simply refer to some kind of ‘business oriented’ mindset but, as often as not, the need to be flexible, look to different opportunities, develop new skills and approaches. It meant resilience, networking, and identifying where value lies. This accords with other studies of creative work in Europe and the USA, even in the core creative metropolitan centres. Those working in the sector are not exclusively or even primarily focused on parlaying their survival skills into accelerating business growth but to secure their living and to help sustain the communities in which they work. They look at how to balance working within their peer milieu, sometimes unpaid; working under grant funding; working with commercial contracts; or selling direct to markets. We might say that this chimes with long-standing Van Demonian tropes around survival and flourishing on the margins, and embedded narrative of an older ‘feral’ Tasmania which has in recent years been turned into a positive attribute¹⁵. More on this in Section 5.



3v Sociality and Connectivity

Creative ecosystems are necessarily about connections and collaborations, networking and positioning, peer judgements and critical appraisals. They facilitate access to information and tacit learning, and are embedded in a locale, often sharing a particular ethos or ‘atmosphere’. They contain long-term institutions, like universities, museums or large public or private companies, all the way through to those fluid semi-public ‘scenes’, which can solidify into networks or dissolve, opening spaces for new-comers and dissenters. This is the ‘soft infrastructure’ of place, the situated creative field, the creative *genius loci*.¹⁶

Our on-line survey asked about connections within each creative field. Here they were good or somewhat good for 70%, but only very good for 15%. When asked about connections to other creative fields this stays more or less the same (73%) though with fewer ‘very good’ (9%). Connections across the state are weaker – 60% good or somewhat good, and only 1% very good. Indeed, state connectedness was only marginally better than that with the mainland or overseas, with 50% good/ somewhat good but 7% very good. Just over half thought there was little or could be more creative sector interaction locally, with just under two thirds feeling there was little or could be more such interaction state wide.

This accords with the results of the interviews, where there was a clear sense of a north-south divide, and one between Hobart (and

Launceston to an extent) and ‘regional’ Tasmania. There are often stronger links with the mainland or overseas than between the North and South. This is by no means unusual – think of Melbourne and regional Victoria for example. However, the particular attraction of Tasmania as a natural environment with a different pace of life, expressed by many respondents on-line and face-to-face, suggests that managing regionality as opposed to urban agglomeration will be a challenge. The heat around the abolition of the Regional Fund, whatever its (de)merits, is indicative of this.

Over two thirds thought there was little or could be more interaction with other sectors (education, tourism etc.). Just under 50% identified Education as a sector they would like to see more interaction with, followed by Tourism (40%), and Food and Hospitality (23%). 28% thought there should be more interaction with government. All of these of course show the sectors most closely associated with the creative sector and point to wider, more systematic consultation being highly valuable in any future strategy.

One theme that came up in the interviews was that of ‘Islandness’ and the ambiguities of (dis)connection. This was presented as a ‘structure of feeling’, a common bond which coloured a collective outlook even if it was difficult to specify. It acted to pull together a state that is dispersed between north and south, urban and regional. Part of this islandness was a sense of disconnection from the mainland, which was both good and bad. It was clearly part of the attraction of Tasmania, being at one remove from the perceived overheated pace of the mainland metropolitan centres. At the same time, it presented issues of physical disconnection – the added cost of touring companies, the import of materials, the limited markets – and perceptions of distance from ‘what’s going on’. Some of this has been attenuated by the internet, by the arrival of MONA and the energetic presence of the TSO and TMAG. It has been reinforced by the reduction of the ABC and the ongoing lack of the requisite infrastructure for large scale touring performance.

Creative fields provide the context in which which practitioners work. They structure how producers position themselves, chart out a career or artistic development path, promote themselves and their work, measure up against peers near and far. They tend to be competitive-collaborative, and depend on local spaces and occasions of sociality and display: local media, magazines (on-line and print), journals, books, industry award nights, university lectures, and conferences, book launches and openings, blogs and so on. These are the spaces in which the creative sector talks about and evaluates itself, where

producers pick up ideas, push their own work, respond to what others are doing. This kind of peer group recognition and evaluation is often as important – perhaps more important – than wider popularity or commercial success (both would be nice, of course...).

Creative fields are intensely local – cliquy gold-fish bowls to some – but they are also differentially connected to the mainland and beyond. Those institutions that provide these wider connections – large galleries, orchestras and museums, bigger media companies and film production, art schools and universities, big festivals etc. – that are crucial to the local sector. The arrival of MONA did not just change the field through its attraction of more visitors and government money; it re-routed a global space of art world flows, introducing new dynamics, new ambitions, new expectations which have changed the local scene. The TSO's national and international connectedness and reach is vital to the musical life of the state. The role of these larger institutions, often simplistically counter-posed to the local and grassroots, will be crucial in any strategy.



3vi Recognition and Representation

The interviews and on-line survey sought to get a sense of how far the sector felt understood or valued by government (at all levels), as well as what kinds of support or strategic development it might provide to the sector. These questions invariably led to lengthy conversations in the group interviews, which we try to represent here.

Just under three quarters thought the creative sector was not adequately supported by the three tiers of government, only 7% thinking it was adequately supported. Whilst 70% felt well or somewhat recognised by their local community, only 50% felt well or somewhat recognised by government. However, 50% felt they were 'slightly', 'not well' or 'little' recognised by government. Only 17% thought they were well-recognised by government. Asked whether they thought the value of the sector of the sector was 'understood and expressed' by government, state government scored better than local, with Federal government slightly above the local and well below the state. In short, there there was a combination of neutrality and scepticism as to whether 'government' – and this could mean the administration they dealt with or the politicians they voted for – understood them, but with a strong feeling that they were not adequately supported by that government.

These numbers were underscored by the on-line comments and group interviews, which also gave some important nuance. A slightly

sceptical, often jaundiced, view of government is common in other sectors and perhaps amongst the general public, as we know. Nor would anyone acquainted with the cultural sector be surprised by their sense that they were not well recognised or supported. This is most immediately manifested in the perceived lack of adequate funding.

Two thirds of on-line respondents thought the government should provide more financial support or investment in the sector. Again, this might be predictable – who does not want more money? – but in the cultural sector it is more structural, and should not be marked down as an insatiable beast always wanting more. There is little doubt that funding for arts and culture in Australia is amongst the lowest in the OECD countries (only Japan, Greece and the USA spend less as a percentage of GDP). The picture is of course complicated, with state and local governments providing large amounts of funding (Tasmania, TCI figures suggest, provides amongst the highest state cultural funding per head of population), and often under different headings (heritage, for example). But nonetheless, the amount of funding available for arts and culture has been historically low in Australia and in the last five years has been reduced in absolute terms.

Leaving aside for the moment exactly *how* such government finance should be distributed and used, or *what levels* of spending are appropriate and *how* these should be set, there is a deeper concern around the rationale for government spending on culture *per se*.

Which is to say: there was a general sense in the interviews that the value of the sector is hard to articulate; sometimes that it could only be articulated by economists; and that there was no shared language of the value of culture outside of the sector, that arguments for ‘cultural value’ were perceived as soft, weak, hot air, waffle and so on. Comments in the on-line space frequently contrasted culture with sport, which received much higher levels of funding and which was simply not expected to justify itself in the same way. Its value was self-evident.

This was the context in which many suggested the term ‘creative industries’ worked: it was a symptom of the need to express value in economic terms and at the same time a necessary tactic to unlock money from government. Very few identified with the term in anything other than pragmatic fashion.

One of the key findings of the interviews was around the use of economic arguments for culture. The two decades old strategy of justifying culture in economic terms had, for some, run its course; in the end it did not convince governments, who always cut cultural funding anyway, and it resulted in a hollowing out the language of

The question of how to articulate the value of culture to government in a language that reflected what culture actually did, is an extremely urgent one.

cultural value. For others the answer was more statistics and metrics put forward by authoritative economists. Yet even the latter thought that this was a pragmatic move and did not actually engage with the 'intrinsic' value of culture. It was just what you had to do.

There was little consensus around the term creative industries – what it meant, whether they were part of it, whether they could pragmatically live with it and so on. On the other hand, no other term immediately presented itself. Often in these conversations, 'art' emerged as a crucial marker of a set of practices, values, objects that were different from economic value. Many thought 'art' was not just about 'the arts', or that art was in fact 'culture'. But just how art, culture and economy were related was deeply confused.

This does not reflect some age old philosophical conundrum but more a confusion about where art and culture sit in contemporary society. Some clarity, or space to have a conversation around these issues, was a constant refrain in the interviews. To raise heads above the day to day grind of working and administrating to get a sense of the bigger picture. There was a sense that this conversation should be had, and a space found to have it, and that this might be a job of some entity. The university, it was generally felt, was not doing this, or if it was, it was taking place inside its walls. The arts bodies had mainly administrative functions. MONA had opened up spaces, but many felt the conversation was strongly coloured by the MONA aesthetic.

In terms of who and how the sector was represented – or indeed if there was a 'sector' at all and if it actually needed representation – the interviews and on-line survey were ambiguous. Asked if they thought they were adequately represented by their peak body yes (23%) and no (28%) were both outnumbered by the don't knows (30%). 20% 'do not have one'. Asked whether a single representative body was needed Yes (33%) just outnumbered No (28%) but 32% did not know. It would be fair to say that there is some work to be done here. This suggests that the 'cultural sector' is in part an administrative fiction; or perhaps it is a sector in-itself but not for-itself. That is, different parts of the cultural sector have different views on how they relate to other parts, and they are not sure if there is a sector as such, or if it needs representation. They don't really know how or by whom this representation would be done. This is a work in progress.

Finally, we should also stress that many thought that the arrival of MONA had challenged local and state government to 'raise their game', and that in many respects they had done so. Certainly the profile of 'culture' was now higher up the governmental agenda, though many felt this was focused too much on MONA and in fact was as instrumental

as ever but expecting more! But many expressed a view about an increased professionalism and ambition within parts of government and administration. Though some talked sceptically about ‘another report’, others felt that there was a greater sense of recognition and willingness to act from government. So there is perhaps a higher potential to act in this area than there has been for some time.



3vii Summary

The cultural sector in Tasmania consists of sole traders and micro/small businesses, with a few large entities both public and private. They are making a living, mostly in line with profiles elsewhere: a large proportion on lower incomes, a slightly smaller proportion getting a reasonable income, a small slice at the top getting high wages.

They are embedded in a Tasmanian environment, culture, society and economy which they clearly love and which keeps them on the island. This embeddedness adds quality of life to the bare income metrics, and perhaps also provides multiple additional sources of monetary and material income.

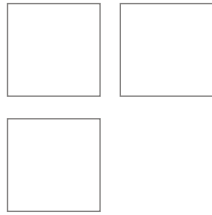
It is a resilient sector but it also faces challenges from island-imposed transport costs, government under-funding, small local markets, a reliance on (seasonal) tourism, and a dispersed, often ignored ‘regional’ sector, even less visible (many thought) now MONA had put Hobart on the national/ international map.

There are clearly barriers to participation which are narrowing the diversity of the sector, most likely around education, access to networks, low income and cultural prejudices.

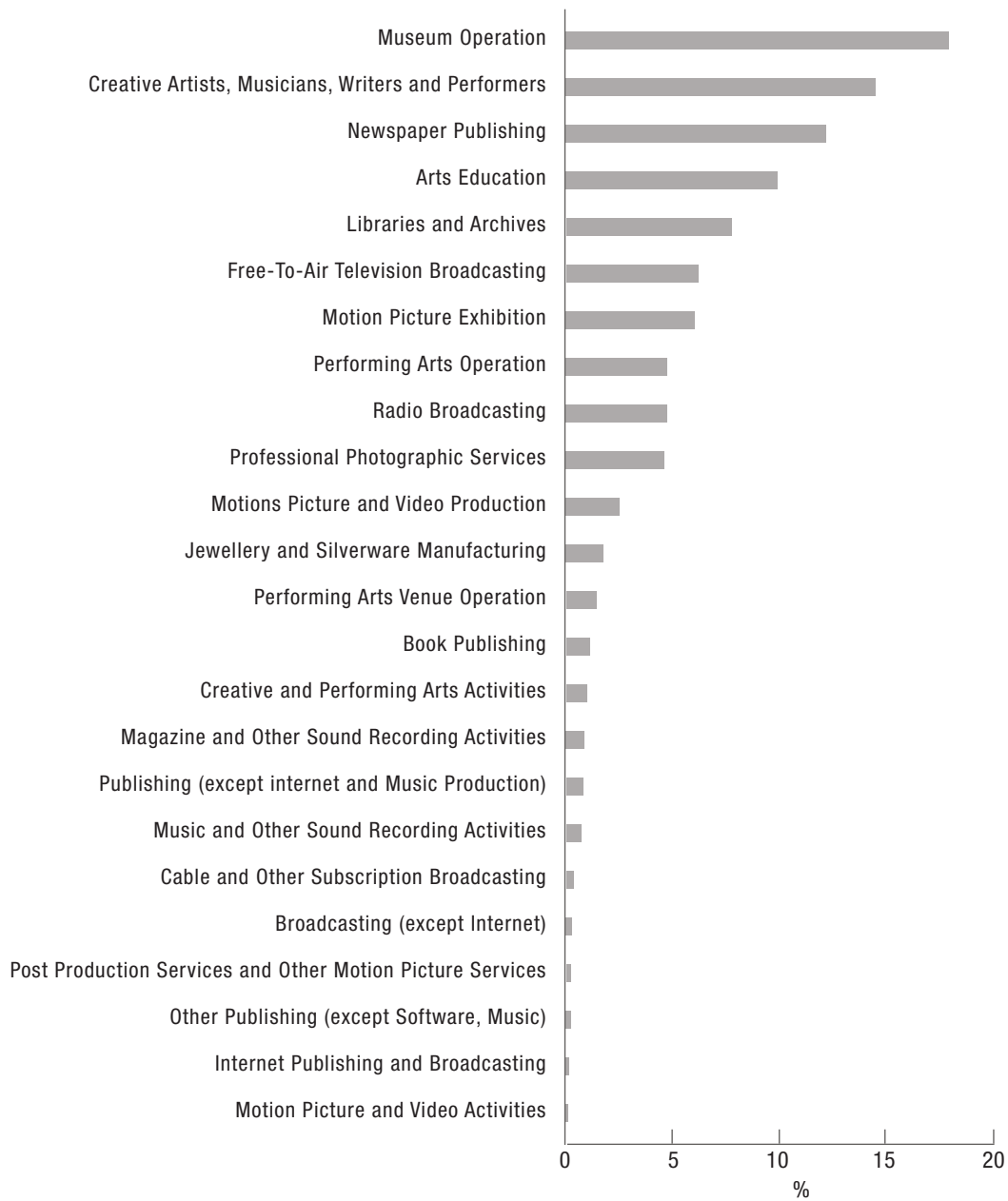
Tasmania’s profile is not unique; it is more of a norm than those metropolitan centres often held up as aspirational models. There are many regional areas centring on one or two larger, but not major, urban centres (Victoria, the East Midlands in the UK, North Rhine-Westphalia, the Basque region spring to mind). Not all have strong state governments (non-metropolitan UK, for example) or have an island status to give a strong sense of bounded community. As the TCCI report suggests, comparing Tasmania with Australian regions outside the capital cities shows how buoyant it actually is. Organisations such as the TSO and Mona offer global connections and linkages – a level of international connectedness not common in populations of half a million. Tasmania has a strong university presence. There are issues with the ‘natural monopoly’ of UTAS, but on the other hand the university has a strong and long-term commitment to the island state.

So the Tasmanian cultural sector has a lot going for it and a lot of potential. The challenges are very real and demand some serious thinking by its sector champions, peak bodies, representative agencies and various parts of government.

4. Quantitative Indicators



The quantitative research conducted by Utas is based on 2011 and 2016 ABS census figures. Using the TCI definition, it found of 211,040 Tasmanians employed in all industries, 3,489 work for Creative Industries. This represents 1.65 percent of all people employed in Tasmanian industries, and as a percentage of all state employment this rose 6.8 percent between 2011 and 2016. Using the TCI definition, the dominant industry in the sector, as measured by the percentage of people employed, is ‘Museum Operation’ (18%) followed by ‘Creative Artists, Musicians, Writers and Performers’ (14%) and ‘Newspaper Publishing’ (12%).



The Utas report uses average national earnings in the CI sector (see Section 3iv above) to generate a collective figure of \$216,801,463. The report also estimated what this might be taking into account the lower average earnings in Tasmania, producing a lower figure of \$177,926,440. Without comparison with other Tasmanian sectors it is hard to judge what contribution this figure makes to the Tasmanian economy. However, the average Tasmanian earnings are around \$52,000. Three of the top five cultural sectors by employment in Tasmania (creative arts, museums, libraries and archives) earn the national average of 42k; two sectors (newspapers, free-to-air broadcasting) earn the national average of 84k; and one (arts education) earns 60k. If these national averages are reduced to reflect lower Tasmanian averages (though we don't know if this is the case in the cultural sector), then we can estimate that the overall CI contribution to Tasmanian GSP in the form of wages is in line with its employment percentage of 1.65.

When 'Computer system design and related services' and 'Architectural services' (not included by TCI's definition) are added then these two go to the top of the employment chart, representing 21% and 10% of total CI employment respectively. They also give a 40% boost to sectoral employment figures. That is, the CI have 6,200 employees and represents 2.94 percent of those employed in the state. This kind of boost is normal when these sectors are added, as discussed in Section 2. As we argued in Section 2, computer design does not deal primarily in meaning, in the cultural sense of the term. They deal with symbols, but their value is not based on the aesthetic-emotional or even public informational value for us – though of course they enable both to take place. They are adjacent to the cultural sector, just as they are adjacent to health or education or infrastructure development. That they increase the employment figures is not a relevant argument for including them. Nor does adding them to the creative sector do much to provide support for them – it is unlikely that, beyond a set of generic interventions (space, small business support, access to broadband) they would benefit from cultural/ creative sector strategic intervention.

The quantitative study shows how important it is to have an agreed taxonomy as a basic framework for collecting sector statistics. It is also crucial to have more detailed information on wages and overall employment trends. As it stands both the Utas report and the TCCI

report use what is to hand, which often does not add up to a complete picture. For example:

- ‘Arts and Recreation’ is used by TCCI as proxy for the arts as such. But this includes employment that is not counted in the CI sector, as can be seen by the difference between arts and recreation employment (4017) and CI employment (3489). It is also distinguished from ‘Information, Media and Telecommunications’. This covers part of the creative industries, and at a general higher salary average. But equally, it includes activities that are not in the CIs.
- The Gross Value Added of ‘Arts and Recreation’, as noted in the UTAS and TCCI report, has declined, the TCCI detailing this decline as 5.9% (p.11). However, ‘Information, Media and Telecommunications’ GVA has expanded by 20% over five years. This is similar to the 20% expansion in ‘Agriculture, Forestry and Fishing’. We would need to disaggregate both to understand the dynamics here.
- According to TCCI employment in ‘tourism-related sectors’ (‘Accommodation and food services’, and ‘Art and recreation services’) has increased by almost 122,000 – “more than half the increase in total employment in Tasmania over the past five years” (TCCI Box 2). But according to the UTAS report only 462 of these new jobs were in ‘Arts and recreation’. How are we to interpret this?
- The UTAS report pulls out five categories which it refers to as ‘creative industries’ (p.6) with 2016 employment numbers:
 - Accommodation and food services (16,541),
 - Information, Media and Telecommunications (2,932),
 - Professional, Scientific and Technical Services (10,214),
 - Arts and recreation services (4,017),
 - Other Services (8,117).

These in total contribute 9.8% to the state’s Gross Value Added. This is a significant amount, given that the single largest sector identified by TCCI is ‘Health Care and Social Assistance’ (Chart 1.6) at 13%, followed by ‘Agriculture, forestry and fishing’ at 10%. It confirms TCCI’s urge to expand the professional service sector in Tasmania; but these are by no means all TCI creative sector employment. We might be tempted to call these five sectors ‘creative class’ professions, after Richard Florida¹⁷, but ‘Accommodation and food services’ is a notoriously low-skilled and under-paid sector, with average earnings amongst the lowest national average. They would not be considered creative class.

So statistics are useful tools to give a picture of the creative industries, but these need to be collected within a consistent and agreed framework if they are to work for the sector.

That is, they need to guide policy intervention as well as help make general argument to government and the public. However, there is a strong caveat. On these figures creative industries employment, with (2.9%) or without (1.6%) computing and architectural services, is going to have to work hard to make a case on employment alone. So too with salary contributions and GVA.

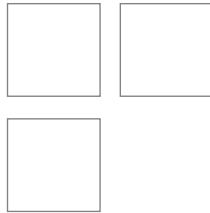
We need to know more about income, about employment growth, about location, and about connections to other sectors. But whatever we collect needs to be set in a wider context if we are to identify the dynamics and trends in the sector, and to identify the cultural, social and economic value they bring. This will not be done on employment and GVA alone.

In Section 5 we look more closely at some of the quantitative indicators for the sector. This review is concerned with the cultural value of the cultural sector, but we don't wish either to bracket off the economic dimension, or to produce a list of the economic benefits alongside various cultural and social benefits.

The problem with economic impact studies in the cultural sector is, first, that the cultural sector does have important economic benefits that are ignored or masked by standard economic economic statistics and second, that the benefits the cultural sector brings represent a different conception of the 'good' life to that of economics but are often 'crowded out' by those economic indicators.

5. Cultural Industries and Economic Development

This report has foregrounded the cultural value of the cultural sector. However, before we come to this we need to ask how can a cultural or creative sector strategy be related to the wider social and economic agenda for Tasmania.



We have been clear throughout that the cultural sector is an economy (it obviously generates employment, income and tax), and that we should find ways to grow it. But how might it contribute to the overall state economy? Saul Eslake's TCCI Report is a highly informative and clearly argued document which provides a useful way to look at the potential contributions of the cultural sector.

5i TCCI and Tasmania Economic Challenges

The TCCI report provides a comprehensive statistical portrait of the state's economic, social and educational situation. A broad summary would be that, on most indicators for income, education, and health Tasmania comes out as the most disadvantaged of all states and territories. For example:

There are actually almost 4,500 more people among the most socio-economically advantaged fifth of the Australian population living in the Northern Territory than in Tasmania, even though the Northern Territory's total population is less than half of Tasmania's. There are more than 4½ times as many people in the highest SES quintile living in the ACT as there are in Tasmania, even though the ACT's population is only three-quarters of Tasmania's.

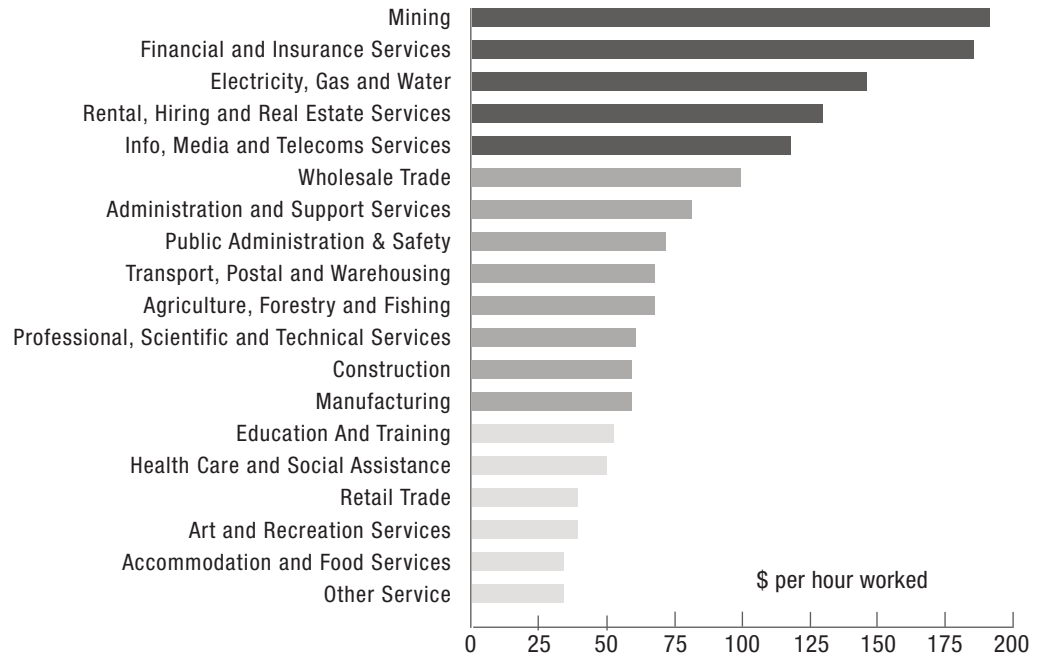
Conversely, there are almost two-and-a-half times as many people in the most disadvantaged quintile of the Australian population living in Tasmania as there are in the Northern Territory and ACT combined, even though the two territories' combined population is only 23% larger than Tasmania's. (TCCI 57)

Tasmania's per capita gross state product, according to the most recent ABS State Accounts, was \$56,428 in 2016–17. That was lower than for any other state or territory. It was also \$15,543, or 21.6%, below the national average of \$71,971 per person (87).

There are three reasons for this, according to the report: lower employment participation rates; shorter hours worked; lower productivity. The report suggests that these can be significantly addressed by raising levels of educational attainment. Low participation reflects Tasmania's high number of over-65s, but outside of this age group, low participation persists and the report suggests this relates to lower educational achievement. Equally, those with higher educational qualifications tend to work in jobs which require longer hours, so raising educational attainment should bring more hours worked. Finally, it is those industries which are capital and/or skills intensive which have the highest productivity. Given the absence of large scale mining (with the highest productivity) and financial and insurance services (second highest) it is mainly to the skills intensive industries that Tasmania needs to look.

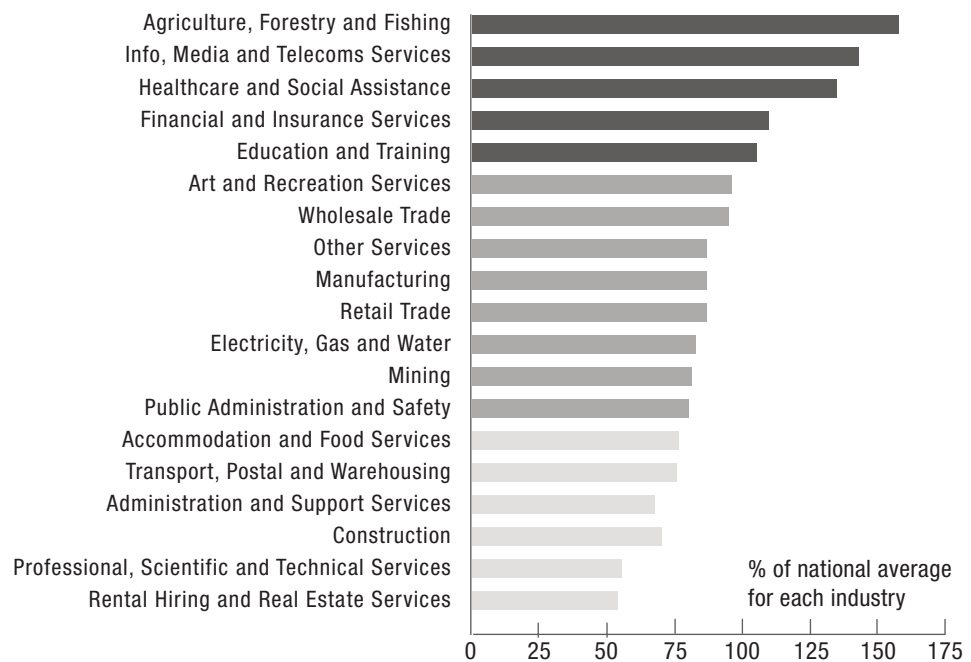
However, the figures reveal that Tasmania is over-represented in low-productivity industries. Based on Chart 7.9, the TCCI report suggests that the (high productivity) industries represented by the dark bars account for only 11% of total Tasmanian employment, with the mid-tone (medium) and light-tone (low) equally accounting for the rest.

CHART 7.9: LABOUR PRODUCTIVITY (GROSS VALUE ADDED PER HOUR WORKED) BY INDUSTRY, AUSTRALIA, 2016–17



Not only that, but many industries in Tasmania have productivity under the national average (Chart 7.11)

CHART 7.11: LABOUR PRODUCTIVITY (GROSS VALUE ADDED PER HOUR WORKED) BY INDUSTRY, AUSTRALIA, 2016–17



Sources: ABS, State Accounts (5220.0), 2016–17; and Labour Force, Detailed Quarterly (6291.0.55.003), August 2017

What we can glean from these two charts as far as the creative industries are concerned, is that ‘Information, media, telecommunications’ are high productivity industries, and those located in Tasmania are well above the national average. ‘Arts and recreation’ have the third lowest productivity (just above the other ‘tourist related industry’ ‘Accommodation and food services’) at around 40% of all industry average. However, Tasmanian ‘Arts and recreation services’ are operating more or less at the national productivity average.

We have a statistical problem: arts and recreation include a range of activities NOT included in the creative industries. It is impossible to say if either arts or recreation is bringing down or pulling up productivity on either of these two charts. Equally, ‘Information, media, telecommunications’ is high productivity on both counts, and we know it is adding employment and GVA at a good rate. But what kind of productivity figures might emerge from the creative industries, which combine parts of both ‘arts and recreation’ and ‘information, media and Telecommunications’, with a few smaller additions?

We might also note here that one of the fastest growing employment sectors, and the source of 50% of jobs growth over the last five years, ‘Accommodation and food services’, rates second lowest nationally for productivity, and in Tasmania is working at only 75% of that already low productivity.

The TCCI report suggests that Tasmania’s smaller size militates against many economies of scale, or the kind of agglomeration economies found in large metropolitan centres, both characterised by high capital and skills intensity industries. The report therefore suggests that the main route to closing the gap with the mainland involves raising educational attainments (on most indicators the worst for any state in Australia) and attempting to shift to higher productivity industries – the first making possible the second.



5ii THE CREATIVE INDUSTRIES AND ECONOMIC DEVELOPMENT

How does this relate to the creative industries?

Productivity

First, as our research indicates (though we don’t yet have the fine grain) those working in the creative industries *are* highly educated. They seem to work the average hours per week. However, half of the CI sector earns less than the Tasmanian average, with a few (perhaps 20–30%) earning higher – but not significantly higher – than the national average.

This can be explained by the low average income for ‘creative artists, musicians, writers and performers’, who, along with ‘museum operators’ and ‘libraries and archives’ (and a range of smaller related categories), make up the majority of employment in the Tasmanian creative sector (see Utas chart above, Section 4). These occupations are skills intensive and require around the national average number of hours worked, but they do not generate higher pay, nor it seems higher productivity. They are thus somewhat akin to public services – skills intensive yet not capital intensive – but they are organised overwhelmingly as sole and small business traders¹⁸. That is, they are self-employed with all the issues around job security, pensions, paid vacations/ maternity leave that go with this.

Increasing productivity in the performing arts has always been a difficult problem for cultural economics, where the same number of people tend to be needed without a clear way of raising productivity (three operas a night rather than one?). However, the general expectation around wages goes up, and thus so do the wages of artists.¹⁹ In this case however, given the proliferation of sole traders in arts and culture since Baumol and Bowen wrote in the 1960s, wages barely keep up with the average, as we know.

On the other hand, those parts of ‘information, media, telecommunications’ which are classed here as creative industries – mainly television, radio, film, publishing – are industries which do contain big, often global, companies of very high capital intensity, able to exploit economies of scale through reproduction, and thus with high productivity. Which might suggest, from an economic development perspective, that Tasmania should seek to move from the primacy of creative arts employment to more information/ media employment. However, this hits three problems.

First, the creative industries have a distinct form of profitability, built around high rates of return on the back of many failed products (“9 out of 10 products fail, the 1 success subsidises the 10 failures”). In order to supply the volume of products required for such a hit and miss industry, large scale companies and capital intensive agglomerations rely on a whole ecosystem of independent ‘R&D’, ‘free labour’, or ‘wannabees’: lots of people wanting to be creatives spending a lot of under- or unpaid time developing ideas and work with a hope to making a success of it. That means: these capital intensive creative industries rely on an ecosystem made up of those employed on very much the same basis as those ‘low-productivity’ ‘creative artists, writers, musicians and performers’.

Second, the barriers to economies of scale identified in the TCCI report very much apply to the creative industries. They are highly skewed towards metropolitan centres, and not just within nations but globally. David Walsh is correct in pointing to the exponential or ‘non-linear scaling’ as cities go bigger²⁰. ‘Non-linear scaling’ occurs in the cultural sector more than many other industries. There is a ‘winner-takes-all’ element to the large scale cultural industries that makes the global hierarchy of creative cities *hyper* non-linear. So, as with financial and insurance services, and related high-end business services, it is unlikely that Tasmania can compete with Melbourne or Sydney in gathering a significant ‘Information, media and telecommunications’ cluster. The high pay, high productivity parts of the cultural industries will remain on the mainland (and increasingly overseas). From this perspective, Tasmania as a whole might be seen as forming part of the outer reaches of the Melbourne and Sydney cultural industry cluster systems. However, it would be utterly debilitating to see Tasmania as some fringe world, and there is no reason that it should. There other ways of increasing the volume and intensity of cultural activity, just as there are other ways of narrating the purpose of such activity.

Which leads to the third point, as to what ‘productivity’ means in the cultural sector. If it means the rate of profit derived from the number of people employed and the amount of capital equipment used then clearly it will tend to remain a low productivity sector, apart from a smaller number of very successful companies. The growth of a high productivity cultural sector comes with a concomitant growth in higher skilled but lower paid, lower productivity employment to service it. But ‘productivity’ speaks nothing to the kinds of culture being produced, and the benefits of a creative ecosystem that may accrue to the locality or region in a range of different ways. The cultural sector helps create places and the qualities of those places in ways that do have further economic benefits (tourism, inward investment etc.) but which are valuable in themselves. We discuss this below in 5iii.

One exception to the tendency to concentration is in the publicly (or philanthropically) funded cultural sector, which includes large galleries and museums, symphony orchestras and publicly funded events and festivals. These can and do (MONA, TSO, TMAG, ABC) operate outside large metropolitan clusters, for reasons of public cultural policy, political realities and personal choice. They are crucial to the Tasmanian creative sector as they operate as a generators of practice, learning, ideas and income, even though they might not be – as public/philanthropic entities – ‘productive’ in the sense of profit generation.

They also provide one way out of the conundrum David Walsh presents, where it is only by increasing scale that we increase ‘interactions’²¹. These are only potential interactions and (as he suggests) people actually do need to stop watching TV and start interacting (‘partying’). Many do not; which is why size in itself is not an adequate predictor of cultural activity. What MONA does, and why its increased investment is crucial, is to help increase the intensity, the quality and the national/global reach of the connections it stimulates at the local level. MONA, TSO, TMAG, ABC – all attract and re-route global flows of ideas, money, people and media attention through the city in ways that can, in part, compensate for challenges of scale. They can enhance ‘productivity’ – that is, the volume and quality of production proper to the cultural sector, and in so doing make a contribution to Tasmanian life that is frequently masked by the focus on purely economic indicators.

Innovation and Creative Spillovers

Similar things might also be said about Innovation, which is not mentioned in the TCCI report. The cultural sector has been strongly associated with creativity writ large (see section 2iii). But though metropolitan concentrations combine all sorts of creativities (finance, science, business, health, telecommunications and so on) these are not all the same thing, and we certainly cannot use culture as a proxy for this creativity²².

It has been suggested that the presence of a thriving cultural sector cross-fertilises other informational, professional and scientific activities. A creative ‘spillover’ that enhances innovation in adjacent areas²³. This is a very broad brush kind of argument, and in metropolitan centres is very difficult to prove. How do we separate out the co-presence of different kinds of professions or industries from the broader learning effects of the city? There is no evidence that the presence of one group (artists, for example) will lead to the attraction or growth of another (bio-tech, for example). Trying to use the kind of innovation involved in the arts to stimulate innovation in the wider economy conflates very different notions of what innovation. As Kate Oakley summarises:

A living painter or poet does not supplant his or her predecessors; old plays and dramatic styles are regularly performed and rediscovered, forming the majority of the repertoire for some theatre companies. At a more fundamental level, while you are unlikely to treat yourself with seventeenth century medicine if you fall ill; if you fall in love, you may find that John Donne has as much to say to you as Simon Armitage or the Arctic Monkeys²⁴.

In any event, if this kind of argument was to be made for Tasmania or Greater Hobart, it would have to be made at a much more substantially detailed level. Utas is without doubt a key provider and enabler of research, ideas, creativity across multiple fields; but does the co-presence of MONA and the cluster of Antarctic research institutions actually lead to real research and artistic cross-fertilisation in an economic development sense of R&D and innovation? Not only does this lack any robust evidence but it distorts the value of art and culture on the way

The Creative Class

Another way of arguing for the economic impact of the cultural sector involves what we might call ‘creative class’ arguments, based on Richard Florida’s classification of higher managerial, scientific and professional workers (including artists). That is, the presence of the arts (and creatives/artists) actually attracts high-skilled workers into a city or (in this case) state. This is a form of exogenous rather than endogenous growth, which often represents the quick fix of a shiny new development rather than the long haul of raising educational attainment locally. We should not completely dismiss the creative class arguments, and we return to this below. Anecdotally the presence of a thriving arts scene in Tasmania has begun to work as a real attractor. It is difficult to precisely measure. But in general the ‘creative class’ argument has had four important drawbacks. First, it suggests arts and cultural policy should be targeting high-skilled professionals, going against the more democratic-popular notions of cultural policy. Second, it has tended to focus on metropolitan centres, and privileged sites within such centres, where these skilled professions tend to live and/ or socialise. Third, arts provision has usually been associated with housing and leisure development targeting a higher professional audience, leading to charges of ‘gentrification’. Fourth, such consumption focused policies have not only tended to ignore the needs of those actually producing the culture, but has led to the displacement of artists/ creatives from the areas they once made ‘cool’. This is now such an old story that artists in Toronto held demonstrations when Richard Florida was appointed head of a new research institute there.²⁵

Two other areas of impact need exploring in some detail: Tourism and Making/ Manufacture.

Tourism

TCCI report suggests that the employment impacts of (part of) the creative sector ('Arts and recreation') are directly linked to tourism. They are coupled with 'Accommodation and food services' and together account for 50% of all new jobs in the last five years. We have suggested, following Utas figures, that 'arts and recreation' account for a very small proportion of these new jobs. If the arts are stimulating increased tourism, which the TCCI report, Tourism Tasmania and David Walsh all suggest, and this then results in more cafes, hotels, bars and restaurants, then we have a case of a low pay/ low skills sector being pulled along by high skills/ low pay sector. They are creating lots of jobs, and yet these are both low productivity industries.

Shifting to industries with higher productivity is thus not something either a cultural or tourism policy can easily deal with. In terms of 'Accommodation and food services' the task would seem to be about enhancing employment and businesses within the sector: improving training and credentials; raising income levels; and focusing on the higher quality of the experience provided. This is already something that the link to the cultural sector has stimulated, with MONA and its (formal and informal) spin-offs as key catalyst. In part this relates to the quality of service and branding, in part to the changed perception of Tasmanian produce and the expectations of visitors. This is discussed in the next section.

There are other policy links between 'Accommodation and food services' and 'Arts and recreation' relating to the low pay element in both. That is, this workforce depends on access to cheaper housing and other social services and benefits. They both face ever higher costs for education and training, and often can only plan to engage in these knowing they will take on large amount of personal debt. Dealing with the real challenges of both the 'tourist related' industry and the workforce is perhaps a more viable and desirable option than seeking a large scale shift to higher productivity sectors, whatever these might be in the Tasmanian context. That is, a focus on the real challenges of both workforces needs to take place within the wider context of social equity and access.

The cultural sector helps create qualities of place as a crucial part of the tourism offer, as well as providing events, destinations and products, thereby gaining audiences, purchasers and visitors as vital income streams. The well known problem is that a reliance on tourism can actually change the qualities of place, and undermine that which tourism comes to see. This is reaching crisis in some parts of the world, both in terms of sheer visitor numbers (Venice, Barcelona, Paris),

and related economies such as Airbnb, which can significantly alter the composition of local areas. It can also change the qualities of the cultural product, with funding – from Events Tasmania for example – aimed at providing for tourists rather than locals.

These are real issues, which are not within our remit here. However, we might say that what the cultural sector produces is not only a commoditised ‘quality of place’ for tourists (it does do that very well) but also provides the public knowledge and aesthetic-emotional experiences which help make the State what it is and actually worth living in.

Culture Plus Making

The connections between the creative industries and making/ manufacture are crucial in Tasmania.

The association of the creative industries with knowledge economy discourses often positioned it as a post-industrial replacement for manufacture and older ‘low value’ sectors. There is evidence to suggest that the CI sector is incapable of such direct replacement. The skills/ education required for one are difficult to transfer to the other; the creative industries would only ‘replace’ older jobs in a statistical sense. The actual manufacturing sector workforce would simply lose their jobs. But even at the statistical level creative industry employment growth, at 6.9% and accounting for 1.65% of total employment in Tasmania is not big enough. We suggest that it need not replace them and could rather complement them. Not *either/ or* but *both/ and*.²⁶

The relationship between creative industries and crafts, as with design, has been much debated²⁷. ‘Arts and crafts’ have long been coupled together; many have tried to distinguish those cultural industries (immaterial products, or ‘content’) from ‘creative industries’ defined as adding cultural value to primarily material and commercial products. We do not need to get into those definitions here. Until the last decade both craft and design had tended to be separated from ‘manufacture’, perhaps still with an image of semi-skilled mass production from which real design and real craftsmanship was excluded.

However, the standard definition of manufacture allows us to rethink this. The US Census (and the ABS is similar) defines manufacturing firms as establishments engaged in ‘the mechanical, physical, or chemical transformation of materials, substances, or components into new products’; they may ‘use power-driven machines and materials-handling equipment’ or ‘transform materials or substances into new products by hand or in the worker’s home.’

This broad definition allows us to align ‘manufacture’ much more closely with the cultural sector, in a number of ways. First, we can look at how the manufacturing sector supplies goods and services that make possible cultural performances, events, or provide the material base for them: costumes; set, stage and exhibition stand construction; lighting; specialised musical and sound equipment; visual art products; metal casting and working (for public art, for example); ceramics, glass and other products. Second, these connections are more intimate where fashion, furniture, accessories, interior design, landscape design and so on are concerned: the value of the design is only realised in the quality of the final produced object.

This would give rise to two sets of questions. First, to what extent does the presence or absence (at state, regional or city levels) of such manufacturing suppliers help or hinder the creative sector (e.g. having to source from the mainland with associated transaction costs). Second, to what extent does the presence of the creative sector help the manufacturing sector, not just by the purchase of their goods/ services but also by helping develop higher quality products. This could be done directly, where a request for a new kind of product from a cultural organisation might spark new ideas within a manufacturing firm. More indirectly, the kind of aesthetic/ experiential value generated by the arts and cultural sector may begin to inform parts of manufacture. For example, wood products starting to fully respect the place of origin or sustainable sourcing of the timber; standard metal working (knife making, for example) not just developing new design qualities but exploring new (or forgotten) making skills and practices.

A classic example, which intersects with, but is not necessarily caused by, interactions with the cultural sector (we simply don’t know), is food and drink. ‘Accommodation and food services’ is low skill and low pay in general, but this characterisation does not speak to the transformation in artisanal food and drink production and how this applies all the way down the supply chain (in Tasmania very short) to agriculture. The basis of this transformation is not only some abstract commitment to ‘product quality’ but a more general attempt to think about the relation of eating and drinking to the quality of life, and our responsibilities to the way we live with and use our natural foods resources. This kind of approach can be found in rapidly expanding initiatives such as the European Region of Gastronomy and International Institute of Gastronomy, Arts, Culture and Tourism (IGCAT)²⁸.

The transformation of attitudes to the production and consumption of food and drink, and its relationship to place and culture, is highly

significant and not picked up in aggregate statistics. How this impacts on supply chains in metal and wood, on textiles and other products is also just coming into view, mostly coming out of the sustainability movement. The issue is not just about sustainability in the simple sense of the sustainability of the source for materials but a wider consideration of well-being or good living. We will discuss this more at the end of this section.

These tendencies food and beverage, in artisanal skills and responsible product sourcing also apply to areas such as computer hardware, robotics and electronics which have more recently been grouped under the term 'making'. Maker firms have been defined as those who:

integrate design and production in creating goods for sale [and where] we see a tighter integration between the two than in traditional manufacturing, and a greater recognition of the value that is created, and the skill deployed, in the production process...the relationship between design and production may be spread across enterprises, but the latter is not subordinate to the former (Wolf-Powers et al. 2016)²⁹.

In this sense, there are emerging synergies and complementarities between culture and manufacturing, culture and making, culture and agriculture, forestry and fishing that need to be taken very seriously in general, and particularly in a place such as Tasmania.

A starting point for this is to think about adding statistical categories to encapsulate making/ manufacture alongside creative industries, something we might call *Culture Plus and Culture Plus Making*. This would allow a more fine-grained analysis of how the two might be brought together productively.

This is crucial in Tasmania, where fishing and manufacture are concentrated in the regions, with CIs and services in Hobart. Widening divisions between capital and regions is something that the TCCI report flags up. Regions are historically much more important in Tasmania, and not historically as dependent on the capital city as centres from which cultivation spread. A focus on *Culture Plus Making* could signal the addition of a regional focus to the often metropolitan-centric CIs agenda.

Rural Cultural Industries and Tasmania

The TCCI report makes a very useful point about comparing Tasmania to regional Australia.

“Except during the recession of 2011–13, Tasmania’s per capita gross product has typically grown at a faster rate than that of regional New South Wales, Victoria and South Australia since the turn of the century. As a result, every year since 2008–9, with the exception of 2012–13, Tasmania’s per capita gross product has actually been slightly higher than the average of the regional areas of the mainland states, excluding Western Australia” (98).

There has been a lot of work recently on rural cultural industries, and how they are embedded and distributed in different ways to those of the metropolitan sectors. So too with smaller cities. It might be worth looking at this work in more detail rather than simply following the urban strategies of the big capital cities³⁰. However, the TCCI report points to the real strength of Hobart as state capital, which is much smaller “than the capital cities but has many of the growth enhancing accoutrements of a state capital and is larger than all but two non-capital cities (Gold Coast and Newcastle)” (98). That is, we have a strong regional economy and a state capital that gives a strong economic boost to that economy. I would add that Hobart can also perform as a cultural engine in the way David Walsh described it:

“I can reasonably forecast that growing Mona will grow visitor numbers, employment and local participation superlinearly. The investment in Mona (hotel, extensions) will more than double in the next five years (council, cash, community, and credit permitting). That’ll grow Mona’s cultural activity by about a factor of three, but there is a limit to how many visitors Mona (and perhaps Hobart) can handle. The upside is economic activity and self-belief for Hobart”³¹.

Hobart (and Launceston), as David Walsh argues, represents a crucial asset in the cultural economy of Tasmania³². How the regional and the urban are put together in Tasmania is going to be a key issues – as we saw in the interviews. But they absolutely should not be seen in terms of *zero sum*.

Inequality and Access

Inequality has become a major concern of politicians across the spectrum. Since the publication of Thomas Piketty’s surprise best seller *Capitalism in the 21st Century*, this has become mainstream³³. A whole range of publications by international organisations have argued that ‘inclusive growth’ should be a key objective and that inequality

holds back economic development³⁴. The cultural sector has itself been subject to great scrutiny over the last decade, highlighting the unequal representation in both production and consumption along class, gender and ethnic lines³⁵. This is something clearly echoed in our survey and interviews, and verified by any number of Australia studies. In both production and consumption, access by younger, female, working class and ethnic minority sectors is a real challenge for contemporary public policy. It is in this light that we now look at the small business economy and its role in inclusive growth.



5iii SMALL BUSINESS AND ECONOMIC DEVELOPMENT

As we saw in Section 3iv, the Cultural industries are a sole trader and small business sector. It is worth discussing this in some detail, especially as there were some questions about the position of small business economies in the TCCI document.

The TCCI report questions the role of SME as engines for growth. The argument is mainly centred on tax cuts, in that larger companies are more likely (it is claimed) to invest any tax gains in their companies than are smaller ones. Tax cuts for smaller companies, which employ a lot of people (voters) is politically attractive but will not bring growth. Better to reduce the tax for higher earning companies as well as favouring new businesses rather than old ones. We can't comment here on the intricacies of the company tax system, but it might be worth point out a few things as this impacts on our discussion of the cultural sector.

First, much of the growth in sole trader ABNs was driven by the economic logic of larger businesses finding it more profitable to sub-contract rather than directly employ. There were also political calculations – about their possible voting behaviour – when this was facilitated and encouraged in the mid-1990s. As we saw above, the rise in self-employment has been linked to new forms of employment which lays the burden of associated costs (pensions, holidays, training and so on) on the individual contracted worker, now placed in both a flexible and precarious situation. The role of social welfare payments (child benefit, housing allowance, educational subsidies and so on) in providing a supplement to the income of these workers represent a tax payer subsidy for low paying companies who rely on such sub-contracted individuals. The same might be said of the low tax for small businesses; they actually allow them to operate and survive, thus off-setting or 'socialising' the costs that they now pay instead of the larger employers as formerly.

But apart from these detailed questions of social equity, there might be other reasons why one would value a small business economy and we should think carefully about any policy shift to fast growth, high productivity corporations. The question is, first, what kind of small business economy and second, what wider benefits might a small business economy deliver. The reason we discuss this here is because there is a close connection between arguments for the creative sector and that of the small business economy.

The agenda around the cultural industries did not only emerge amongst cultural policy analysts. In the 1980s economic geographers sought to explain why certain industries happened *here* rather than *there*, or why they stayed in certain places even though changing circumstances might make a move theoretically more advantageous. Why had some places adapted, and others declined along with the industries on which they were founded. Their answers concerned what was ‘sticky’ about places; how industries had a particular history which made them more prone to stay in one place than another (‘path dependency’); or how they were ‘embedded’ in local economic, social, institutional and cultural contexts. Part of the explanation included long standing social networks, underpinned by economic and also socio-cultural institutions. It also included embedded and tacit knowledge, or what Alfred Marshall called the local ‘atmosphere’, which favoured certain places (first movers often) rather than others.

In the 1990s geographers underwent a ‘cultural turn’ in which the cultural dimensions of these were stressed – cultural in the broad sense of “relations between elements in a whole way of life”. For example, the different socio-cultural context of Boston and Silicon Valley, afforded different developmental directions: formal institutional networks on the East Coast versus informal, socialising Northern-California style (I simplify). But more generally, geographers used terms such as ‘structure of feeling’ to describe the ways in which particular configurations of culture could make a difference to the prospects of place. Structures of feeling, intertwined with institutional and path-dependent histories, was not just an analytical tool but a resource available for future development. It was these kinds of claims that contributed much to the arguments of Charles Landry, Richard Florida and others in the ‘creative city’ genre.

This emphasis on the power of place was also linked to a more social democratic agenda around small business economies, most notably in Europe concerning the ‘Third Italy’ or areas such as Baden-Wurzburg which were growing rapidly even though they did not have very large industrial plants. Here growth was found not in large scale ‘Fordist’

companies but complex networks of sub-contracted firms socially, institutionally and cultural embedded in relations of collaborative-competition. These European models provided a way of envisaging social-democratic growth somewhere between state-driven public sector and large privatised corporations. This 'Post-fordist' model was, it was claimed, the way of the future. It was in this context that the cultural industries were initially promoted. Traditionally built on small businesses and sole traders (artists) the cultural sector had been seen as a throw back to an artisanal tradition; now it became up-to-the minute and cutting edge. These claims lay behind many early initiatives in the UK and European regions, such as the Greater London Council and the work of Jacques Lange during the Mitterrand presidency of the early 1980s.

There were other reasons to celebrate the cultural/ creative industries. Geographers such as Allen Scott and Andy Pratt pointed to a complex, co-dependent ecosystem in which highly skilled creatives worked in collaboration-competition, providing relatively well paid jobs with high satisfaction. Moreover, the nature of their product – cultural goods and services – meant that they generated a range of 'positive externalities'. They enriched the cultural landscape in which they worked, which led to more cultural production, and which in turn contributed to enhancing the wider social milieu. This was a benign economy in which the conditions for producing cultural goods demanded institutional and policy settings that respected the specifics of cultural production, and thus by implication, the wider cultural needs of the cities (usually) which facilitated this cultural production.

This is to say that claims about the role of small businesses in economic change and growth have longer roots, not just in economics but also social and political theory, and what used to be called 'political economy'. Small business economies were held to distribute economic benefits more equitably than those characterised by a few dominant companies (public or private). They were also seen to be rooted in flatter social networks, and afford more a sustainable, resilient and locally responsive system of economic activity, one that had real benefits for the quality of the civil society in which it was embedded.

The creative ecosystem of small and medium enterprises in the cultural sector shared these characteristics, but in addition part of their 'output' was to respond to, express, and enhance the cultural life and value of the place they inhabited. Small scale cultural producers were embedded in place, their products reflecting local identities whilst somehow connecting with global cultural flows³⁶.

Many of the claims for the SME economy have been subject to challenge. The role of large corporations in creating and integrating global supply chains, acting as ‘organiser’ of local ecosystems has been recognised, and in the creative sector these have grown in dominance as the role of public funding has retreated. The ‘winner takes all’ tendencies in the creative industries has been exacerbated not attenuated in the age of global ‘platform capitalism’. It has been hard for smaller places to break into large national and global markets in any sustained sense (apart from one or two local ‘unicorns’), unless backed with large scale capital and geopolitical clout, as with the cultural industries in China.

However, a place-embedded sole trader/ SME economy, with a premium on flexibility, taking risks, inventiveness and networking, is neither a ‘lifestyle choice’ nor an offshoot of the entrepreneurial spirit, but is essential to the nature of the creative sector. This relates to the nature of the cultural industries whose job is to produce goods and services whose economic value is not usually established in advance (‘nobody knows nothing’); is volatile and often short-lived; and whose activities are build around temporary project based teams held together within loose networks (‘the motley crew’). Networks facilitate learning and innovation, but also trust and ethos, peer collaboration-competition. They give a certain distinct aspect to growth in the creative sector.

For these reasons, the cultural sector growth comes not primarily by firms employing more people so much as splitting themselves into even more companies. These proliferating ecosystems of sole traders and companies are how the cultural sector works. This means that they often fall outside the business support remit applied to small businesses – even those targeting creative industries as with the recent Enterprise Connect, whose minimum turnover criteria of \$1 million restricted help to the top percent of businesses only. Conversely, it means that governments have to support the ecosystem in ways that involve subsidy (as with David Walsh’s call to support the grass roots via taxation) or complex understandings of the socio-economic, cultural and urbanistic context of those ecosystems beyond most economic development agencies.

Globally, since 2008 the creative industries have been faced by public funding cuts to arts and culture (in the UK a cut of 20%) and have tended to weather the storm of recession somewhat. However, in terms of the SME sector this has been achieved by ‘socialising’ the effects of funding cuts. The particular ways in which the cultural sector works – flexibility, inventiveness, risk-taking, intensely networked – has

helped it survive but all these involve high personal and social costs for individuals and the networks in which they work³⁷. Some of this might also be said for other small business sectors. But it is a moot point just how long this resilience, and the socialising of the additional costs placed upon it can last.

The realities of creative work, and the changing cultural values which go with it, is an important context that needs to be understood before any strategic intervention. There was little echo in the interviews of those over-inflated made claims about the ‘creative start-up economy’ providing the jobs of the future. They may well do so, but most likely a different kind of job in a different kind of future. Whatever necessary accommodations we need to make between growth and environmental sustainability, the last two decades have shown that economic growth measured in the abstract does not necessarily translate into decent jobs, nor, given the rise of AI machines, jobs at all. In such a context the resilience and inventiveness, commitment and fulfilment of those working in the creative sector may represent an aspirational model of a different order to those Silicon Valleys sought by policy makers globally, or indeed the golden age of full (male) industrial employment.

Which is to say, we might need to approach the sector with a different kind of imagination.

Part of this is to recognise social and spatial embeddedness as a crucial aspect of the cultural sector. This is not about the purely local, or ‘folk politics’.

It is certainly not about refusing growth or change or connectivity with the mainland and the world beyond.

Geographer Doreen Massey offers one potential framework for place-making which looks both ways. Massey promotes a sense of place which understands its specific character, while simultaneously ‘linking that place to places beyond.’ These connections enable a ‘progressive sense of place’, where is a ‘a global sense of the local, a global sense of place.’³⁹

It is to focus on what allows them to actually make Tasmanian culture with ‘a global sense of the local’ and to sustain themselves with a certain degree of resilience. The cultural sector is not unique in this regard, and it certainly applies to the whole ‘culture plus’ sector discussed above. Nurturing the small scale and the local might be a good economic decision, based not on indicators of income and productivity, but as a way of ensuring that the sector can both create and sustain a living, and in so doing contribute to the wider ‘good living’ of the State.



5iv The Value of the Cultural Sector

The cultural sector provides employment and income, though this is not strong enough on its own to make the sorts of claims often made for the creative industries as a driving sector of a new post-industrial economy. The cultural sector directly contributes to tourism and related industries, which have accounted for a significant growth in jobs in the last five years. More generally, it adds to the attractiveness of place for cultural and other professionals. It has implications for manufacture and making – including food and drink production.

The TCCI report does acknowledge that GDP and other such numerical indicators are limited, quoting work by Stiglitz, Sen and Fitoussi for example⁴⁰. On two occasions it suggests that, set against the sobering economic indicators of lower employment, lower wages, lower hours, higher levels of social benefit claims and so on, there are ‘well-being’ and ‘quality of life’ (87) factors that need to be taken into account which cannot be expressed numerically. These factors stem mostly from an absence of metropolitan ills of ‘traffic congestion, pollution, deteriorating housing affordability, increasing inequality, or crime’ (112), with the positives deriving from Tasmania’s natural beauty.

This is perfectly reasonable in its own terms; Tasmania’s natural beauty and more ‘rural’ way of life has long been central to its appeal to visitors and inward-movers, as well as the local population itself. We saw this in the survey results above. But there are two caveats.

First, the negative index of the non-metropolitan has always been cultural backwardness. Yes, an escape from the roaring traffic’s boom but what about the idiocy of rural life? Cities, globally, are growing exponentially despite the downsides of crime, congestion and pollution, as David Walsh acknowledges. The question he poses is can we have the intensity of culture without the rapid growth (and all that entails) of the big metropolis? MONA’s arrival has stimulated a local cultural scene that has found ways to combine a sense of the non-metropolitan with a distinct cultural offer capable of rivalling the best of the metropolitan. The current cultural buoyancy of the state derives in part from its escape from the binary of rural/ urban, nature/ culture. It is about a ‘progressive sense of place’, where there is a ‘a global sense of the local, a global sense of place’⁴¹.

The second caveat is the way those things that can be counted constantly shunt those that can’t be to the side. ‘Well-being’ and ‘quality of life’ are in parentheses – ineffable, anecdotal, peripheral. They are compensations, smoothing some of the harder edges outlined with statistical clarity. But they should be seen as more than this.

They are the woof and weft of the wider social system in which ‘life’, individual life and that of collectives, is produced – and from which economic indicators are simply extracted as proxies of the good life, not ends in themselves. So much economic reasoning simply brackets out the social, natural, affective and cognitive support structures which actually make that economic activity possible. The main critique of the exclusive pursuit of purely economic outcomes is that this undermines the social, environmental, cultural and personal support structures that the economy actually relies on⁴². And as the political system writ large now knows, the bald statement of economic indicators – you are not unhappy, look at the statistics⁴³ – no longer satisfies.

This argument – that an exclusive focus on the economic begins to undermine the social world which makes it possible – certainly applies to the economic rationale behind culture. In particular, it begins to undermine that which it promotes, because it cannot find ways to take care of the ecosystem in which it is produced.

In the light of this we might make the claim that much of the economic value of the creative sector lies not in its direct employment or income generation but in its contribution to making the economy itself possible (and sometimes enabling us to survive it).

The most immediate example of this is the way in which the creative sector helps produce place. The discussion above about embedded creative firms sounds technical but in effect it is about the contribution of this sector to how we see and feel about the place (and the world) we live in, and sometimes to challenge and change how we see this. Those who do this are engaged in an economy, but the effects of their actions permeates the wider social world. Some of this can be tied down to specific effects, which have to be taken seriously in any strategy: tourism; the place-making that both retains and attracts professionals and students and young and older people generally; the way it can help re-think agriculture, forestry and fishing, and other forms of making-manufacture.

But we also know how important culture is in making our lives bearable, meaningful, and enjoyable, and in bringing together (sometimes in dissonance) groups, communities and societies. But it also does something else, which is to articulate a shared and contested world-in-common, that allows us to evaluate what is important in our lives. Cultural makes significant contribution to the meaning system in which that life is judged ‘a life worth living’, the means “to live a life they have reason to value”⁴⁴. Cultural goods (like education) are ‘meta-goods’ (often called by economists ‘merit goods’): they are the means whereby we learn to make informed choices and decisions, but ones in which individuals tend to significantly under-invest⁴⁵.

In that sense it might make us value small business economies – cultural or otherwise – as giving rise to a greater quality of life than the promotion of high-growth, high-productivity sectors. Maybe we can have both – the big and the small – or maybe we have to choose: but it is the grounds on which we make that choice that is of crucial importance.

So another of the economic contributions of culture might be to limit certain elements of that economy, and to help us bring judgements on it that are not primarily economic. We could say similar things if we began with education, or environment, or health.

The language of creative industries has been strongly determined by the prevalent economic imaginaries of neo-liberalism and Silicon Valley; a combination of market fundamentalism and individualist libertarianism derived from a sixties counter-cultural techno-utopianism. This discourse has less and less traction: the death or zombie-like status of free market economics has been announced with increasing frequency and volume. On the other hand, many working in the field of developmental, feminist and environmental economics have questioned the mainstream and tried to develop new models of sustainable, equitable and culturally rooted economies aimed at serving people, rather than the other way around. Other writers have talked about new sharing economies, social and cultural work framed around universal basic income, and about asserting collective ownership of ‘the commons’.

All of these give weight to the proposal that we give the public value of culture (and those who produce it) its full due, rather than seeing it as an asset to be sold (to developers, tourism agencies, data collectors, hospitality chains and so on).

In this sense David Walsh’s call for public sector funding for the grassroots arts and culture in Tasmania is exactly right. Mona will grow and it will increase economic and cultural activity in Hobart/ Tasmania. But how to avoid it dominating the smaller sector?

What to do? If local and state income grows, the allocation to grassroots arts should expand superlinearly also, at a power of 1.15. I think it should be proxied by visitor numbers, with a baseline at the beginning of 2011. And, if Mona starts making a profit from a casino, legislation should require that some of that profit is spent locally on creative enterprises. Maybe the other casinos should follow suit. Mona corrals creativity — we need to encourage people to do their own stuff. A bunch of weird (or straight) little un-Monas will turn Hobart on its head, and shake cash out of the pockets of the upside down visitors. The more stuff there is, the more people will participate, and they will participate at disproportionate rates.

This is in part an economic argument, but one in which the big earners (including the city and state governments) give over their profits/ tax income to the grassroots (a word Walsh does not use) in order to stimulate their activity. This delivers cultural outcomes – turning Hobart on its head – as well as generating enough income from visitors to spark more grassroots activity and hence more local and visitor participation. We will discuss this more in the next section, but one of the major benefits of MONA and its related festivals has been an opening up of space – cultural, economic, social, urbanistic – for networks of small scale enterprises (in art and culture, but also food and drink, workspaces, hotels) to thrive. These move symbiotically across the cell walls of the formal MONA business world, and are as responsible for the fine-grained transformation of the cultural feel of Hobart and beyond as MONA itself⁴⁶.

David Walsh focuses on the ‘world turned upside down’ effect of art. This, I would suggest, is only one aspect of what ‘culture’ is adding in Tasmania. It is part of that wider *Ben Viver*, good living, in which economic indicators are not the central spine around which all else becomes secondary, but are one part of the social world in which life takes place.

Which is to say, there are now other ideas and imaginaries in play that need to be taken seriously if a real conversation is to be had in Tasmania about the future of the cultural sector. There is a global need for a new kind of language, a new kind of ‘economic imaginary’ to be developed. There is no reason why this could not happen in Tasmania. As Anna Krien wrote in a different context: “If ever there was a canary at the bottom of the world, it is Tasmania”⁴⁷. But there are also emerging models elsewhere to look to. Alternatively, we might look to the multiple concerns with food and farming (shorter-food chains, long-term sustainability, smaller ownership patterns etc.) as an example of the ambition to re-think what kind of economy we might want for culture.

What we suggest is that the existing framework for the creative economy – exemplified perhaps in the recent review by Peter Bazalgette for the UK’s DCMS, which focuses almost entirely on growing the creative industries as an export sector⁴⁸– will not simply deliver on the either the cultural or economic agendas outlined above. This is (again) not to deny the need to look for growth in the cultural sector, but we have to take care of what kind of growth and what demands we make of it. Tasmania has a lot of experience of the focus on large-scale economic growth driven by large scale corporations, often justified in highly abstracted claims for their economic benefit, despite all the evidence showing the harm done⁴⁹.

The TCCI report is honest in its appraisal of the Tasmanian economy, and we should bring the same to any assessment of the cultural sector. A healthy, educated, productive Tasmania would be a great outcome, and there are multiple ways the cultural sector can contribute to this aspiration. But ultimately culture, like education and health, are ends in themselves.

Brian Eno expressed this well in his 2015 John Peel lecture on the BBC⁵⁰:

So I'm starting now to propose the idea of Culture as a sort of collective ritual, or a set of collective rituals that we're all engaged with. So this is a short explanation of why I think the arts are worth pursuing for other than GNP reasons. ... I think that the problem... about the GNP argument is that okay it's nice to know that we've all contributed 28 billion pounds, I think it was last year, to the Gross National Product. But it isn't the most important thing. The most important thing is that we have been altogether – that doesn't just mean the artists, so called, it means everyone, it means all the people actually in the community, everybody – has been generating this huge fantastic conversation which we call culture. And which somehow keeps us coherent, keeps us together.

Art and culture in the modern era have been about the senses, about the materiality of life, and the spiritual or social meaning that inheres in them but cannot be spoken in the language of discursive or scientific reason. Art and culture do not talk about the meaning of life but show it, embody it, make you feel it. Sense, emotions, affect, materiality are what culture deals with, but it was never thereby a purely individual 'taste'. Art and culture are about the senses in common, emotions, affect, materiality in common. They are acts of communication in a very particular sense.

Without the truths these obscure acts of communication reveal, many would hold that life is not worth living. That is one claim for culture. But also, without these truths, or attempts at truth, human society cannot truly grow, nor do we have a real future. This is the other claim for culture. The 'fantastic conversation which we call culture' is also a collective one, 'it keeps us coherent, keeps us together'.

6. Making the Case for the Cultural Sector

Whatever we call the cultural or creative sector, the cultural or creative industries (or economy) we have to make a robust case for its crucial contribution to Tasmanian life, and the importance of public support for it. David Walsh is right in warning that philanthropic support (his mainly) cannot be seen as a substitute for public funding.

One of the consequences of the creative industries argument is that the role of the (local or national) state has reframed as picking up the market failures (the arts) and stimulating the business development of the rest. This report suggests that culture as public policy has to be much more than an arts and business development program. The rationale for public funding thus needs to be reframed in a post arts subsidy context.

In order to do this, we might want to revisit and reframe some of the guiding principles for cultural policy as they pertain to the system of cultural production – the focus of this report.

6i PRINCIPLES FOR CULTURAL ECONOMY

Culture works through an economy – wages, markets, contracts, investment, grants etc. – and has economic impacts. Whilst the latter are important they have tended to be emphasised at the expense of the core values of cultural policy.

In a modern liberal/ social democratic policy landscape, cultural policy has been centred on the effective opportunities or ‘capabilities’ for as many people as possible to participate as fully as possible in the production and consumption of culture. This does not only benefit individuals (creative expression, wellbeing, creative careers) but enhances our collective life through the production of culture as a common good. We were concerned in this survey with those working or attempting to work in culture, whether public, private or not-for-profit.

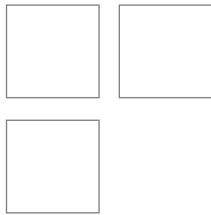
Access to work (salaried employment, freelance, small enterprises) in the cultural/ creative industries partakes of the wider cultural policy aspiration to maximise cultural participation not just as consumers/ audiences but as producers. In this way it accords with the 2005 UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions, to which Australia is signatory.

These were summarised by Mark Banks⁵¹:

Economic opportunity: *everyone who wishes to should have a ‘fair go’ to enter, participate in, and earn a living from cultural work. (The key words here are ‘fair go’ not guaranteed success);*

Cultural opportunity: *the chance in work to obtain recognition, respect, and partake in forms of self and shared communication and expression;*

Political opportunity: *cultural work is part of a pluralist, multi-vocal society that enhances dialogue between democratically-inclined constituencies – which is better than one that does not.*



Thus we have three key principles that might animate a cultural industries strategy:

1. Advancing social arrangements that allow for the maximum range of people to enter and participate in cultural work, in which they will be fairly treated and justly paid and rewarded for their efforts, relative to their peers;
2. Ensuring that people are not prevented from entering cultural work on the grounds of any unfair cultural discrimination or prejudice, and that they have equal opportunities to participate and develop once they become engaged or employed;
3. Developing the cultural industries as democratic arenas where minority and marginal groups can advance their own fair representation and secure a more equal share of the public communicative space.

These are general policy principles, and as such apply across a range of governmental domains. The inevitably will bring in social actors who will also want a voice. But crucial here is also the role of government investment, which has been something of a stumbling block in the last decades.



6ii RETHINKING THE CULTURAL ECONOMY

These principles focus on cultural citizenship, and thus the role of culture and media in contemporary democratic, open societies. There is currently serious debate concerning the ability of democracies to stay democratic in the face of globalisation, rising inequality, the political influence of elites and business, wide-spread political disengagement and deep-seated resentment against migration and rapid social change. These anxieties have emerged at a time when the global economy faces some long-term challenges from financial instability, slow growth, climate change and the new global landscape of various forms of authoritarian capitalism on the Eurasian landmass.

The cultural economy is part of citizenship – in its access to the self-expression and community identity and the ability to participate in various formal and informal economic ways in the production of social and cultural values and the economic benefits these may bring. Securing these rights of citizenship can be at one with securing the growth of the cultural economy in all these areas. But this is unlikely to be achieved through a basic growth-led strategy couched in the language of economic competitiveness alone.

There is a clear need to reframe the public value of the cultural sector, at the same time as investing in a range of agencies, infrastructures and funds to provide support for the sector. These two imperatives have tended to diverge: we assert the value of culture and set up promotional structures based on standard business development models. The challenge is to combine the two: new public value and new promotional and support mechanisms. As an indicator of success in this rethinking we might use these two heuristic models. The first based around the standard business growth models that have dominated policy at federal, state and local city levels.

The second suggests other ways of framing in growth and value that acknowledges its economic contribution but within a wider sphere of sustainable public value.

GDP GROWTH MODEL

- High growth companies (digital; media)
- Measured in employment and GDP
- Economic and business language dominates
- Value-chain model – production to consumption
- Opposed to/ replacement for manufacture
- Emphasis on innovation at all costs
- CBD and metropolitan focus
- Urban regeneration agenda
- Building based/ real estate
- Rent Rises/ gentrification
- Clusters as 'flagship' developments
- Business support delivery on top down model

SUSTAINABLE/ EQUITY MODEL

- Innovation rooted in sustainable growth
- Non-GDP indicators (well-being; social, environmental, cultural)
- Ecosystem approach
- Acknowledgement of role of low-profit activities and businesses
- Social and cultural integrated with economic and business focus
- CBD linked to near and far suburbs; links to smaller towns and rural areas
- Urban planning for sustainability
- Multiple uses, flexible workspaces
- Links to local crafts and manufacture (re-industrial cities)
- Other indicators of creative assets in city (not just rent and tax returns)
- Big clusters as driver nodes within dispersed networks and micro-clusters
- Sector support: identifying and talking to creative intermediaries; 'business support' as part of wider educational process



6iii PUBLIC FUNDING AND STRATEGIC DEVELOPMENT

Leaving aside for the moment questions as to what level of spending is appropriate and on what, there is a deeper concern around the rationale for government spending on culture *per se*.

It would be fair to say that there has been a general degradation in the rationale for public spending, especially in Anglo-Saxon countries. The problem is the very legitimacy of public spending – as an inefficient mechanism compared to the market; contributing to higher taxes, which themselves are felt as an imposition; about clientele networks and elitism; about ‘crowding out’ the private sector; and about reducing choice, which is the exclusive domain of the market. Positive notions of ‘public service’ have declined, often positioned as merely residual and stop-gap after ‘market failure’. Despite this many of the world’s leading creative tech firms obtain most of their profit from content (including data) derived from the public realm, giving rise to a growing sense that the public has not disappeared it has just been ‘enclosed’. Similarly, the creative ecosystems within which the larger cultural industries organisations operate, are highly socialised: they depend individuals and small businesses working within networks that cross from professional into social and personal life. Much of the resilience in the face of recession elsewhere has been managed through reliance on these networks, again suggesting the deeply socialised basis of creative industries. The shift towards private investment, whilst breaking certain kinds of dependency and funding system lock-in, has also seen a decline in investment in the wider socio-cultural fabric in which much activity has its origins and impetus.

Against this backdrop, public policy for culture, as with other public sectors such as Health, Education and Social Services, have been increasingly forced to describe what they do, and justify their value, in economic terms; increasingly they are asked to organise themselves as quasi-businesses working in quasi-markets. This has been particularly pronounced in the cultural sector. Health, education and social services have been subject to this, but have been able to describe their value in their own terms – health, education, social welfare. Few would argue a case for a new hospital simply on the jobs it would generate, or dismiss well-being as ‘health for health’s sake’. This is routinely the case with culture.

Culture was historically set against economy, and to some extent this was essential to its rationale. This often involved elitist distrust of ‘trade and industry’, and could be deemed hypocritical in that it could be pursued only by the leisured rich or because it was in fact financed by trade and industry. Nevertheless, there was a generally accepted sense

that culture was a sphere not subject (purely or primarily) to the logic of profit and loss. However, at the same time that the economy of culture grew in the last third of the 20th century – driven by increased wealth, leisure, education and technology – it was, like other sectors, asked to justify itself in economic terms. Though its economic growth has provided a lot of ammunition to argue the case for its importance as a sphere of public policy, the results have been mixed at best.

Culture has sought to justify itself through leisure and destination spending, urban regeneration, jobs of the future, innovation spill-overs, social cohesion and mental health. It is one of the few areas of public policy which is asked to justify itself by how it delivers impact on other areas of public policy. It has been largely unsuccessful because, in the end, whatever its economic value, its value is not grasped in economic terms. Trying to square the circle, public policy has focused more on facilitating the private sector and individualised market based consumption – usually in the form of large telecommunications, consumer electronics, entertainment, and internet platform-based companies. The actual public sector has ended by adopting a quasi-consumer based model, in which ‘willingness to pay’ and attendance figures (no doubt captured by app-driven audience feedback mechanisms), have often crowded out other forms of individual and public benefit.

Public funding has a very important role to play, and should be more assertive as to its efficiency in delivering cultural value across the board; its commitment to equity and democratic values; and its openness to public scrutiny. However, public funding does not have to take only the form of direct subsidy to artists and institutions, nor, when it does so, need it do so in the existing fashion.

The nature of direct public granting needs to be radically re-framed. Direct subsidy to artists and institutions has been subject to much scrutiny, and policy thinkers such as Cathy Hunt, Julianne Schultz, Ben Eltham and Julian Meyrick here in Australia have outlined a number of options. These include the conditions on which grants/ loans are given; new ways (such as fellowships) of directing funds to younger or newer artists and entities; new ways of reporting and so on. How might some of these new approaches be applied in Tasmania?

Direct subsidy is only part of the issue, as the vast majority of the sector does not receive this – though they do benefit (work wise) through the companies, institutions, works, events and festivals that receive public funds. Specifically commercial creative industries initiatives have tended to move straight to the commercial end of the spectrum and the means increasingly bound to mainstream market models. Hence

the situation where the big accountancy firms are increasingly writing Australia's cultural policies. It tends to bifurcate the policy landscape, where those in receipt of direct subsidy are assessed on artistic grounds, with the rest of the creative sector subject to commercial imperatives and expected to deliver on economic growth metrics. What we have suggested here, and why this is different from older arts policies, is that we might assess the whole creative ecosystem in terms of how it delivers on cultural value.

This inevitably suggests a different approach to economic development in the sector, one which recognizes the specific ways of working within the sector (networked, project-based, risk-oriented) and that the ecosystem is highly dependent on a wider social context that goes beyond identifiable business transactions. This embeddedness in the wider social context is also why its 'product' is also a social benefit in the ways described above. This suggests a wider perspective for creative industry than simply business growth, and why the principles outline below are so crucial rather than community add-ons.

If we take the principles outlined above – of the maximization of the chances of participation and making a living in the cultural sector – as an essential part of a thriving diverse and democratic island culture, then how does this impact on education and training; on business advice and support; on community development programs and even social benefits? What would it mean to suggest that every child on the island had a chance to learn a musical instrument and be exposed to a range of different musical genres? What if visual, aural and bodily literacy were an expected right alongside the 3Rs, science and sport? What kinds of support strategies would be required to facilitate sole traders and micro businesses to find new markets and collaborations on the mainland, or in Asia? Do these currently exist? What kind of training might be needed for the craft sector, or the new wave of artisanal produce which has begun to mark out Tasmania? What role does a university play in this, and what the TAFEs?

These are some of the issues we outline in Section 7



6iv INTERMEDIATION AND PARTICIPATION

One of the important benefits of the cultural and creative industries (and of course creative cities) agenda was – at their best – the broadening of this agenda beyond the arts and cultural sections of government. A widening of funding sources has inevitably involved other sections of government – economic development, heritage, tourism, planning, education, social services – which is entirely logical.

The problem has been that the cultural departments have found it difficult to assert a particular cultural value in a governmental field that gets ever more econometric as it approaches the finance department. Our interviews suggested a high degree of fatalism around this, where it was generally accepted that you had to justify the cultural sector in economic terms, even though this did not capture the value of what you actually did. This has become debilitating in delivering a coherence cultural sector policy, where its objectives are framed in a language most tangential to its core value.

This has been exacerbated somewhat as Arts Councils have become less likely to engage in a strategic development role, tending to focus on a smaller range of art forms in the name of ‘excellence’, and have become funding agencies more than peak bodies. Creative industries agencies, on the other hand, have often been seen simply as business development agencies, though there are examples of a such agencies becoming real sector intermediaries⁵².

Intermediary agencies typically aggregate and help shape the views of the communities they serve and represent these to government; at the same time, they help translate the language of government into that of their community. These agencies need to be strongly rooted in the communities they serve, rather than simply a mechanism for the disbursement of funds. This depends on creating space for dialogue, for sharing research and reflection, and for testing policy initiatives.

The on-line survey and interviews suggested that the need for such an intermediary body was not widely established. There were too many ‘don’t knows’ – what this was, what it would do, whether they had one already, whether there was a sector needing representation. On the other hand, the lack of a shared voice at government level, the sense of an eroded or marginalized language of cultural value, the expressed wish for a forum to discuss these bigger issues, the lack of visibility of the sector outside a few highlights – all these suggest an urgent need for such a body.

More generally, there is an issue of participation – not just increasing participation in cultural production or consumption, but about in policy and funding decisions. There is little point in pushing for wider participation if decisions – and the framework within which decisions are made – are, or are seen to be, taken elsewhere. An intermediary body can help wider participation in decision making. But this is also something that governments themselves can promote. Famous examples such as the Porto Alegre⁵³ participatory budgeting have had great impact elsewhere, and increasingly in the field of culture⁵⁴.

This has not been applied from a perspective of the cultural economy: perhaps Tasmania could take a lead not only in reframing the value and purpose of culture but on how this is to be translated into concrete policy priorities and actions. Here again the size of Tasmania work in its favour, facilitating the potential of a real dialogue. MONA's presence has opened up the space of debate about art and culture in Tasmania, though David Walsh also acknowledges "that it's a bullying big brother that always gets its own way". Opening up the debate is one way of both building on, and counterbalancing, the legacy of MONA.



6 v DECIDING CULTURAL VALUE

This report has stressed the need to start with cultural value and the maximization of possibilities to participate and make a living in producing culture, as a core value of an open, diverse democratic society. It has also suggested opening out participation, multiplying the voices involved in deciding how this culture is to be supported and promoted. However, this raises a key question as to who gets to decide these matters, what are the grounds on which judgment and evaluation are made? What does public policy or any public/ civil society agency have the right to make such judgment – will this not simply reflect their own taste?

As noted above (Section 2i) culture is used in two senses, as a 'way of life' or the meanings, customs, practices we share in common; and, second, as a particular set of objects and practices that are predominantly concerned with conveying (challenging, extending) meaning. The latter used to be called art, with its canons; the former, popular culture or everyday life. Art was separated out from everyday culture, and was often celebrated as the highest of human achievements but more recently damned as elitist, or locking away flows of creativity from everyday life. The expansion of cultural production and consumption since at least the 1950s means these categories are no longer distinct. The quality of 'art' is still with us but no longer confined to 'the arts'; everyday life involves constant and multiple aesthetic choices (clothes, décor, lifestyle, objects); much of popular culture is now far more influential and powerful than 'the arts'.

In response to these developments many social scientists suggested that all judgments were socially conditioned, reflecting a person's social status and interests⁵⁵. Postmodern theorists suggested it was all about interpretation and language games, with no objective reference or transcendental value. Neoliberal cultural policy concurred with both and has founded its cultural policy on individual choice at point of

consumption; the job of government is to facilitate access and choice and the rest is between you and your credit card. At the same time, contemporary media industries set out to create niche audiences based on ability to pay or their value to advertisers (or data aggregators).

The response has been along three broad lines.

First, a re-assertion of the public, collective value of culture, in the public information and aesthetic-emotional sense as outlined here. To repeat what was said above: Cultural goods (like education) are ‘meta-goods’ (often called by economists ‘merit goods’): they are the means whereby we learn to make informed choices and decisions, but ones in which individuals tend to significantly under-invest⁵⁶.

Second, an assertion of the specific qualities of the cultural object, which cannot be reduced to the subjective taste of the beholder. Mark Banks calls this objective respect: *To respect cultural objects and practices, by evaluating them in terms of their own objective qualities, as well their subjective apprehension and value.*

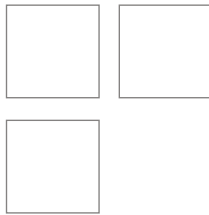
Respect for the object is what cultural professionals do; it is also what audiences, readers, players and listeners do all the time. Rather than see cultural preferences as a purely subjective act (conditioned by social class, or the random preference of the individual consumer) we need to examine the objective qualities of the object. Why choose this and not that; what qualities, what meanings are in the object or embodied in the practice. What inner logic is at work in these objects and practices, what meaning is being revealed in the pursuit of that logic.

Third, there used to be the canon, but now there are *canons* which consist of multiple and proliferating conversations and judgements. When we pay something objective respect, we are attending to the meanings we find in the object, and how adequately these express our relation to the world, but also how well they do their job of binding us, celebrating, challenging, making us reflect. When we say *this* is better at doing *that* than this is, then in this evaluation we are joining ourselves to others through that object. It is a conversation but mediated through an object, an object which has qualities and logics and dynamics that go beyond the artist’s intent or the audience’s subjective response, and which gives rise to conversation, disputes, reactions.

This is the on-going life of culture, and what, in the end, animates and drives those involved with it. How is this conversation organised and facilitated; who has voice, who can join in, and on what occasions? Is this not the task of cultural policy today – to promote the work and the conversations about the work as well as facilitate its production? Are these not part of the same thing?

7. Key Issues and Next Steps

Whatever new language and imaginary, it needs to be based on the reality of the sector in Tasmania. There are real challenges and there is a high potential to flourish, but any new approach must see the sectors basic contours, its everyday reality, as something to enhance not somehow to overcome and re-invent.



This report is not a detailed policy document but an attempt to outline the framework within which such a document might be developed. Part of that framework is an on-going dialogue with the cultural sector and its related stakeholders in which participation in the ultimate outcome is felt to be meaningful and not tokenistic. I would suggest this is best led by an intermediary organization but as facilitator and enabler not as another ‘gatekeeper’.

Growth: Not ‘one size fits all’

The report has had a lot to say about narrow economic indicators of ‘growth’, but increasing the prosperity, productivity (in all senses) and resilience of the cultural sector has to be a primary objective – in line with the value we expect from a cultural sector. Its job is to produce culture not to create jobs, even if we can’t have that culture without jobs.

Growing the cultural sector is complex because it includes a range of different ways in which it makes money – mass reproduction (physical and digital), live performance, B2B services, crafted and unique art objects and so on. It comes with a complex ecosystem of sole traders, small businesses, public sector institutions, and large corporations. To understand the challenges facing the Tasmanian cultural sector would require some further detailed research. Here we can highlight some key specific issues beyond those outlined above at length.

Inequality and Access

As noted above, this is a serious problem globally, and the cultural sector in general or in Australia has escaped this. This report has focused on the small scale and embedded nature of the cultural sector as part of the solution to inclusive growth, but this alone does not address the deficits amongst women, ethnic minorities, lower socio-economic groups and young people. This ought to be a priority both in research and policy.

Little and Large

This report has strongly argued against the *zero-sum* approach to the large entities versus the ‘grass-roots’. On the other hand, the rising tide clearly does not float all boats, as David Walsh admirably recognizes. This needs to be managed, or at least addressed.

The strategic significance of Hobart, and potentially Launceston, need to be clearly recognized: these urban centers are what makes the economic difference with other parts of regional Australia (as the TCCI report shows). Their size provides the connective intensity and a significant volume of global flows of ideas, people, money and media

that unpins a viable cultural sector. The role of large scale entities such as MONA, TSO, TMAG, ABC (and the Mercury) is also crucial here, and should be seen as organizers, enablers, catalysts and springboards for the smaller, grassroots sector.

MONA (in all its manifestations) has given rise to a whole new cultural ecosystem in which new possibilities and new spaces for cultural production, hospitality, urban interventions have emerged. But these need to be nurtured. As with tourism (see below) there needs to be concern for the smaller ecosystem (or ‘whole value chain’) in terms of planning, and voice, and economic benefit. In the cultural sector this might include tax/ profit transfer into a fund specifically targeted at such small scale production.

On the other hand, Tasmania might think of what other larger entities it might attract or host. These need not be expensive (the Writers’ Centre idea below) but they do need to be about a ‘progressive sense of place’ and respond ambitiously to Tasmania’s current cultural buoyancy.

Re-thinking Tourism

Understanding the economic and cultural dynamics of tourism, from the perspective of cultural production and consumption. What are the challenges of a growing visitor numbers? Does the focus on audience numbers as privileged metric distort the culture that is produced? How is Tasmania to avoid the effects witnessed in Barcelona or other major cultural tourism destinations? These include large scale urban infrastructure development – hotels, pedestrianized streets, restaurants, transport facilities, information and signage, and so on. As Miriam McGarry asked:

How then can future policies aiming to increase tourism to the state, equally support ‘the whole value chain’ of Tasmania as a destination? A cultural economy which includes small scale retailers, emerging artists, whisky producers, sound technicians, hoteliers, business owners, residents and visitors?⁵⁷

And, as outlined above: what can be done to increase quality, skills and earnings in the ‘Accommodation and food’ sector, and how can the cultural sector work with this⁵⁸.

Island costs

Understanding the limits to development from Tasmania’s island status. How far do freight costs affect the relevant sub-sectors?

Innovation

Notwithstanding the caveats this reports makes about culture as innovation, there needs to be research into barriers to this in terms of new kinds of cultural business. For example: is it purely fortuitous or related to metropolitan scale that *Redbubble* happened in Melbourne and not Hobart. One might ‘reverse engineer’ their success to understand this⁵⁸.

Education and Training

Tasmania’s bottom of the table performance in education is rightly identified by the TCCI report as a serious problem. This is especially so for the cultural sector. Our survey showed a real concern with diversity in the sector – access and equity being a key principle of cultural policy. Given the high levels of HE/FE educational qualification (around 70%) amongst cultural workers, this lack of diversity is not surprising. What are the economic and socio-cultural factors are involved here? How might they be overcome? This forms part of the wider concern with education as outlined in the TCCI report, but there are some specific issues in the cultural sector.

These do not just concern unequal access to HE/FE qualifications but the kinds of education and training offered. What kind of making skills training are available. What kind of arts and cultural training? How is the new Creative Industries Academy to adequately address these? Is the academically-inflected art school education introduced post-Dawkins fit for purpose?

Social Policy is Cultural Policy

All the evidence suggests that cultural workers earn less – sometimes far less – than the average (and women far less than that!). This is as true in Melbourne as it is in Launceston. As noted in the discussion of education, the sustainability of the cultural sector is as often related to the costs of living as it is the buoyancy of the cultural economy itself. Affordable housing, workspace, education, health care, public transport: all these are as important, often more so, for cultural ecologies as are grant schemes and the like. This chimes with what was said about about tourism and taking care of the grass roots: the creative ecosystem makes the state what it is, but it is always the first to be overlooked and the last to get its voice heard because planning and development is dominated by large-scale capital players.

Regional Tasmania

The TCCI report highlighted the distinctive nature of regional Tasmania, stemming from its pattern of historical development different from the capital city led growth of places like Victoria and South Australia. How can it benefit from the rise in the cultural buoyancy of the state? Food and drink production is crucial here, as are crafts and making (Culture Plus): how is this to be though outside arguments about subsidy?

Research

This report has tried to highlight the current state of research on the Tasmanian cultural economy: the known knowns and the known unknowns. It is easy for a university based researcher to call for more research, but in fact it is crucial to effective policy making. The caveat would be that this research is best conducted as part of a longer term partnership or partnerships rather than the snapshots provided by consultancies.

Next Steps

It was not felt appropriate at this stage to move into concrete recommendations. As the preceding observations should make clear, this is not about a few targeted interventions but a rethinking of what a creative industries strategy wants to achieve in Tasmania. It will involve a series of on-going conversations out of which a longer-term strategic vision will emerge. This, hopefully, is not just the kind of empty rhetoric that Don Watson so regularly and elegantly skewers! The issue is about communication and information flows within the sector and between it and government(s). It is about spaces of meaningful conversation where such a vision can be established. It is about research and expertise that can inform and help shape such a conversation.

This points to an intermediary organization that can perform five broad tasks.

1. Ascertain, aggregate and represent to government in a coherent way the views of the sector as to its needs and aspirations, as well as to articulate and contextualize governmental realities and dynamics in a language understandable to the sector.
2. Provide for and encourage channels of communication laterally within the sector – across different sub-sectors and across the island, perhaps through a series of networked organisations that may or may not exist.

3. Provide or broker spaces or forums within which the creative sector might exchange views and be exposed to new ideas, and also communicate with other sectors (tourism, education) in a structured way. This would include events such as *Undisciplined*, but also more regular meetings, events, master classes etc.
4. Identify and champion a number of key priority strategic initiatives for the sector, such as new approaches to training and education; one or two 'flagship' projects (such as Don Watson's idea of a Writers' Centre; or an enhanced network of theatre and dance spaces); an 'export' initiative aiming to help Tasmanian creatives look overseas; a drive to increase participation and diversity.
5. Identify and commission research into the sector, possibly in partnership with UTAS.

It would take such an intermediary organization to drive through a meaningful creative industries strategy. This will take some work; as we have seen there are many people against the idea of a single peak body and more who don't really know what that might mean. At the same time the calls for recognition, for more support, for a better valuation of what culture is – all these suggest a significant lack of a coherent voice at government level. This is, I can add, not at all uncommon. Whilst 'islandness' might breed a certain degree of competitiveness and resentment – there are a lot 'zero-sum' attitudes around funding – it can also provide a basis for a degree of solidarity which this sector often lacks, to its cost.

Finally, I would say that the particularity of the cultural sector Tasmania – its rootedness and identification with a particularly beautiful place; the clear sense that the sector is embedded in the wider social fabric (rather than the isolated 'creative class' of the metropolitan imagination); its evolving links with new kinds of food and drink produce, as well as crafts; the presence of MONA with a distinct and powerful global profile – suggests that it could begin a ground-breaking process of re-thinking creative/ cultural industries policy for the 21st century.

Notes

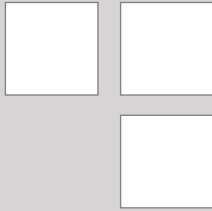
1. <http://www.uis.unesco.org/culture/Documents/framework-cultural-statistics-culture-2009-en.pdf>
2. cf: <https://www.acola.org.au/PDF/SAF01/6.%20Culture%20creativity%20cultural%20economy.pdf>
3. Howkins J (2001) *The Creative Economy. How People Make Money from Ideas*. London: Allen Lane.
4. For an excellent account of this see Kate Oakley (2009) 'The Disappearing Arts: creativity and innovation after the creative industries' *International Journal of Cultural Policy* 15:4: 403–413
5. Cf. Nesta (2012) *A Dynamic Mapping of the UK's Creative Industries*. Available at: <http://www.nesta.org.uk/publications/dynamic-mapping-uks-creative-industries>
6. For a more detailed discussion see: <https://www.acola.org.au/PDF/SAF01/6.%20Culture%20creativity%20cultural%20economy.pdf>
7. Raymond Williams (1980) *Culture and Materialism*. London: Verso. 20.
8. Maslow's 'hierarchy of needs' is the classic (and completely erroneous) model for this.
9. Two books amongst others: Justin Lewis (2013) *Beyond Consumer Capitalism*. Cambridge: Polity; Richard Denniss (2017) *Curing Affluenza: How to buy less stuff and save the world*. Melbourne: Black inc.
10. Nussbaum, Martha C, & Sen, Amartya (eds.). (1993). *The Quality of Life*. Oxford: Clarendon Press.
11. TCCI Tasmania Report: 35
12. <http://www.australiacouncil.gov.au/research/making-art-work/>
13. <https://theconversation.com/is-small-business-really-the-engine-room-of-australias-economy-60447>
14. Cf. Peter Fleming (2017) *The Death of Homo Economicus*. London: Pluto Press.
15. James Boyce (2009) *Van Diemen's Land*. Melbourne: Black Inc.
16. For all these reasons, urban connectivity is not – *pace* David Walsh's excellent article in *The Mercury* – reducible to mathematical modelling but depends on a whole series of configurations that grow out of, and contribute to, the specific qualities of place <http://www.themercury.com.au/news/tasmania/david-walsh-on-the-success-of-mona/news-story/536a9c13024f5c1d9b6ff3db8b9734de>
17. Richard Florida (2002) *The Rise of the Creative Class*. New York: Basic Books.
18. For culture viewed as a service sector see: <https://www.acola.org.au/PDF/SAF01/6.%20Culture%20creativity%20cultural%20economy.pdf>
19. Baumol, William and William Bowen (1966). *Performing Arts, The Economic Dilemma: a study of problems common to theater, opera, music, and dance*. New York: Twentieth Century Fund. The more traditional arts can't recoup expenditure through the economies of scale provided by mass reproduction; the labour required to perform, say, an opera, tends to remain the same and can't be replaced by capital machinery (though there are now many technological aides available to increase audience size, for example).

20. <http://www.themercury.com.au/news/tasmania/david-walsh-on-the-success-of-mona/news-story/536a9c13024f5c1d9b6ff3db8b9734de> Though this is only the case with certain cities. We would not expect the growth of say, Nairobi or even Shanghai, to mean they could now rival New York or London, both much smaller cities.
21. “There can only be one interaction pathway between two people, three between three, six between four, and 4,950 between 100. It grows, obviously, much faster than linearly”.
22. David Walsh suggests “the cultural sector is proxy for creativity”.
23. <http://ccspillovers.wikispaces.com/> cf. also: ESS-Net Culture (2012) (European Statistical system Network on Culture) Final Report, Luxembourg. http://ec.europa.eu/culture/library/reports/ess-netreport_en.pdf p.373-5
24. Cf. Kate Oakley (2009) ‘The Disappearing Arts: creativity and innovation after the creative industries’ *International Journal of Cultural Policy* 15:4: 403-413
25. OECD (2017) Time to act, https://www.oecd.org/inclusive-growth/Policy_Brief_Time_to_Act.pdf
IMF (2017) Fostering inclusive growth; <https://www.imf.org/external/np/g20/pdf/2017/062617.pdf>
RSA (2017) Making our economy work for everyone, <https://www.thersa.org/discover/publications-and-articles/reports/final-report-of-the-inclusive-growth-commission>
26. An extended discussion of this can be found in Grodach, C., O’Connor, J. and Gibson, C. (2017) ‘Manufacturing and cultural production: Towards a progressive policy agenda for the cultural economy’, *City, Culture and Society*, <http://dx.doi.org/10.1016/j.ccs.2017.04.003>
27. Cf. Susan Luckman (2015) *Craft and the Creative Economy*. New York: Palgrave Macmillan.
28. Cf. www.igcat.org and www.europeanregionofgastronomy.org
29. ‘The Maker Economy in Action: Entrepreneurship and Supportive Ecosystems in Chicago, New York and Portland’. https://www.researchgate.net/publication/309736635_The_Maker_Economy_in_Action_Entrepreneurship_and_Supportive_Ecosystems_in_Chicago_New_York_and_Portland_EXECUTIVE_SUMMARY
30. Bell, D. and M. Jayne (2010) ‘The creative countryside: policy and practice in the UK rural cultural economy’. *Journal of Rural Studies* 26 (3) pp. 209-218; Harvey, D.C., Hawkins, H. and Thomas, N.J. (2012) ‘Thinking creative clusters beyond the city: People, places and networks’. *Geoforum* 43: 529-539; Herslund, L. (2012) ‘The rural creative class: counterurbanisation and entrepreneurship in the Danish countryside’. *Sociologia Ruralis* 52 (2) pp. 23(5-255); Luckman, S (2012) *Locating Cultural Work: the politics and poetics of rural, regional and remote creativity*, London: Palgrave Macmillan; Thomas, N.J., D.C. Harvey and H. Hawkins (2013) ‘Crafting the region: creative industries and practices of regional space’. *Regional Studies* 47 (1) pp. 75-88
31. <http://www.themercury.com.au/news/tasmania/david-walsh-on-the-success-of-mona/news-story/536a9c13024f5c1d9b6ff3db8b9734de>
32. For smaller cities cf. Waitt, G. and Gibson, C. (2009) Creative small cities: Rethinking the creative economy in place. *Urban Studies* 46(5&6): 1223-1246. For suburbs Cf. Gibson, C., Brennan-Horley, C., Laurenson, B., Riggs, N., Warren, A., Gallan, B. and Brown, H. (2012) Cool places, creative places? Community perceptions of cultural vitality in the suburbs. *International Journal of Cultural Studies* 15(3): 28-302.

33. Thomas Piketty (2014) *Capitalism in the 21st Century*. Cambridge, Mass.: Belnap Press
34. OECD (2017) Time to act https://www.oecd.org/inclusive-growth/Policy_Brief_Time_to_Act.pdf
IMF (2017) Fostering inclusive growth; <https://www.imf.org/external/np/g20/pdf/2017/062617.pdf>
RSA (2017) Making our economy work for everyone; <https://www.thersa.org/discover/publications-and-articles/reports/final-report-of-the-inclusive-growth-commission>
35. UNESCO (2013) Creative Economy Report <http://www.unesco.org/culture/pdf/creative-economy-report-2013.pdf>
DCMS (2016) Inclusive Economy Unit <https://www.gov.uk/government/news/government-announces-inclusive-economy-unit>
<http://www.ahrc.ac.uk/documents/project-reports-and-reviews/cultural-value-and-inequality-a-critical-literature-review/>
36. On the other hand, these claims for the creative SME economy were often displaced, from the turn of the millennium, by the idea of the ‘start-up’ economy. Here young entrepreneurs, running on ideas and energy, were able to challenge and ‘disrupt’ existing business models and industry configurations, thereby growing rapidly as they captured market share in a new post-disrupted landscape. This ‘imaginary’ came to dominate much creative industries argumentation, as the primary contribution of the sector came to be seen less as culture and more as ‘innovation’, and their rapid statistical growth (mostly in software and computing and in related design services) held as a model against which some sectors – like the arts – were found to be wanting.
37. Cf. Andy C. Pratt (2017) Beyond resilience: learning from the cultural economy, *European Planning Studies*, 25:1, 127-139
38. Cf Nick Srnicek and Alex Williams: Dismissing ‘folk politics’ as “privileging the small scale, the authentic, the traditional and the natural’ at the expense of more global thinking” *Inventing the Future: Postcapitalism and a World Without Work*. London: Verso 2016.
39. Miriam McGarry (2017). ‘She’ll be Apples.’ *Island Magazine*. Edition 151: 52
Cf. Doreen Massey (1994) *Place, Space and Gender*. University of Minnesota, Minneapolis. p. 156
40. “Report by the commission on the measurement of economic performance and social progress”. Paris. September 2009.
41. Miriam McGarry (2017). ‘She’ll be Apples.’ *Island Magazine*. Edition 151: 52
42. An argument made by Karl Polanyi, now coming back into fashion: Polanyi, K. (1957) *The Great Transformation: The Political and Economic Origins of Our Time*. Boston, MA: Beacon.
43. Matt Ridley (2011) *The Rational Optimist: How Prosperity Evolves*. New York: Harper Collins.
44. Amartya Sen (1999) *Development as Freedom*. Oxford University Press.
45. Russell Keat (2000). *Cultural Goods and the Limits of the Market: Beyond Commercial Modelling*. Houndmills, Basingstoke: Macmillan Press.
46. See the forthcoming thesis by Miriam McGarry conducting under auspices of the MONA Effect project out of Utas.
47. Anna Krien 2012 *Into the Woods*. Melbourne: Black Inc.: 297
48. <https://www.gov.uk/government/publications/independent-rviev-of-the-creative-industries>

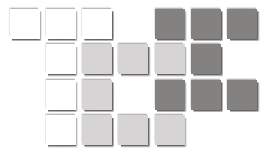
49. Two examples Cf. Anna Krien 2012 *Into the Woods*. Melbourne: Black Inc.: 297; James Boyce (2017) *Losing Streak: How Tasmania was Gamed by the Gambling Industry*. Melbourne: Redback
50. <http://www.bbc.co.uk/programmes/p033smwp>
51. Mark Banks (2017) *Creative Justice: Cultural Industries, Work and Inequality*. London: Rowman and Littlefield.
52. For example: Justin O'Connor and Xin Gu (2013) 'Developing a Creative Cluster in a Post-industrial City: CIDS and Manchester' in Flew, T. (ed.) *Creative Industries and Urban Development: Creative Cities in the 21st Century*. London: Routledge. pp. 43-55
53. https://en.wikipedia.org/wiki/Participatory_budgeting
54. <http://www.participatory-governance-in-culture.net/about>
55. Pierre Bourdieu foremost amongst them: (1984) *Distinction, or a Social Critique of the Judgement of Taste*. London: Routledge Kegan and Paul.
56. Russell Keat (2000). *Cultural Goods and the Limits of the Market: Beyond Commercial Modelling*. Houndmills, Basingstoke: Macmillan Press.
57. Miriam McGarry (2017). 'She'll be Apples.' *Island Magazine*. Edition 151: 52
58. Cf. Australian Innovation System Report 2017. www.industry.gov.au/innovation-report p. 66

APPENDIX



Appendix A Cultural Industry Mapping Study 2017

The following appendix provides the qualitative research data.



TASMANIAN CREATIVE INDUSTRIES

